

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1997

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HOUSE BILL 1084
Committee Substitute Favorable 5/28/97

Short Title: Self-Serve Storage Late Fees.

(Public)

Sponsors:

Referred to:

April 21, 1997

A BILL TO BE ENTITLED

AN ACT TO PROTECT CONSUMERS BY REQUIRING CONTRACTS FOR THE RENTAL OF SELF-SERVICE STORAGE TO CLEARLY STATE THE TERMS REGARDING THE IMPOSITION OF LATE FEES AND TO LIMIT THE RATE OF LATE FEES.

The General Assembly of North Carolina enacts:

Section 1. Chapter 66 of the General Statutes is amended by adding a new Article to read:

"ARTICLE 32.

"Self-Service Storage Rental Agreements.

"§ 66-250. Definitions.

The definitions set forth in Article 4 of Chapter 44A of the General Statutes apply to this Article.

"§ 66-251. Contract requirements.

The rental agreement for the storage of personal property in a self-service storage facility shall provide in bold type the terms regarding the imposition of late fees. Any oral or written declaration or instrument that purports to alter these terms is void.

"§ 66-252. Late fees.

1 (a) In all rental agreements in which a definite time for the payment of the rent is
2 fixed, the late fee shall not exceed fifteen dollars (\$15.00) or fifteen percent (15%) of the
3 rental payment, whichever is less, and shall not be imposed by the owner until the rental
4 payment is 10 days or more late.

5 (b) A late fee under this section may be imposed only one time for each late rental
6 payment. A late fee for a specific late rental payment shall not be deducted from a
7 subsequent rental payment so as to cause the subsequent rental payment to be in default.

8 (c) Any provision of a rental agreement contrary to the provisions of this section is
9 against the public policy of this State and is void and unenforceable."

10 Section 2. This act becomes effective October 1, 1997, and applies to rental
11 agreements for self-service storage entered into on or after that date.