

SESSION OF 2005

**SUPPLEMENTAL NOTE ON SENATE BILL NO. 69**

As Amended by House Committee on  
Commerce and Labor

**Brief\***

SB 69 would amend the Self-Service Storage Act by allowing an operator to charge a late fee for an occupant's failure to pay rent when due. The late fee would not be considered interest, nor is it a reasonable expense that the operator may incur in the course of collecting unpaid rent. The late fee charge would be required to be stated in the rental agreement in order for the operator to collect the fee. In addition, the operator would be allowed to recover all reasonable rent collection and lien enforcement expenses in addition to any late fees imposed.

The bill would allow an operator to impose a reasonable late fee, for each month an occupant does not pay rent when it is due, in an amount not to exceed \$20 per month or 20 percent of the monthly rental amount, whichever is greater. An operator could set a late fee other than the one stated; however, the operator has the burden of proving that a higher late fee is reasonable.

The bill would take effect upon publication in the statute book.

**Background**

John Federico presented testimony in favor of the bill, and a self-storage operator from Salina presented testimony as an opponent of the bill who felt the late fee charges were insufficient.

The Senate Committee made a technical correction to the bill to reflect the original intent that the late fee amount was not to exceed \$20

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\*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <http://www.kslegislature.org>

per month or 20 percent of the monthly rental amount, whichever is greater.

The House Committee amendment clarifies that the new section, regarding late fees, is part of the Self Service Storage Act.

The fiscal note indicates that the Office of Judicial Administration indicates that passage of the bill would have a negligible fiscal effect on its operations; however, it could reduce the incidence of occupants not paying the monthly rental amount because a late fee could be imposed.