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SENATE BILL No. 118

Proposed Changes to introduced printing by AM011802

DIGEST OF PROPOSED AMENDMENT

Rental agreement termination. Clarifies that an owner of a self-storage facility may not provide a certain notice to a renter to terminate or end a contract renewal if the renter is subject to lien enforcement. Increases the period of time for which an owner may dispose of personal property remaining in a rental unit from 15 to 30 days after notice of termination of the rental agreement has been provided to the renter.

A BILL FOR AN ACT to amend the Indiana Code concerning commercial law.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 26-3-8-3, AS AMENDED BY P.L.144-2014,
2 SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2026]: Sec. 3. As used in this chapter, "last known address"
4 means the postal address or electronic mail address provided to the
5 owner by the renter:
6 (1) for the purposes of the latest rental agreement; or
7 (2) **subject to the requirements in the rental agreement**, in a
8 written notice of a change of postal address or electronic mail
9 address after the latest rental agreement.
10 SECTION 2. IC 26-3-8-12, AS AMENDED BY P.L.93-2023,
11 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
12 JULY 1, 2026]: Sec. 12. (a) After a renter has been in default
13 continuously for at least five (5) days, an owner may begin enforcement
14 of the owner's lien under this chapter.
15 (b) An owner enforcing the owner's lien under this chapter may:
16 (1) deny the renter access to the self-service storage facility,
17 including access to the rented space; and

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(2) move the renter's personal property from the rented space to another storage space pending the redemption, sale, or other disposition of the personal property under this chapter.

(c) An owner enforcing the owner's lien shall send the renter, by electronic mail or verified mail and addressed to the last known address of the renter, a written notice that includes:

(1) an itemized statement of the owner's claim showing the amount due at the time of the notice and the date when the amount became due;

(2) a demand for payment of the amount due before a specified time at least thirty (30) days after the date of the mailing of the notice;

(3) a statement that the contents of the renter's rented space are subject to the owner's lien;

(4) a statement advising the renter that the owner has denied the renter access to the rented space, if the owner has done this under subsection (b);

(5) a statement advising the renter that the owner has removed the renter's personal property from the rented space to another suitable storage space, if the owner has done this under subsection (b);

(6) the name, street address, and telephone number of the owner or of any other person the renter may contact to respond to the notice; and

(7) a conspicuous statement that unless the owner's claim is paid within the time stated under subdivision (2), the personal property:

(A) will:

(i) be advertised to be sold in a manner permitted under section 15 of this chapter; or

(ii) be otherwise disposed of;

at a specified place (if applicable) and time, which must be at least sixty (60) days after the renter's default; or

(B) will be disposed of in the manner described in subsection (d), if:

(i) the renter's personal property stored in the rented space is a motor vehicle, trailer, or watercraft; and

space is a motor vehicle, trailer, or watercraft, and

(ii) the owner chooses to dispose of the renter's motor vehicle, trailer, or watercraft in the manner permitted under subsection (d).

(d) If:

(1) the renter's personal property stored in the rented space is a

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motor vehicle, trailer, or watercraft; and
(2) the renter does not pay the owner's claim within the time specified in subsection (c)(2) **or is in default for at least sixty (60) days;**

as an alternative to conducting a sale under section 15 of this chapter, the owner may cause the renter's motor vehicle, trailer, or watercraft to be towed or removed from the self-service storage facility.

(e) Any sale or other disposition of the personal property undertaken by the owner to enforce the owner's lien must be conducted in the same manner, and at the same place (if applicable) and time, specified by the owner in the notice given under subsection (c)(7).

SECTION 3. IC 26-3-8-16, AS AMENDED BY P.L.144-2014, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2026]: Sec. 16. (a) This chapter does not impair the power of the parties to a rental agreement to create rights, duties, or obligations that do not arise from this chapter. The rights provided to an owner by this chapter are in addition to all other rights provided by law to a creditor against a debtor.

(b) A rental agreement may specify a limit on the value of personal property that may be stored in a renter's rented space. If a rental agreement specifies a limit on the value of stored personal property under this subsection, the limit specified in the rental agreement is considered the maximum value of the renter's personal property stored in the renter's rented space.

(c) If a person does not sign a rental agreement delivered by the owner to the person:

- (1) in person;
- (2) by electronic mail; or
- (3) by first class mail the address of the person;

the person's continued use of a storage space at the self-service storage facility for thirty (30) or more days from the date that the owner delivered the rental agreement to the person shall constitute an acceptance of the rental agreement as though it had been signed by the person.

(d) ~~A~~ Subject to subsection (i), an owner may terminate or choose not to renew a rental agreement between the owner and a renter if the owner:

(1) delivers a written notice to the renter:

- (A) in person;
- (B) by electronic mail; or
- (C) by verified mail that i



1 address of the renter;
2 informing the renter of the termination or nonrenewal of the
3 rental agreement; and
4 (2) provides a renter not less than fifteen (15) days after the
5 owner delivers to the renter the written notice described in
6 subdivision (1) to remove all of the renter's personal
7 property from the rented space.

11 (f) Prior to a former renter's removal of all of the former
12 renter's personal property from a self-service storage facility, but
13 after the owner has delivered the written notice described in
14 subsection (d)(1), the owner may place reasonable restrictions on
15 the former renter's access to the self-service storage facility and
16 any storage space located at the self-service storage facility,
17 including denying the former renter access to the self-service
18 storage facility and any storage space located at the self-service
19 storage facility for any purpose other than the former renter's
20 removal of all of the former renter's personal property from the
21 self-service storage facility.

36 **(i) An owner may not deliver a notice under subsection (d) or**
37 **take action under subsection (f) or (g) if the renter is subject to lien**
38 **enforcement under section 12 of this chapter.**

39 (ii) A rental agreement may be delivered and executed
40 electronically.]

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