

Briefly...

■ For Everyone

Meetings will be held specifically for companies of your size during next month's SSA Convention & Trade Show in Colorado Springs. Three groups have been established to help operators get the most out of their memberships. The Large Operators Council, Mid-Sized Owners Group and the Team-One Group will all hold meetings to update members about details that largely pertain to organizations of their size. Check the spring program for times.

■ Huh?

New York courts have ruled on two separate eminent domain cases very differently. The New York Court of Appeals ruled that taking property from private owners to build a sports facility to house the N.Y. Nets was a valid public use. The next week, the New York Supreme Court, Appellate Division sided with Tuck-It-Away Self Storage in not allowing Columbia University to seize Tuck-It-Away property for the expansion of Columbia University. The difference, it appears, is that the Nets did their homework on how to make a successful argument for the redevelopment of "blighted" property. The Columbia process was flawed, according to the court.



Legislative and Regulatory Advisory Committee Sets 2010 Agenda

By Tim Dietz – SSA VP, Communications & Government Relations

The SSA Legislative & Regulatory Advisory Committee met last month in Dallas to discuss 2010 and 2011 priorities. Targets considered this year include lien improvements in Florida, specialty insurance licensing bills in Pennsylvania and New York, potential sales tax battles in several states, and continuing concerns about trends toward personal records and privacy laws.

The Legislative Advisory Committee is made up of several directors from the SSA board and representatives from various member companies, including each of the five REITs. The largest companies in the industry have joined the SSA in creating a fund that supports the advocacy efforts of state associations and, where there are no state associations, SSA-managed projects.

Each year the committee meets with leaders from several state self storage associations where proposed laws could threaten the industry or where there appears to be an opportunity to modernize existing laws, creating new efficiencies and eliminating obsolete provisions. This was the fourth annual meeting for the committee and the financial aid process, which the SSA Board established as the most equitable method to define the self storage industry's regulatory agenda and protect it from regulatory burdens, taxes and other issues that affect businesses.

Only states facing a real threat in 2010, or those that demonstrated an initiative to improve or pass a new law and the need for financial support, were approved for financial aid during the meeting. This year, 13 states were represented at the meeting in Dallas, most of them providing proposals for their government relations plans for the coming year.

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What Was Changed During 2009?

The Self Storage Association supported 13 state legislative efforts with financial aid and consulting last year. The national and state associations protected the industry by opposing measures and improving laws in other states. Successful efforts were made in Arizona, Arkansas, Maine, Michigan, North Carolina, Oregon, Utah and Washington. Bills introduced in California, New York and Wisconsin show promise for 2010. Below are examples of improvements made.

Arkansas: SB2 Sales Tax Repealed

Self storage eliminated from list of “services” taxes for sales

- (4) Dry cleaning and laundry services;
- (5) Industrial laundry services;
- (6) Mini-warehouse and self-storage rental services;
- (7) Body piercing, tattooing, and electrolysis services;
- (8) Pest control services;

Repeal effective date

Effective July 1, 2011, the gross receipts tax levied on mini-warehouse and self storage rental services levied under §§ 26-52-301, 26-52-302, and under this section is repealed.

Industry champions – Bill Humble & Leroy Lemon

Arizona: HB 2435 Lien Law Improved

The new Arizona law, improved through technical corrections, replaced the previous notification protocol that required certified mail with return receipt with a more efficient standard.

Definition Change

“Verified mail” means any method of mailing that is offered by the United States Postal Service and that provides evidence of mailing.

Certified Mail Elimination

~~Notify the occupant SEND NOTICE of the default by certified mail, return receipt requested, VERIFIED MAIL TO THE OCCUPANT at the occupant’s last known address:~~

Industry champion – Richard Marmor

Washington State: HB 2013 Specialty Insurance License

The bill clarifies self storage operators’ ability to offer point-of-rent insurance. An owner that intends to offer insurance must file a Self-service Storage Specialty Producer (Storage Producer) license application with the Commissioner. The bill takes effect on July 1, 2010.

Industry champion – Patrick Reilly

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“This committee has evolved into an effective group focused on improving the regulations that govern self storage,” said Michael Riva, the committee’s chairman. “By meeting and discussing the issues facing all of the states, everyone has a pretty good idea of the big picture. The SSA has become the central focal point for managing the government relations programs nationwide, empowering state associations through the latest information and financial support.”

At the meeting last month more than \$60,000 in initial financial aid was approved for eight states on a variety of issues. Contributions from the SSA Legislative Issues Fund are typically provided in increments, with initial seed grants, followed by a balance paid out with progress made in the legislative process, such as proposed laws passing through legislative committees.

The committee voted to support lien law improvements suggested by the Florida Self Storage Association which could save the industry upwards of \$3.5 million annually. Specifically, current notification procedures including certified, registered mail would be eliminated and replaced with less costly requirements. The idea behind many SSA-sponsored lien improvements is to take advantage of recent technological advancements that would satisfy notification requirements at less cost. The SSA also encourages new laws that abolish expensive newspaper advertising mandates and encourage use of modern tools, such as email or Internet sites.

In Arizona, where much of the industry’s legal nationwide standards have been established, the state SSA hopes to protect the industry with regard to privacy matters. Lawmakers throughout the country continue to pressure small businesses that deal with sensitive personal information. The Arizona SSA will work toward establishing a fair standard for the disposal of materials such as business records, pharmaceuticals, as well as alcohol and firearms. Other improvements include sheltering self storage operators in restitution matters in the event of criminal activity and the introduction of email notification as an acceptable notification option.

The SSA has approved funding for several potential sales tax battles. The Association will reserve this funding until legislation is actually proposed in an effort to reserve its war chest for threats that may surface later in the year. The budget shortfalls throughout the country are likely to result in tax debates in many states. The committee also approved funding specialty insurance licensing legislation in New York and Pennsylvania. ❖