

2005 ASSEMBLY BILL 1065

February 27, 2006 – Introduced by Representatives KREUSER, KREIBICH, KERKMAN and SHERIDAN, cosponsored by Senator WIRCH. Referred to Committee on Small Business.

1 **AN ACT** *to create* 704.90 (4b) of the statutes; **relating to:** self-service storage
2 late fees.

Analysis by the Legislative Reference Bureau

Current law regulates self-service storage facilities (facilities) and requires, among other things, that every rental agreement for a facility be in writing.

This bill allows the operator of a facility to charge a reasonable late fee for each month a lessee of the facility fails to pay rent by five weekdays after the rent is due if the amount of the late fee is contained in the rental agreement. A late fee of \$20 or 20 percent of the monthly rental amount, whichever is greater, is presumptively reasonable. An operator may charge a higher late fee but has the burden of proof that the higher late fee is reasonable.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

3 **SECTION 1.** 704.90 (4b) of the statutes is created to read:
4 704.90 **(4b)** LATE FEE. (a) The operator may charge a reasonable late fee for
5 each month a lessee does not pay rent by 5 weekdays after the rent is due if the
6 amount of the late fee is contained in the rental agreement.

