

AMENDED IN ASSEMBLY MAY 15, 2001

AMENDED IN ASSEMBLY MAY 1, 2001

AMENDED IN ASSEMBLY APRIL 16, 2001

CALIFORNIA LEGISLATURE—2001–02 REGULAR SESSION

**ASSEMBLY BILL**

**No. 1656**

**Introduced by Assembly Member Goldberg**

February 23, 2001

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An act to amend Section 21701.1 of, and to add Section 21701.2 to, the Business and Professions Code, and to amend Section 5109 of, and to add Section 5139.5 to, the Public Utilities Code, relating to household goods.

LEGISLATIVE COUNSEL'S DIGEST

AB 1656, as amended, Goldberg. Self-service storage facilities: household goods.

~~(1) Existing law provides that the transportation of individual storage containers to and from a self-service storage facility by the owner or operator of a self-service storage facility or a household goods carrier that he or she owns or operates is not subject to regulation by the Public Utilities Commission under the Household Goods Carriers Act.~~

~~This bill would instead provide that this activity is, with specified exceptions, subject to regulation by the Public Utilities Commission.~~

~~(2) Existing~~

*Existing* law defines household goods carrier for purposes of regulation by the Public Utilities Commission. Existing law authorizes the commission to establish rules for household goods carriers.

~~This bill would expand the definition of household goods carrier to include used household goods in containers. The~~

*This bill would require the commission to adopt regulations requiring specified self-service storage facilities, to register with the commission and would require them to register with the commission.*

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

*The people of the State of California do enact as follows:*

1 SECTION 1. Section 21701.1 of the Business and Professions  
2 Code is amended to read:

3 21701.1. (a) The owner or operator of a self-service storage  
4 facility or a household goods carrier, may, for a fee, transport  
5 individual storage containers to and from a self-service storage  
6 facility that he or she owns or operates. This transportation activity  
7 ~~shall be subject to regulation under Chapter 7 (commencing with~~  
8 ~~Section 5101) of Division 2 of the Public Utilities Code unless~~  
9 ~~proof of compliance with the following or any other requirements~~  
10 ~~established by the Public Utilities Commission is provided to the~~  
11 ~~satisfaction of the Public Utilities Commission; , whether~~  
12 ~~performed by an owner, operator, or carrier, shall not be deemed~~  
13 ~~transportation for compensation or hire as a business of used~~  
14 ~~household goods and is not subject to regulation under Chapter 7~~  
15 ~~(commencing with Section 5101) of Division 2 of the Public~~  
16 ~~Utilities Code, provided that all of the following requirements are~~  
17 ~~met:~~

18 (1) The fee charged (A) to deliver an empty individual storage  
19 container to a customer and to transport the loaded container to a  
20 self-service storage facility or (B) to return a loaded individual  
21 storage container from a self-service storage facility to the  
22 customer does not exceed one hundred dollars (\$100).

23 (2) The owner, operator, or carrier, or any affiliate of the owner,  
24 operator, or carrier, does not load, pack, or otherwise handle the  
25 contents of the container.

26 (3) The owner, operator, or carrier is registered under Chapter  
27 2 (commencing with Section 34620) of Division 14.85 of the  
28 Vehicle Code or holds a permit under Chapter 7 (commencing with  
29 Section 5101) of Division 2 of the Public Utilities Code.



(4) The owner, operator, or carrier has procured and maintained cargo insurance in the amount of at least twenty thousand dollars (\$20,000) per shipment. Proof of cargo insurance coverage shall be maintained on file and presented to the Department of Motor Vehicles or Public Utilities Commission upon written request.

(5) The owner, operator, or carrier shall disclose to the customer in advance the following information regarding the container transfer service offered, in a written document separate from others furnished at the time of disclosure:

(A) A detailed description of the transfer service, including a commitment to use its best efforts to place the container in an appropriate location designated by the customer.

(B) The dimensions and construction of the individual storage containers used.

(C) The unit charge, if any, for the container transfer service that is in addition to the storage charge or any other fees under the rental agreement.

(D) The availability of delivery or pickup by the customer of his or her goods at the self-service storage facility.

(E) The maximum allowable distance, measured from the self-service storage facility, for the initial pickup and final delivery of the loaded container.

(F) The precise terms of the company's right to move a container from the initial storage location at its own discretion and a statement that the customer will not be required to pay additional charges with respect to that transfer. The storage company shall obtain the customer's written acknowledgement that this type of move might occur and provide the customer an opportunity to refuse this type of move *unless the facility in which the customer's goods are stored is to be closed*.

(G) Conspicuous disclosure in bold text of the allocation of responsibility for the risk of loss or damage to the customer's goods, including any disclaimer of the company's liability, and the procedure for presenting any claim regarding loss or damage to the company.

The disclosure of terms and conditions required by this subdivision, and the rental agreement, shall be received by the customer a minimum of 72 hours prior to delivery of the empty individual storage container; however, the customer may, in

1 writing, knowingly and voluntarily waive that receipt. The  
2 company shall record in writing, and retain for a period of at least  
3 six months after the end of the rental, the time and method of  
4 delivery of the information, any waiver made by the customer, and  
5 the times and dates of initial pickup and redelivery of the  
6 containerized goods.

7 (6) No later than the time the empty individual storage  
8 container is delivered to the customer, the company shall provide  
9 the customer with an informational brochure containing the  
10 following information about loading the container:

11 (A) Packing and loading tips to minimize damage in transit.

12 (B) A suggestion that the customer make an inventory of the  
13 items as they are loaded and keep any other record (for example,  
14 photographs or videotape) that may assist in any subsequent  
15 claims processing.

16 (C) A list of items that are impermissible to pack in the  
17 container (for example, flammable items).

18 (D) A list of items that are not recommended to be packed in  
19 light of foreseeable hazards inherent in the company's handling of  
20 the containers and in light of any limitation of liability contained  
21 in the rental agreement.

22 (b) Pickup and delivery of the individual storage containers  
23 shall be on a date agreed upon between the customer and the  
24 company. If the company requires the customer to be physically  
25 present at the time of pickup, the company shall in fact be at the  
26 customer's premises prepared to perform the service not more than  
27 four hours later than the scheduled time agreed to by the customer  
28 and company, and in the event of a preventable breach of that  
29 obligation by the company, the customer shall be entitled to  
30 receive a penalty of fifty dollars (\$50) from the company and to  
31 elect rescission of the rental agreement without liability.

32 (c) No charge shall be assessed with respect to any movement  
33 of the container between self-service storage facilities by the  
34 company at its own discretion, nor for the delivery of a container  
35 to a customer's premises if the customer advises the company, at  
36 least 24 hours before the agreed time of container dropoff, orally  
37 or in writing, that he or she is rescinding the request for service.

38 (d) For purposes of this chapter, "individual storage  
39 container" means a container that meets all of the following  
40 requirements:

1 (1) It shall be fully enclosed and locked.

2 (2) It contains not less than 100 and not more than 1,100 cubic  
3 feet.

4 (3) It is constructed out of a durable material appropriate for  
5 repeated use. A box constructed out of cardboard or a similar  
6 material shall not constitute an individual storage container for  
7 purposes of this section.

8 (e) Nothing in this section shall be construed to limit the  
9 authority of the Public Utilities Commission to investigate and  
10 commence an appropriate enforcement action pursuant to Chapter  
11 7 (commencing with Section 5101) of Division 2 of the Public  
12 Utilities Code against any person transporting household goods in  
13 individual storage containers in a manner other than that described  
14 in this section.

15 SEC. 2. Section 21701.2 is added to the Business and  
16 Professions Code, to read:

17 21701.2. Every self-service storage facility ~~defined in Section~~  
18 ~~21701~~ *that engages in transportation of individual storage*  
19 *containers pursuant to Section 21701.1* shall register with the  
20 Public Utilities Commission in accordance with the regulations  
21 established by the commission.

22 SEC. 3. Section 5109 of the Public Utilities Code is amended  
23 to read:

24 5109. "Household goods carrier" includes every corporation  
25 or person, their lessees, trustee, receivers or trustees appointed by  
26 any court whatsoever, engaged in the transportation for  
27 compensation or hire as a business by means of a motor vehicle or  
28 motor vehicles being used in the transportation of used household  
29 goods, ~~used household goods in containers~~, and personal effects  
30 over any public highway in this state.

31 SEC. 4. Section 5139.5 is added to the Public Utilities Code,  
32 to read:

33 ~~5139.5.—In order to protect consumer interests and to promote~~  
34 ~~the efficient movement of used household goods in containers to~~  
35 ~~and from self-service storage facilities, the commission shall adopt~~  
36 ~~regulations requiring all self-service storage facilities to register~~  
37 ~~with the commission.~~

38 5139.5. *In order to monitor whether individual storage*  
39 *containers are transported in violations of Chapter 7*  
40 *(commencing with Section 5101) of Division 2 of the Public*

- 1 *Utilities Code, the commission shall adopt regulations requiring*
- 2 *those self-service storage facilities described in Section 21701.2*
- 3 *to register with the commission.*

