

As Introduced

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H. B. No. 120

Representatives Grendell, Buehrer, Seitz, Williams, Fessler, Jolivette,
Hartnett, Allen

A B I L L

To amend section 5322.01 and to enact section 5322.05 1
of the Revised Code to permit, under specified 2
conditions, the assessment of reasonable late fees 3
for the failure to pay rent when due for the use 4
of a self-service storage facility. 5

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:

Section 1. That section 5322.01 be amended and section 6
5322.05 of the Revised Code be enacted to read as follows: 7

Sec. 5322.01. As used in sections 5322.01 to ~~5322.04~~ 5322.05 8
of the Revised Code: 9

(A) "Self-service storage facility" means any real property 10
that is designed and used only for the purpose of renting or 11
leasing individual storage space in the facility under the 12
following conditions: 13

(1) The occupants have access to the storage space only for 14
the purpose of storing and removing personal property; 15

(2) The owner does not issue a warehouse receipt, bill of 16
lading, or other document of title, as defined in division (O) of 17
section 1301.01 of the Revised Code, for the personal property 18

stored in the storage space; 19

(3) The property has fifty or more individual storage spaces. 20

"Self-service storage facility" does not include any garage 21
used principally for parking motor vehicles, an establishment 22
licensed pursuant to sections 915.14 to 915.24 of the Revised 23
Code, or any property of a bank or ~~building~~ savings and loan 24
association that contains vaults, safe deposit boxes, or other 25
receptacles for the uses, purposes, and benefits of the bank's or 26
~~building~~ savings and loan association's customers. 27

(B) "Owner" means a person ~~who~~ that is either the owner of a 28
self-service storage facility or the lessor of an entire 29
self-service storage facility and ~~who~~ that receives rent from an 30
occupant pursuant to a rental agreement that ~~he~~ the person enters 31
into with the occupant. 32

(C) "Occupant" means a person ~~who~~ that rents storage space at 33
a self-service storage facility pursuant to a rental agreement 34
that ~~he~~ the person enters into with the owner. 35

(D) "Rental agreement" means any written agreement that is 36
entered into by the owner and the occupant and that establishes 37
the terms and conditions of the occupant's use of storage space at 38
a self-service storage facility. 39

(E) "Personal property" means money and every animate or 40
inanimate tangible thing that is the subject of ownership, except 41
anything forming part of a parcel of real estate, as defined in 42
section 5701.02 of the Revised Code, and except anything that is 43
an agricultural commodity, as defined in division (A) of section 44
926.01 of the Revised Code. 45

(F) "Late fee" means any fee or charge assessed for an 46
occupant's failure to pay rent when due. "Late fee" does not 47
include interest on a debt, reasonable expenses incurred in the 48
collection of unpaid rent, or costs associated with the 49
enforcement of any other remedy provided by statute or contract. 50

Sec. 5322.05. (A) Subject to division (B) of this section, a 51
reasonable late fee may be imposed and collected by an owner for 52
each service period that an occupant does not pay rent when due 53
under a rental agreement, provided that the due date for the 54
rental payment is not earlier than the day before the first day of 55
the service period to which the rental payment applies. However, 56
no late fee shall be imposed or collected if the occupant makes a 57
rental payment in full by the third day after the due date under 58
the rental agreement. 59

(B) No late fee may be collected pursuant to division (A) of 60
this section unless the amount of that fee and the conditions for 61
imposing that fee are stated in the rental agreement or an 62
addendum to that agreement. 63

(C) For purposes of division (A) of this section, a late fee 64
of twenty dollars for each late rental payment, or twenty per cent 65
of the amount of each late rental payment, whichever is greater, 66
is deemed reasonable and does not constitute a penalty. However, 67
the contract may provide for a late fee in a greater amount if 68
that amount is reasonable. The owner has the burden of proof that 69
the late fee in the greater amount is reasonable. 70

(D) Any reasonable expense incurred in rent collection or 71
lien enforcement by an owner may be charged to the occupant in 72
addition to the late fees permitted by this section. 73

Section 2. That existing section 5322.01 of the Revised Code 74
is hereby repealed. 75