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CONSENT

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Bill No: AB 498  
Author: Michelle Rodriguez (D)  
Amended: 3/17/25 in Assembly  
Vote: 21

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SENATE JUDICIARY COMMITTEE: 13-0, 7/15/25

AYES: Umberg, Niello, Allen, Arreguín, Ashby, Caballero, Durazo, Laird, Stern, Valladares, Wahab, Weber Pierson, Wiener

ASSEMBLY FLOOR: 76-0, 4/1/25 (Consent) - See last page for vote

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**SUBJECT:** Self-service storage facilities: lien notices: email

**SOURCE:** California Self-Storage Association  
Self-Storage Association

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**DIGEST:** This bill permits a self-storage facility to deliver specified notices of delinquent rent payments and a lien sale to a renter by email if there is evidence demonstrating that the renter downloaded, printed, viewed, opened, or otherwise acknowledged receipt of the notice.

**ANALYSIS:**

Existing law:

- 1) Establishes the California Self-Storage Facilities Act to regulate the rental agreements between a self-storage facility and a renter of a storage unit, specify how a self-storage facility may sell a renter's personal property for non-payment of rent and other charges, and specify limits on allowable late payment fees and other rules regarding self-storage facilities. (Business & Professions Code (Bus. & Prof. Code) §§ 21700 et seq.)
- 2) Specifies that an owner of a self-storage facility or their heirs or successors hold a lien on a renter's personal property located in a storage unit, for the purposes of recovering any owed rent payments, labor costs, late payment fees, expenses

for holding and disposing of the property, or other charges incurred pursuant to the rental agreement. (Bus. & Prof. Code § 21702.)

- 3) Requires every contract for the rental or lease of individual storage space in a self-service storage facility to be in writing and to contain a statement that the occupant's property will be subject to a claim of lien and may even be sold to satisfy the lien if the rent or other charges due remain unpaid for 14 consecutive days. (Bus. & Prof. Code § 21712 (a).)
- 4) Provides that a self-storage facility may terminate a renter's right to use the storage unit if rent or other charges remain unpaid after 14 consecutive days, the facility sends the renter a specified notice of the delinquent payments and the timeline by which the facility may deny the renter access to the unit and sell the contents, and the owed charges are not paid within 14 days of the mailing of the notice. (Bus. & Prof. Code §§ 21703-21705.)
  - a) Provides that, at the end of the 14-day period after the initial notice is mailed to the renter, the lien attaches, and the facility may deny the renter access to the unit, and the owner of the facility may enter the unit and remove any property to a place for safekeeping, if the rent remains unpaid. (Bus. & Prof. Code § 21705.)
  - b) Specifies that, once the owner of the facility has taken those actions, they must mail the renter a blank declaration of opposition to the lien sale and a notice of lien sale that states, among other things, that the property in the unit may be sold after a specified date not less than 14 days from the mailing of the lien sale notice. (Bus. & Prof. Code § 21705(b).)
- 5) Specifies that, if a declaration of opposition to the lien sale is not received by the owner of the facility, or is withdrawn, before the specified date in the notice of lien sale, the owner may sell the renter's property. (Bus. & Prof. Code § 21706.)
- 6) Declares, If a declaration of opposition to the lien sale is received, the owner of the facility may only enforce the lien through civil court or a small claims court. (Bus. & Prof. Code § 21710.)
- 7) Specifies that, for the process of selling property after expiration of the time in the notice of lien pursuant to Business and Professions Code Section 21705, an advertisement of sale must be published before the sale in either of the following ways: by once per week for two consecutive weeks in a newspaper of general circulation published in the public notice district where the sale is to be

held, or in the county where the self-service storage facility is located; once in a newspaper of general circulation published in the public notice district where the sale is to be held or in the county where the self-service storage facility is located; and once on any publicly accessible internet website that customarily conducts or advertises online auctions or sales, on which the advertisement must remain for at least 7 days. If there is no newspaper of general circulation published in the public notice district where the sale is to be held or the county where the self-storage facility is located, requires the advertisement be posted at least 10 days before the sale in at least six conspicuous places in the neighborhood of the proposed sale. (Bus. & Prof Code § 21707.)

- 8) Specifies that, minus the amount of the lien and costs of the sale, the owner must retain the excess proceeds of the sale on the occupant's behalf, to be claimed by the occupant or other person within one year of the sale, after which the remaining proceeds must be paid to the treasury of the county in which the sale was held. (*Id.*)
- 9) Provides that the required notices, as specified, may be sent to the occupant at their provided electronic mail address only if: the rental agreement states that lien notices may be sent to the occupant and the alternate address by electronic mail; and the occupant provides a written signature on the rental agreement consenting to receive lien notices by electronic mail. (Bus. & Prof. Code § 21712(c).)
- 10) Requires that a self-storage facility may only provide the lien notices electronically if it can demonstrate actual delivery and receipt through one of the following methods:
  - a) The renter acknowledges receipt of the electronic transmission by executing an electronic signature, as defined;
  - b) The notice is posted on the self-storage facility's secure internet website, and there is evidence demonstrating that the renter logged onto the website and downloaded, printed, viewed, or otherwise acknowledged receipt of the notice;
  - c) the notice is transmitted to the renter through a website application that is secured by a password, biometric identifier, or other technology, and there is evidence demonstrating that the renter logged into the application and viewed or otherwise acknowledged receipt of the notice; or

d) the renter acknowledges receipt of the electronic transmission by replying to the email, and there is delivery path evidence that the reply was sent from the renter's email address. (Bus. & Prof. Code § 21712(c)(2).)

11) Specifies that, if the self-storage facility is unable to demonstrate actual delivery and receipt of the lien notice, it must resend the notice by mail, as provided. (Bus. & Prof. Code § 21712(c)(3).)

This bill removes the option described in (10)(b), above, for demonstrating actual delivery and receipt of a lien notice sent by electronic communication, and replaces it with the option that the self-storage facility deliver the notice to the renter's email address, and there is evidence demonstrating that the renter downloaded, printed, viewed, opened, or otherwise acknowledged receipt of the notice.

**FISCAL EFFECT:** Appropriation: No Fiscal Com.: No Local: No

**SUPPORT:** (Verified 8/14/25)

California Self-Storage Association (source)  
Self-Storage Association (co-source)

**OPPOSITION:** (Verified 8/14/25)

None received

### **ARGUMENTS IN SUPPORT:**

According to the California Self-Storage Association and the Self-Storage Association, which are the sponsors of AB 498:

To provide the appropriate context, we believe that it would be helpful to briefly explain the legislative history of the email notice requirements. In 2017, the California Legislature enacted AB 1108 (Daly).

This bill authorized storage owners to send statutory notices by electronic mail, provided the owners and occupants met the requirements described in detail under the next header and the owner can demonstrate actual delivery and receipt of the notice. Significantly, the Legislature adopted the methods for demonstrating actual delivery and receipt from the Insurance Code section 38.6(b)(7). To the best of our knowledge, no storage owner could meet the requirements for demonstrating actual delivery and receipt when AB 1108 was passed in 2007.

When AB 1108 was under consideration, the Legislature expressed some apprehension about adopting email technology for important statutory notices to consumers citing concerns about proof of receipt. Therefore, a sunset was included to give the Legislature an opportunity to evaluate the use and effectiveness of electronic notice in the self storage context before allowing it in perpetuity.

As the Legislature became more comfortable with the use of email, discussions ensued about eliminating the sunset. Eliminating the sunset was initially sidetracked by the pandemic, and the Legislature instead opted for a two-year extension from January 1, 2021 to January 1, 2023. Leading up to the January 1, 2023 sunset, AB 2960 (Judiciary) eliminated the sunset. The option for the owner to send, and the occupant to consent to and receive, statutory lien notices by electronic mail is now permanent. However, as explained below, the email requirements have proved unworkable for storage owners.

### **Requirements Before Sending Notices Electronically**

Stepping back to the beginning of the rental process for a moment, when the occupant rents storage space, the owner may provide the occupant with the option to consent to receive statutory notices by email. If the owner provides this option, California Bus. & Prof. Code section 21712(c) requires that the owner and occupant meet several requirements for notices sent by email to be considered legally valid.

First, the rental agreement must state that statutory notices may be sent to the occupant and to the occupant's alternate contact by electronic mail. Second, the occupant must provide a written signature on the rental agreement consenting to receive statutory notices by electronic mail. Third, if the owner sends notice by email, the owner must demonstrate actual delivery and receipt of that notice by the occupant. If any of these requirements is not met, the owner must send notice by certified mail or U.S. mail with certificate of mailing.

Looking at the third requirement more closely, an owner may demonstrate actual delivery and receipt by one of the following methods:

- The occupant acknowledges receipt of the electronic transmission of the document by executing

an electronic signature, which is defined as an electronic sound, symbol, or process attached to, or logically associated with, an electronic record and executed or adopted by a person with the intent to sign the electronic record;

- The document is posted on the owner's secure Internet Web site, and there is evidence demonstrating that the occupant logged onto the licensee's secure Internet Web site and downloaded, printed, viewed, or otherwise acknowledged receipt of the document; or
- The document is transmitted to the occupant through an application on a personal electronic device that is secured by password, biometric identifier, or other technology, and there is evidence demonstrating that the occupant logged into the application and viewed or otherwise acknowledged receipt of the document.

If the owner is unable to demonstrate actual delivery and receipt by one of these methods, the owner must send notice by certified mail or U.S. mail with certificate of mailing, regardless of the occupant's consent and preferences.

### **The Gap in Current Law and the Benefits of AB 498**

Since the passage of AB 1108 in 2017, the self storage industry has seen very few storage owners with the financial resources or technical know-how to develop email systems that allow them to demonstrate actual delivery and receipt using one of the methods set forth in Bus. & Prof. Code 21702(c).

Before filing AB 498, the sponsors spoke with most of the top ten self storage owners in California. Nearly all these owners stated that they do not use email for statutory notices because they cannot comply with the actual delivery and receipt requirements in current law. Only one large owner appears to have a proprietary email system that allows them to demonstrate actual delivery and receipt in conformity with existing law. If the largest owners in the industry are unable to meet the actual delivery and receipt requirements, it is highly improbable that the small mom-and-pop owners that own most of the self storage locations in California can meet the requirements either.

Moreover, one owner shared that about 60% of their customers nationally consent to email notification. This owner does not ask for consent in California because they cannot comply with the actual delivery and receipt

requirements but expects that California customers would consent to email notification at rates similar to tenants in other states.

The gap between consumer preferences and the law's current methods for demonstrating actual delivery and receipt led our organizations to sponsor AB 498. AB 498, as amended, proposes to close the gap while retaining robust consumer protections.

AB 498, as amended, would remove the requirement to post the notice on the owner's secure Internet website and replace it with the requirement to deliver the notice to the occupant's email address, while adding the option to show that the notice was opened, as follows:

The document is posted on the owner's secure Internet Web site *delivered to the occupant's email address*, and there is evidence demonstrating that the occupant logged onto the licensee's secure Internet Web site and downloaded, printed, viewed, *opened*, or otherwise acknowledged receipt of the document . . .

Importantly, this change would not reduce any consumer protections. Instead, it would allow owners to use commercially available email systems, which typically indicate when an email has been "opened," to meet consumer preferences to receive notice by email. We believe that the changes in AB 498, as amended, strike the proper balance between evolving consumer preferences and business operations.

### **Responding to Potential Concerns**

As noted above, previously, the Legislature had expressed some apprehension about adopting email technology for important statutory notices to consumers citing concerns about proof of receipt. However, the existing consumer protections in Bus. & Prof. Code section 21712(c) and the broader options for owners to use commercially available email systems would allow owners to meet consumer preferences while ensuring that occupants still expressly consent to email notification and actually receive such notifications. Therefore, California self storage owners and occupants should be able to choose an additional method of email delivery and receipt that is more accessible to them.

ASSEMBLY FLOOR: 76-0, 4/1/25

AYES: Addis, Aguiar-Curry, Ahrens, Alanis, Arambula, Ávila Farías, Bains, Bauer-Kahan, Berman, Boerner, Bonta, Bryan, Calderon, Caloza, Carrillo,

Castillo, Chen, Connolly, DeMaio, Dixon, Elhawary, Ellis, Essayli, Flora, Fong, Gabriel, Gallagher, Garcia, Gipson, Jeff Gonzalez, Mark González, Hadwick, Haney, Harabedian, Hart, Hoover, Irwin, Jackson, Kalra, Krell, Lackey, Lee, Lowenthal, Macedo, McKinnor, Muratsuchi, Nguyen, Ortega, Pacheco, Papan, Patel, Patterson, Pellerin, Petrie-Norris, Quirk-Silva, Ramos, Ransom, Celeste Rodriguez, Michelle Rodriguez, Rogers, Blanca Rubio, Sanchez, Schiavo, Schultz, Sharp-Collins, Solache, Soria, Stefani, Ta, Tangipa, Valencia, Wallis, Ward, Wilson, Zbur, Rivas

NO VOTE RECORDED: Alvarez, Bennett, Davies, Wicks

Prepared by: Ian Dougherty / JUD. / (916) 651-4113  
8/18/25 20:45:28

\*\*\*\* END \*\*\*\*