



HOUSE BILL 31: Allow Durham Pub. Schools to Provide Housing.

2019-2020 General Assembly

| | | | |
|-----------------------|--|---------------------|------------------------------|
| Committee: | House Education - K-12. If favorable, re-refer to State and Local Government. If favorable, re-refer to Commerce. If favorable, re-refer to Rules, Calendar, and Operations of the House | Date: | February 26, 2019 |
| Introduced by: | Reps. Black, Morey, Reives, Hawkins | Prepared by: | Brian Gwyn Staff Attorney |
| Analysis of: | First Edition | | |

OVERVIEW: *House Bill 31 would authorize the Durham Public Schools Board of Education to provide affordable rental housing for teachers and other employees of Durham Public Schools.*

[As introduced, this bill was identical to S99, as introduced by Sens. McKissick, Woodard, which is currently in Senate Rules and Operations of the Senate.]

CURRENT LAW: Under G.S. 66-58, which is popularly known as the Umstead Act, governmental units are generally prohibited from engaging in the sale of goods and services in competition with citizens of the State. G.S.115C-518 provides for the disposition of school property when a local board of education determines that a building site or other real or personal property is unnecessary or undesirable for public school purposes. Such property is usually offered to the board of county commissioners at a fair market price or sold by advertisement for sealed bids or at public auction under Article 12 of Chapter 160A of the General Statutes.

BILL ANALYSIS: House Bill 31 would authorize the Durham Public Schools Board of Education ("Board") to contract with any person, partnership, corporation, or other business entity to construct, provide, or maintain affordable rental housing on property owned by the Board or by Durham County. Additionally, the Board is authorized to enter into residential housing unit lease agreements for housing units owned by the Board. These rental units must be restricted to Durham Public Schools teachers or other Durham Public Schools employees. The Board may establish reasonable rents and may charge below-market rates. Applicable building codes, zoning ordinances, or other health and safety statutes, rules, or regulations would still apply.

EFFECTIVE DATE: This act would be effective when it becomes law.

BACKGROUND: Six other boards of education have similar authority to lease housing to teachers within the local school administrative unit: Dare County Board of Education (S.L. 2004-16); Bertie County Board of Education (S.L. 2006-61); Hertford County Board of Education (S.L. 2006-86); Asheville City Board of Education (S.L. 2007-239); Transylvania County Board of Education (S.L. 2009-154); and Edgecombe County Board of Education (S.L. 2009-161). The specific authority granted to each board of education varies.

Karen Cochrane-Brown
Director



Legislative Analysis
Division
(919) 733-2578