

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

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HOUSE BILL 885  
Committee Substitute Favorable 4/21/99  
Senate Judiciary II Committee Substitute Adopted 7/12/99

Short Title: Self-Serve Storage/Late Payments.

(Public)

Sponsors:

Referred to:

April 1, 1999

A BILL TO BE ENTITLED  
AN ACT TO PROTECT CONSUMERS BY REQUIRING CONTRACTS FOR THE  
RENTAL OF SELF-SERVICE STORAGE TO CLEARLY STATE CERTAIN  
TERMS REGARDING THE IMPOSITION 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 35.**

**"SELF-SERVICE STORAGE RENTAL CONTRACTS.**

**"§ 66-280. Contract requirements.**

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

**"§ 66-281. Late fees.**

1       (a)     In all rental contracts in which a definite time for the payment of the rent is  
2 fixed, the late fee for each rental unit shall not exceed fifteen percent (15%) of the rental  
3 payment and shall not be imposed by the self-service storage business until the rental  
4 payment for that rental unit is five 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     **"§ 66-282. Violations.**

9       (a)     Late fees and attorney fees are not recoverable if a self-service storage business  
10 violates the provisions of G.S. 66-281.

11       (b)     Any waiver of any of the provisions of this Article shall be deemed void and  
12 unenforceable.

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

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