

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2011

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HOUSE BILL 554
Corrected Copy 4/4/11

Short Title: Residential Building Inspections. (Public)

Sponsors: Committee on Rules, Calendar, and Operations of the House (Primary Sponsor)
For a complete list of Sponsors, see Bill Information on the NCGA Web Site.

Referred to: Commerce and Job Development.

March 31, 2011

1 A BILL TO BE ENTITLED
2 AN ACT REQUIRING COUNTIES AND CITIES TO HAVE REASONABLE CAUSE
3 BEFORE INSPECTING RESIDENTIAL BUILDINGS OR STRUCTURES.

4 The General Assembly of North Carolina enacts:

5 **SECTION 1.** G.S. 153A-364 reads as rewritten:

6 "**§ 153A-364. Periodic inspections for hazardous or unlawful conditions.**

7 (a) The inspection department ~~shall~~ may make periodic inspections, subject to the
8 board of commissioners' directions, for unsafe, unsanitary, or otherwise hazardous and
9 unlawful conditions in residential buildings within its territorial jurisdiction. Except as provided
10 in subsection (b) of this section, the inspection department may make periodic inspections only
11 when there is reasonable cause to believe that unsafe, unsanitary, or otherwise hazardous or
12 unlawful conditions may exist in a residential building. For purposes of this section, the term
13 'reasonable cause' means (i) the landlord or owner has a substantial history of noncompliance
14 with the county's ordinances on unsafe buildings; (ii) there has been a report that substandard
15 conditions exist within the building or an occupant has requested that the building be inspected;
16 or (iii) the inspection department has actual knowledge of an unsafe condition within the
17 building that was acquired as a result of routine business activities conducted by the county. In
18 conducting inspections authorized under this section, the inspection department shall not
19 discriminate between single-family and multifamily buildings or between owner-occupied and
20 tenant-occupied buildings. In addition, it shall make any necessary inspections when it has
21 reason to believe that such conditions may exist in a particular building. In exercising these
22 powers, each member of the inspection department has a right, upon presentation of proper
23 credentials, to enter on any premises within the territorial jurisdiction of the department at any
24 reasonable hour for the purposes of inspection or other enforcement action.

25 (b) A county may require periodic inspections under subsection (a) of this section as
26 part of a targeted effort to respond to blighted or potentially blighted conditions within a
27 Community Development Block Grant geographic area that has been so designated by the
28 board of commissioners, the Department of Commerce, Division of Community Assistance, or
29 the United States Department of Housing and Urban Development.

30 (c) In no event may a county (i) require any registration of residential rental property;
31 (ii) adopt or enforce any local ordinance that would require any owner or manager of rental
32 property to obtain any permit or permission from the county to lease or rent residential real
33 property; (iii) require that an owner or manager of residential rental property enroll or
34 participate in any governmental program as a condition of obtaining a Certificate of



1 Occupancy; or (iv) levy a special fee or tax on residential rental property that is not also levied
2 against other commercial and residential properties."

3 **SECTION 2.** G.S. 160A-424 reads as rewritten:

4 "**§ 160A-424. Periodic inspections.**

5 (a) The inspection department ~~shall~~ may make periodic inspections, subject to the
6 council's directions, for unsafe, unsanitary, or otherwise hazardous and unlawful conditions in
7 residential buildings or structures within its territorial jurisdiction. Except as provided in
8 subsection (b) of this section, the inspection department may make periodic inspections only
9 when there is reasonable cause to believe that unsafe, unsanitary, or otherwise hazardous or
10 unlawful conditions may exist in a residential building or structure. For purposes of this
11 section, the term 'reasonable cause' means (i) the landlord or owner has a substantial history of
12 noncompliance with the city's ordinances on unsafe buildings or structures; (ii) there has been a
13 report that substandard conditions exist within the building or structure or an occupant has
14 requested that the building or structure be inspected; or (iii) the inspection department has
15 actual knowledge of an unsafe condition within the building or structure that was acquired as a
16 result of routine business activities conducted by the city. In conducting inspections authorized
17 under this section, the inspection department shall not discriminate between single-family and
18 multifamily buildings or structures or between owner-occupied and tenant-occupied buildings
19 or structures. In addition, it shall make inspections when it has reason to believe that such
20 conditions may exist in a particular structure. In exercising this power, members of the
21 department shall have a right to enter on any premises within the jurisdiction of the department
22 at all reasonable hours for the purposes of inspection or other enforcement action, upon
23 presentation of proper credentials.

24 (b) A city may require periodic inspections under subsection (a) of this section as part
25 of a targeted effort to respond to blighted or potentially blighted conditions within a
26 Community Development Block Grant geographic area that has been so designated by the city
27 council, the Department of Commerce, Division of Community Assistance, or the United States
28 Department of Housing and Urban Development.

29 (c) In no event may a city (i) require any registration of residential rental property; (ii)
30 adopt or enforce any local ordinance that would require any owner or manager of rental
31 property to obtain any permit or permission from the city to lease or rent residential real
32 property; (iii) require that an owner or manager of residential rental property enroll or
33 participate in any governmental program as a condition of obtaining a Certificate of
34 Occupancy; or (iv) levy a special fee or tax on residential rental property that is not also levied
35 against other commercial and residential properties."

36 **SECTION 3.** This act is effective when it becomes law.