



NORTH CAROLINA GENERAL ASSEMBLY

2023 Session

Legislative Fiscal Note

Short Title: Removal of Squatters from Private Property.
Bill Number: House Bill 984 (First Edition)
Sponsor(s): Rep. Bradford, Rep. Gillespie, Rep. Shepard, and Rep. Iler

SUMMARY TABLE

FISCAL IMPACT OF H.B.984, V.1

	<u>FY 2024-25</u>	<u>FY 2025-26</u>	<u>FY 2026-27</u>	<u>FY 2027-28</u>	<u>FY 2028-29</u>
Local Impact					
Local Revenue					Unknown, Likely Minimal
Less Local Expenditures					Unknown, Likely Minimal

NET LOCAL IMPACT

Likely Minimal Fiscal Impact-See Fiscal Analysis Section

FISCAL IMPACT SUMMARY

Section 1 would allow a local law enforcement agency to assess a fee of up to a \$25 per hour for the agency to standby to keep the peace following the removal of unauthorized persons from the property owner’s private real property. The property owner would pay the fee to the agency.

FISCAL ANALYSIS

The bill creates G.S. 42-81, which requires law enforcement to remove unauthorized persons from a property owner’s property within 48 hours of receipt of a complaint. After the unauthorized person is removed, the property owner can request law enforcement to stand by to keep the peace while the owner changes the locks and removes the unauthorized person’s personal property. The law enforcement agency may charge the property owner up to \$25 per hour the agency remains on the property with the owner.

Comprehensive data on illegal occupations of private property in North Carolina is unavailable. To determine the fiscal impact, FRD reviewed information from other states with similar legislation and from a national association representing owners of rental property. Data on illegal occupancies in North Carolina is limited to one area of the state in the fall of 2023; the National Rental Home Council reports 95 homes in Mecklenburg County were occupied by trespassers at that time.¹ Like North Carolina, statewide data on illegal occupancies is not available for other

¹ The Council also reports that there is a high correlation between fraudulent listings and other activities, such as trespassing or “squatting.” They report that the State had the fourth highest number of fraudulent listings in the country (2,500), with Charlotte being the fourth most active market and Raleigh the eighth highest.

states with similar legislation. Also unknown is the percent of property owners that would exercise this option to have law enforcement stand by as well as for the number of hours they would stay. Given the relatively limited potential scope of the \$25/hour fee, FRD projects the bill to have a minimal local fiscal impact.

TECHNICAL CONSIDERATIONS

N/A.

DATA SOURCES

Florida Legislature; Georgia General Assembly; National Rental Home Council.

LEGISLATIVE FISCAL NOTE – PURPOSE AND LIMITATIONS

This document is an official fiscal analysis prepared pursuant to Chapter 120 of the General Statutes and rules adopted by the Senate and House of Representatives. The estimates in this analysis are based on the data, assumptions, and methodology described in the Fiscal Analysis section of this document. This document only addresses sections of the bill that have projected direct fiscal impacts on State or local governments and does not address sections that have no projected fiscal impacts.

CONTACT INFORMATION

Questions on this analysis should be directed to the Fiscal Research Division at (919) 733-4910.

ESTIMATE PREPARED BY

Brent Lucas

ESTIMATE APPROVED BY

Brian Matteson, Director of Fiscal Research
Fiscal Research Division
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