
ASSEMBLY BILL NO. 313—ASSEMBLYMEN PIERCE; BOBZIEN,
BUCKLEY, HORNE, KIHUEN, KIRKPATRICK, KOIVISTO,
LESLIE, MANENDO, MCCLAIN, MUNFORD AND SEGERBLOM

MARCH 12, 2009

JOINT SPONSOR: SENATOR PARKS

Referred to Committee on Commerce and Labor

SUMMARY—Prohibits excessive late fees in rental agreements.
(BDR 10-912)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State: No.

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EXPLANATION – Matter in *bolded italics* is new; matter between brackets ~~omitted material~~ is material to be omitted.

AN ACT relating to property; limiting the amount of fees a landlord
may charge for a late or partial rent payment; and
providing other matters properly relating thereto.

Legislative Counsel’s Digest:

1 Under existing law, a tenant is obligated to pay periodic rent to a landlord in
2 exchange for use of the premises. A landlord must include, as part of the rental
3 agreement, a provision which sets forth the charges, if any, which may be required
4 for late or partial payment of rent. (NRS 118A.200)
5 This bill limits the amount of the late fee that may be charged by a landlord for
6 late or partial payment of rent. **Section 1** of this bill provides: (1) for monthly or
7 longer periodic terms, the late fee may not exceed 2 percent of the periodic
8 payment for payments made 5 to 9 days late, and may not exceed an additional 3
9 percent of the periodic payment if payment is made 10 days or more late; (2) for
10 weekly periodic terms, the late fee may not exceed 2 percent of the weekly payment
11 for payments made 3 to 6 days late, and may not exceed an additional 3 percent of
12 the weekly payment if payment is made 7 days or more late; and (3) that a late fee
13 imposed by a landlord may only be imposed once for a late payment and may not
14 be deducted from a subsequent payment to place the subsequent payment in default.



THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN
SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

1 **Section 1.** Chapter 118A of NRS is hereby amended by
2 adding thereto a new section to read as follows:

3 1. *A landlord shall not require, as part of a rental agreement,*
4 *the tenant to pay a late fee for late or partial payment of rent in*
5 *excess of the provisions of this section.*

6 2. *If the tenancy is from month to month and rent is due in*
7 *monthly installments or if the tenancy is for a period greater than*
8 *month to month as established by the rental agreement and the*
9 *rent is:*

10 (a) *At least 5 days overdue but less than 10 days overdue, a*
11 *landlord may charge a late fee not to exceed 2 percent of the*
12 *periodic rent.*

13 (b) *Ten days or more overdue, a landlord may charge a late fee*
14 *in addition to the late fee described in paragraph (a) not to exceed*
15 *3 percent of the periodic rent.*

16 3. *If the tenancy is from week to week and the rent is:*

17 (a) *At least 3 days overdue but less than 7 days overdue, a*
18 *landlord may charge a late fee not to exceed 2 percent of the*
19 *weekly rent.*

20 (b) *Seven days or more overdue, a landlord may charge a late*
21 *fee in addition to the late fee described in paragraph (a) not to*
22 *exceed 3 percent of the weekly rent.*

23 4. *If the rent is subsidized by the United States Department of*
24 *Housing and Urban Development, the United States Department*
25 *of Agriculture, a state agency, a public housing authority or a*
26 *local government, any late fee charged by a landlord must be*
27 *calculated in accordance with the provisions of this section on the*
28 *tenant's share of the rent and the rent subsidy must not be*
29 *included in the calculation.*

30 5. *If a late fee is imposed under this section, a landlord may*
31 *only impose the late fee once for each late or partial payment. A*
32 *landlord may not deduct a late fee from a subsequent rental*
33 *payment and cause the subsequent rental payment to be in default.*

34 6. *Any provision of a rental agreement prohibited by this*
35 *section is void as contrary to public policy and the tenant may*
36 *recover any actual damages incurred through the inclusion of the*
37 *prohibited provision.*

38 **Sec. 2.** This act becomes effective on July 1, 2009.

