

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2021

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HOUSE BILL 829

Short Title: Private Residential Rentals. (Public)

Sponsors: Representative Arp.

For a complete list of sponsors, refer to the North Carolina General Assembly web site.

Referred to: Commerce, if favorable, Rules, Calendar, and Operations of the House

May 5, 2021

A BILL TO BE ENTITLED

AN ACT TO CLARIFY THAT LIMITS ON THE ABILITY OF A LOCAL GOVERNMENT TO ADOPT OR ENFORCE DEVELOPMENT REGULATIONS RESTRICTING THE RENTAL OF PRIVATE RESIDENTIAL REAL PROPERTY ARE NOT LIMITED TO REGULATIONS UNDER A LOCAL GOVERNMENT'S BUILDING CODE OR MINIMUM HOUSING CODE.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 160D-1207(c) reads as rewritten:

"(c) In no event may a local government do any of the following: (i) adopt or enforce any ordinance that would require any owner or manager of rental property to obtain any permit or permission ~~under Article 11 or Article 12 of this Chapter~~ from the local government to lease or rent residential real property or to register rental property with the local government, except for those individual properties that have more than four verified violations in a rolling 12-month period or two or more verified violations in a rolling 30-day period, or upon the property being identified within the top ten percent (10%) of properties with crime or disorder problems as set forth in a local ordinance, (ii) require that an owner or manager of residential rental property enroll or participate in any governmental program as a condition of obtaining a certificate of occupancy, (iii) levy a special fee or tax on residential rental property that is not also levied against other commercial and residential properties, unless expressly authorized by general law or applicable only to an individual rental unit or property described in clause (i) of this subsection and the fee does not exceed five hundred dollars (\$500.00) in any 12-month period in which the unit or property is found to have verified violations, (iv) provide that any violation of a rental registration ordinance is punishable as a criminal offense, or (v) require any owner or manager of rental property to submit to an inspection before receiving any utility service provided by the local government. For purposes of this section, the term "verified violation" means all of the following:

- (1) The aggregate of all violations of housing ordinances or codes found in an individual rental unit of residential real property during a 72-hour period.
- (2) Any violations that have not been corrected by the owner or manager within 21 days of receipt of written notice from the local government of the violations. Should the same violation occur more than two times in a 12-month period, the owner or manager may not have the option of correcting the violation. If the housing code provides that any form of prohibited tenant behavior constitutes a violation by the owner or manager of the rental property, it shall be deemed a correction of the tenant-related violation if the



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1 owner or manager, within 30 days of receipt of written notice of the
2 tenant-related violation, brings a summary ejectment action to have the tenant
3 evicted."

4 **SECTION 2.** This act becomes effective October 1, 2021, and any inconsistent
5 ordinance or policy shall be void and unenforceable on or after that date.