

Assembly Bill No. 1656

Passed the Assembly September 6, 2001

Chief Clerk of the Assembly

Passed the Senate September 4, 2001

Secretary of the Senate

This bill was received by the Governor this _____ day of
_____, 2001, at _____ o'clock __M.

Private Secretary of the Governor

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CHAPTER _____

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, Goldberg. Self-service storage facilities: household goods.

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 require the commission to adopt regulations requiring specified self-service storage facilities to register with the commission and would require the commission to accept and attempt to help resolve consumer complaints regarding these self-service storage facilities.

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

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

21701.1. (a) The owner or operator of a self-service storage facility or a household goods carrier, may, for a fee, transport individual storage containers to and from a self-service storage facility that he or she owns or operates. This transportation activity, whether performed by an owner, operator, or carrier, shall not be deemed transportation for compensation or hire as a business of used household goods and is not subject to regulation under Chapter 7 (commencing with Section 5101) of Division 2 of the Public Utilities Code, provided that all of the following requirements are met:

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



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

(3) The owner, operator, or carrier is registered under Chapter 2 (commencing with Section 34620) of Division 14.85 of the Vehicle Code or holds a permit under Chapter 7 (commencing with 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 with at least 30 days advance notice when this move will occur and the options available to the customer.

(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.

(H) The ability of the customer to register complaints with the California Public Utilities Commission.

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

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

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

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

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

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

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



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

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

(1) It shall be fully enclosed and locked.

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

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

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

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

21701.2. Every self-service storage facility that engages in the transportation and storage of individual storage containers pursuant to Section 21701.1 and from that same facility provides on site, individual self-service storage space for renting or leasing shall register with the Public Utilities Commission in accordance with the regulations established by the commission.

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

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



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

5139.5. (a) In order to monitor whether individual storage containers are transported in violation of Chapter 7 (commencing with Section 5101) of Division 2 of the Public Utilities Code, the commission shall adopt regulations requiring those self-service storage facilities described in Section 21701.2 of the Business and Professions Code to register with the commission.

(b) The commission shall accept, tally, and help resolve consumer complaints regarding self-service storage facilities described in Section 21701.2 of the Business and Professions Code.



Approved _____, 2001

Governor

