



Legislation Text

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Int. No. 952

By Council Members Yeger, Brannan, Holden, Louis, Ayala, Gutiérrez and Vernikov (by request of the Brooklyn Borough President)

A Local Law to amend the administrative code of the city of New York, in relation to prohibiting late fees for self-storage units

Be it enacted by the Council as follows:

Section 1. Chapter 5 of title 20 of the administrative code of the city of New York is amended by adding a new subchapter 26 to read as follows:

SUBCHAPTER 26

SELF-STORAGE FACILITIES

§ 20-880 Definitions. For purposes of this subchapter, the following terms have the following meanings:

Late fee. The term “late fee” means any fee that an occupant is required to pay to the owner of a self-storage facility for failure to pay an occupancy fee by a specified date.

Occupancy agreement. The term “occupancy agreement” means any written agreement, electronic or printed, that establishes or modifies the terms, conditions, rules or any other provisions concerning the use and occupancy of a self-storage facility and any one or more individual storage spaces therein.

Occupancy fee. The term “occupancy fee” means any unconditional fee that an occupant is required to pay to the owner of a self-storage facility for occupancy of and access to a storage space at such self-storage facility.

Occupant. The term “occupant” means a person entitled to the use of the storage space at a self-storage facility under a written occupancy agreement or such person’s successor or assignee.

Self-storage facility. The term “self-storage facility” means any real property or a portion thereof that is designed and used for the purpose of occupying storage space by occupants who are to have access thereto for the purpose of storing and removing personal property.

§ 20-881 Late fees prohibited. a. It shall be unlawful for any self-storage facility to charge a late fee.

b. This subchapter does not apply to any occupancy agreement executed prior to the effective date of the local law that added this subchapter, except that any extension, renewal, amendment or modification of such occupancy agreement occurring on or after the effective date of such local law shall make such occupancy agreement subject to this subchapter.

§ 20-882 Penalties and enforcement. a. Any person that violates any provision of this subchapter or any rule promulgated pursuant to this subchapter shall be subject to a civil penalty that shall not exceed \$1,000 per violation. Violations under this subchapter shall accrue for each instance that an occupant is charged a late fee in violation of this subchapter or any rule promulgated pursuant to this subchapter. A proceeding to recover any civil penalty authorized pursuant to this subchapter may be brought in any tribunal established within the office of administrative trials and hearings or within any agency of the city designated to conduct such proceedings.

b. A civil action may be brought by the corporation counsel on behalf of the city in any court of competent jurisdiction to recover any or all of the following:

1. Any civil penalty authorized pursuant to this section;

2. Injunctive relief to restrain or enjoin any activity in violation of this subchapter;

3. Restitution of an amount not to exceed the amount of late fees collected by a self-storage facility that exceeded the maximum amounts permitted pursuant to this subchapter; and

4. Attorneys’ fees and costs, and such other remedies as a court may deem appropriate.

c. The corporation counsel may initiate any investigation to ascertain such facts as may be necessary for the commencement of a civil action pursuant to this section, and in connection therewith shall have the power

to issue subpoenas to compel the attendance of witnesses and the production of documents, to administer oaths and to examine such persons as are deemed necessary.

§ 2. This local law takes effect 90 days after it becomes law.

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