

# HOUSE BILL 1380

I4

9lr3178

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By: **Delegate Conway**

Introduced and read first time: February 21, 2019

Assigned to: Rules and Executive Nominations

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## A BILL ENTITLED

1 AN ACT concerning

2 **Commercial Law – Self-Service Storage Facilities – Late Fees**

3 FOR the purpose of altering the limit on late fees an operator of a self-service storage  
4 facility may charge an occupant under certain circumstances; and generally relating  
5 to late fees for self-service storage facilities.

6 BY repealing and reenacting, without amendments,  
7 Article – Commercial Law  
8 Section 18–501(a), (e), (f), (h), and (i)  
9 Annotated Code of Maryland  
10 (2013 Replacement Volume and 2018 Supplement)

11 BY repealing and reenacting, with amendments,  
12 Article – Commercial Law  
13 Section 18–504(l)  
14 Annotated Code of Maryland  
15 (2013 Replacement Volume and 2018 Supplement)

16 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,  
17 That the Laws of Maryland read as follows:

18 **Article – Commercial Law**

19 18–501.

20 (a) In this subtitle the following words have the meanings indicated.

21 (e) “Occupant” means a person, a sublessee, successor, or assign, entitled to the  
22 use of a leased space at a self-service storage facility under a rental agreement.

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (f) (1) "Operator" means the owner, operator, lessor, or sublessor of a  
2 self-service storage facility, an agent, or any other person authorized to manage the facility.

3 (2) "Operator" does not include a warehouseman, unless the operator  
4 issues a warehouse receipt, bill of lading, or other document of title for the personal  
5 property stored.

6 (h) "Rental agreement" means any written agreement that establishes or modifies  
7 the terms, conditions, or rules concerning the use and occupancy of a self-service storage  
8 facility.

9 (i) "Self-service storage facility" means any real property used for renting or  
10 leasing individual storage spaces in which the occupants themselves customarily store and  
11 remove their own personal property on a "self-service" basis.

12 18-504.

13 (l) (1) The operator may charge the occupant a reasonable late fee for each  
14 month the occupant does not pay rent when due.

15 (2) A fee under this subsection may not be more than the greater of:

16 (i) \$20 a month; or

17 (ii) **[20%] 25%** of the monthly rent for the leased space.

18 (3) The operator may not charge a fee under this subsection unless the  
19 operator discloses in the rental agreement:

20 (i) The amount of the fee; and

21 (ii) The timing for charging the fee.

22 (4) A fee under this subsection may be charged in addition to any other  
23 remedy provided by law or contract.

24 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
25 October 1, 2019.