

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

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HOUSE BILL 885  
Committee Substitute Favorable 4/21/99

Short Title: Self-Serve Storage/Late Payments.

(Public)

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Sponsors:

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Referred to:

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April 1, 1999

1 A BILL TO BE ENTITLED  
2 AN ACT TO PROTECT CONSUMERS BY REQUIRING CONTRACTS FOR THE  
3 RENTAL OF SELF-SERVICE STORAGE TO CLEARLY STATE CERTAIN  
4 TERMS REGARDING THE IMPOSITION OF LATE FEES.

5 The General Assembly of North Carolina enacts:

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

8 **"ARTICLE 35.**

9 **"SELF-SERVICE STORAGE RENTAL AGREEMENTS.**

10 **"§ 66-280. Definitions.**

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

13 **"§ 66-281. Contract requirements.**

14 The rental agreement for the storage of personal property in a self-service storage  
15 facility shall state, in bold type of a minimum size of 10 points and conspicuously placed,  
16 the terms regarding the imposition of late fees, the terms regarding any consequences of a  
17 late payment, and the terms, if any, that pertain to the payment of court costs, attorneys'  
18 fees, and any other costs associated with the payment of late fees or with judgment  
19 against the consumer for late rental payments or late fees.

1 **"§ 66-282. Late fees.**

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

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

9 **"§ 66-283. Violations.**

10 (a) If a self-service storage business fails to comply with the requirements of this  
11 Article or fails to comply with the terms of the contract or any obligation arising from  
12 this Article, then, upon written notice to the self-service storage business, the consumer  
13 may void the contract.

14 (b) Any waiver by a consumer of any of the provisions of this Article shall be  
15 deemed void and unenforceable by a self-service storage business.

16 (c) The remedies provided in this section are in addition to any other remedies  
17 provided for by law or in equity."

18 Section 2. This act becomes effective October 1, 1999, and applies to rental  
19 agreements for self-service storage entered into on or after that date.