

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1997

H

2

HOUSE BILL 1064
Committee Substitute Favorable 4/29/97

Short Title: Housing Authority Amendments.

(Public)

Sponsors:

Referred to:

April 21, 1997

A BILL TO BE ENTITLED

AN ACT TO ALLOW A HOUSING AUTHORITY TO TERMINATE OR FAIL TO RENEW A LEASE IF A TENANT ENGAGES IN CRIMINAL ACTIVITY AND TO ALLOW CERTAIN SUMMARY EJECTMENT ACTIONS INITIATED BY A HOUSING AUTHORITY TO BE HELD IN DISTRICT COURT INSTEAD OF IN MAGISTRATE'S COURT.

The General Assembly of North Carolina enacts:

Section 1. G.S. 157-29 reads as rewritten:

"§ 157-29. ~~Rentals and tenant selections.~~ **Rentals; tenant selections; and summary ejectments.**

(a) It is hereby declared to be the policy of this State that each housing authority shall manage and operate its housing projects in an efficient manner so as to enable it to fix the cost of dwelling accommodations for persons of low income at the lowest possible rates consistent with its providing decent, safe, and sanitary dwelling accommodations. No housing authority may construct or operate its housing projects so as to provide revenues for other activities of the city.

(b) In the operation or management of housing projects, or portions of projects, for persons of low income, an authority shall at all times observe the following duties with respect to rentals and tenant selection:

1 (1) It may rent or lease dwelling accommodations set aside for persons of
2 low income only to persons who lack the amount of income ~~which that~~
3 is necessary (as determined by the housing authority undertaking the
4 project) to enable them, without financial assistance, to live in decent,
5 safe, and sanitary dwellings, without overcrowding; and

6 (2) It may rent or lease dwelling accommodations to persons of low income
7 only at rentals within the financial reach of such persons.

8 (c) An authority may terminate or refuse to renew a rental agreement for a serious
9 or repeated violation of a material term of the rental agreement such as (i) failure to make
10 payments due under the rental agreement, if such payments were properly and promptly
11 calculated according to applicable HUD regulation, whether or not such failure was the
12 fault of the tenant, (ii) failure to fulfill the tenant obligations set forth in 24 C.F.R.
13 Section 966.4(f) or other applicable provisions of federal law as they may be amended
14 from time to time, ~~or (iii) other good cause.~~ (iii) engaging in criminal activity that threatens
15 the health and safety of housing authority tenants or threatens the tenants' right to
16 peaceful enjoyment of the housing authority premises, or (iv) engaging in illegal drug
17 activity. ~~Except in the case of failure to make payments due under a rental agreement, fault on~~
18 ~~the part of a tenant may be considered in determining whether good cause exists to terminate a~~
19 ~~rental agreement.~~

20 (d) The receipt or acceptance of rent by an authority, with or without knowledge of
21 a prior default or failure by the tenant under a rental agreement, shall not constitute a
22 waiver of that default or failure unless (i) the authority expressly agrees to such waiver in
23 writing, or (ii) within 120 days after obtaining knowledge of the default or failure, the
24 authority fails either to notify the tenant that a violation of the rental agreement has
25 occurred or to exercise one of the authority's remedies for such violation.

26 (e) In any summary ejection action wherein a housing authority alleges that a
27 tenant's lease has been terminated because the tenant, a household member, or a guest has
28 engaged in criminal activity or activity involving illegal drugs as provided in subsection
29 (c) of this section, the housing authority may utilize the expedited hearing procedure as
30 set out in Article 7, Chapter 42 of the General Statutes."

31 Section 2. This act becomes effective October 1, 1997, and applies to acts
32 committed on or after that date.