



# SENATE BILL 326: Local Governments / Buildings / Structures / Inspections.

2015-2016 General Assembly

Committee:

Introduced by:

Analysis of: S.L. 2016-122

Date: September 8, 2016

Prepared by: Bill Patterson  
Staff Attorney

**OVERVIEW:** *S.L. 2016-122 amends the law governing county and city inspection of residential structures to provide that:*

- *If an inspection department determines that a safety hazard exists in one of the dwelling units within a multifamily building, then the inspection department may inspect additional dwelling units in the multifamily building to determine if the same hazard exists, regardless of whether it has received a specific complaint or has actual knowledge of an unsafe condition in those units.*
- *The number of verified violations of housing codes or ordinances that constitute "reasonable cause" supporting an inspection is increased from 2 to 4 within a rolling 12-month period.*
- *Inspection departments are prohibited from discriminating between owner-occupied and tenant-occupied buildings in conducting residential inspections.*
- *Residential inspections conducted as part of a targeted effort in a designated area must be in response to blighted or potentially blighted conditions, and the total targeted areas may not exceed one square mile or 5% of the county, whichever is greater.*
- *Counties and cities may not require registration of rental property, except for individual rental units with more than 4 verified violations in a rolling 12-month period, with 2 or more verified violations in a rolling 30-day period, or property identified in the top 10% of property with crime and disorder problems.*
- *The general prohibition on any requirement for a residential rental property permit, other than for those units with specified and verified code or crime problems, also includes a prohibition of a registration requirement.*
- *Registration fee requirements must be justified and imposed on a per-unit basis and may not exceed \$500, violation of registration requirements may not be criminalized, and the counties and cities may not condition provision of utility service upon a rental property submitting to an inspection.*
- *"Verified violation" is defined to mean the aggregate of all violations in a unit during a 72-hour period that are not corrected within 21 days of receipt of written notice of the violation, except that if the same violation occurs more than twice in a 12-month period, it will be counted as a verified violation regardless of whether it is corrected within 21 days.*
- *If the violation results from prohibited tenant behavior that, under the housing code or ordinance, constitutes a violation by the property owner or manager, the violation will be*

Karen Cochrane-Brown  
Director



Legislative Analysis  
Division  
919-733-2578

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*deemed corrected if the owner or manager brings a summary ejectment action to remove the tenant within 30 days of written notice of the tenant-related violation.*

- *If a property is identified by the county or city as being in the top 10% of properties with crime or disorder problems, the county or city is required to notify the landlord and allow the landlord an opportunity to correct the issue.*
- *The applicable county sheriff's department or city police must assist the landlord in addressing any criminal activity. If the applicable county sheriff or city police does not cooperate in evicting a tenant, the tenant's behavior or activity shall not be counted as a crime or disorder problem.*
- *If the county or city takes action against an individual rental unit, the owner of the individual rental unit may appeal the decision to the housing appeals board or the planning board, or if neither is created, to the county or city manager, as applicable.*

*This act becomes effective January 1, 2017.*

**LAW PRIOR TO EFFECTIVE DATE OF THIS ACT:** Before the effective date of this act, county and city inspection departments were authorized to make periodic inspections of residential structures when there was reasonable cause to believe that unsafe, unsanitary, or otherwise hazardous or unlawful conditions may have existed in the residential building or structure. Reasonable cause was deemed to exist if the landlord or owner had a history of more than two verified violations of the housing ordinances or codes within a 12 month period. Periodic inspections of residential structures were also permitted in a county or city designated target area with a plan for improvements.

In addition, under the prior law:

- Counties and cities could require a permit to lease or rent residential property only if the property had a history of more than three violations of housing ordinances or codes in a 12-month period or upon the property being identified within the top 10% of properties with crime or disorder problems as set forth in a local ordinance.
- Counties and cities could require residential property registration only for rental units with two or more violations of housing ordinances or codes within a 12 month period, or those identified as being in the top 10% of properties with crime or disorder problems.

**BILL ANALYSIS:** The act amends the law authorizing county and city inspection of residential structures to provide that:

- If an inspection department determines that a safety hazard exists in one of the dwelling units within a multifamily building, then the inspection department may inspect additional dwelling units in the multifamily building to determine if the same hazard exists, regardless of whether it has received a specific complaint or has actual knowledge of an unsafe condition in those units.
- The number of verified violations of housing codes or ordinances that will constitute "reasonable cause" supporting an inspection is increased from two to four within a rolling 12-month period.
- Inspection departments are prohibited from discriminating between owner-occupied and tenant-occupied buildings in conducting residential inspections.

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- Residential inspections conducted as part of a targeted effort in a designated area must be in response to blighted or potentially blighted conditions, and the total targeted areas may not exceed one square mile or 5% of the county, whichever is greater.
- Counties and cities may not require registration of rental property, except for individual rental units with more than four verified violations in a rolling 12-month period, or property identified in the top 10% of property with crime and disorder problems.
- The general prohibition on any requirement for a residential rental property permit, other than for those units with specified and verified code or crime problems, also includes a prohibition of a registration requirement.
- Registration fee requirements must be justified and imposed on a per-unit basis and may not exceed \$500, violation of registration requirements may not be criminalized, and the counties and cities may not condition their provision of utility service upon a rental property submitting to an inspection.
- "Verified violation" is defined to mean the aggregate of all violations in a unit during a 72-hour period that are not corrected within 21 days of receipt of written notice of the violation, except that if the same violation occurs more than twice in a 12-month period, it will be counted as a verified violation regardless of whether it is corrected within 21 days.
- If the violation results from prohibited tenant behavior that, under the housing code or ordinance, constitutes a violation by the property owner or manager, the violation will be deemed corrected if the owner or manager brings a summary ejectment action to remove the tenant within 30 days of written notice of the tenant-related violation.
- If a property is identified by the county or city as being in the top (10%) of properties with crime or disorder problems, the county or city is required to notify the landlord and allow the landlord an opportunity to correct the issue.
- The applicable county sheriff's department or city police must assist the landlord in addressing any criminal activity. If the applicable county sheriff or city police does not cooperate in evicting a tenant, the tenant's behavior or activity shall not be counted as a crime or disorder problem.
- If the county or city takes action against an individual rental unit, the owner of the individual rental unit may appeal the decision to the housing appeals board or the planning board, or if neither is created, to the county or city manager, as applicable.

**EFFECTIVE DATE:** This act becomes effective January 1, 2017.

*Giles Perry, counsel to House Local Government, substantially contributed to this summary.*