

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2011

S

2

SENATE BILL 683
Commerce Committee Substitute Adopted 6/8/11

Short Title: Residential Building Inspections.

(Public)

Sponsors:

Referred to:

April 20, 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 board
8 of commissioners' directions, for unsafe, unsanitary, or otherwise hazardous and unlawful
9 conditions in buildings or structures within its territorial jurisdiction. Except as provided in
10 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 or structure. For purposes of this
13 section, the term 'reasonable cause' means (i) the landlord or owner has a history of more than
14 two verified violations of the housing ordinances or codes within a 12-month period; (ii) there
15 has been a complaint that substandard conditions exist within the building or there has been a
16 request that the building be inspected; (iii) the inspection department has actual knowledge of
17 an unsafe condition within the building; or (iv) violations of the local ordinances or codes are
18 visible from the outside of the property. In conducting inspections authorized under this
19 section, the inspection department shall not discriminate between single-family and multifamily
20 buildings. In addition, it shall make any necessary inspections when it has reason to believe that
21 such conditions may exist in a particular building. In exercising these powers, each member of
22 the inspection department has a right, upon presentation of proper credentials, to enter on any
23 premises within the territorial jurisdiction of the department at any reasonable hour for the
24 purposes of inspection or other enforcement action.

25 (b) A county may require periodic inspections as part of a targeted effort within a
26 geographic area that has been designated by the county commissioners. The county shall not
27 discriminate in its selection or areas or properties to be targeted and shall (i) provide notice to
28 all owners and residents of properties in the affected area about the periodic inspections plan
29 and information regarding a public hearing regarding the plan; (ii) hold a public hearing
30 regarding the plan; and (iii) establish a plan to address the ability of low-income residential
31 property owners to comply with minimum housing code standards.

32 (c) In no event may a county do any of the following: (i) adopt or enforce any
33 ordinance that would require any owner or manager of rental property to obtain any permit or
34 permission from the county to lease or rent residential real property; (ii) require that an owner
35 or manager of residential rental property enroll or participate in any governmental program as a
36 condition of obtaining a certificate of occupancy; or (iii) levy a special fee or tax on residential



1 rental property that is not also levied against other commercial and residential properties except
2 that the county may levy a fee for rental property registration on those properties which have
3 been found in violation of local ordinances within the previous 12 months. The fee shall be an
4 amount that covers the cost of operating a residential registration program and shall not be used
5 to supplant revenue in other areas."

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

7 **"§ 160A-424. Periodic inspections.**

8 (a) The inspection department shall may make periodic inspections, subject to the
9 council's directions, for unsafe, unsanitary, or otherwise hazardous and unlawful conditions in
10 buildings or structures within its territorial jurisdiction. Except as provided in subsection (b) of
11 this section, the inspection department may make periodic inspections only when there is
12 reasonable cause to believe that unsafe, unsanitary, or otherwise hazardous or unlawful
13 conditions may exist in a residential building or structure. For purposes of this section, the term
14 'reasonable cause' means (i) the landlord or owner has a history of more than two verified
15 violations of the housing ordinances or codes within a 12-month period; (ii) there has been a
16 complaint that substandard conditions exist within the building or there has been a request that
17 the building be inspected; (iii) the inspection department has actual knowledge of an unsafe
18 condition within the building; or (iv) violations of the local ordinances or codes are visible
19 from the outside of the property. In conducting inspections authorized under this section, the
20 inspection department shall not discriminate between single-family and multifamily buildings.
21 In addition, it shall make inspections when it has reason to believe that such conditions may
22 exist in a particular structure. In exercising this power, members of the department shall have a
23 right to enter on any premises within the jurisdiction of the department at all reasonable hours
24 for the purposes of inspection or other enforcement action, upon presentation of proper
25 credentials.

26 (b) A city may require periodic inspections as part of a targeted effort within a
27 geographic area that has been designated by the city council. The municipality shall not
28 discriminate in its selection or areas or properties to be targeted and shall (i) provide notice to
29 all owners and residents of properties in the affected area about the periodic inspections plan
30 and information regarding a public hearing regarding the plan; (ii) hold a public hearing
31 regarding the plan; and (iii) establish a plan to address the ability of low-income residential
32 property owners to comply with minimum housing code standards.

33 (c) In no event may a city do any of the following: (i) adopt or enforce any ordinance
34 that would require any owner or manager of rental property to obtain any permit or permission
35 from the city to lease or rent residential real property; (ii) require that an owner or manager of
36 residential rental property enroll or participate in any governmental program as a condition of
37 obtaining a certificate of occupancy; or (iii) levy a special fee or tax on residential rental
38 property that is not also levied against other commercial and residential properties except that
39 the city may levy a fee for rental property registration on those properties which have been
40 found in violation of local ordinances within the previous 12 months. The fee shall be an
41 amount that covers the cost of operating a residential registration program and shall not be used
42 to supplant revenue in other areas."

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