



2023-2024 General Assembly

HOUSE BILL 556: Tenancy in Common/E-Notary/Small Claims Changes, Sec. 7: Preemption of Local Regulations

Committee:		Date:	September 12, 2024
Introduced by:		Prepared by:	Brad Krehely
Analysis of:	Sec. 7 of S.L. 2024-47		Staff Attorney

OVERVIEW: *Section 7 of S.L. 2024-47 prohibits counties and cities from adopting certain ordinances or resolutions that would prohibit landlords from refusing to rent to a tenant because the tenant's lawful source of income to pay rent includes funding from a federal housing assistance program.*

This bill was vetoed by the Governor on July 3, 2024, and that veto was overridden by the General Assembly on September 9, 2024. This section of the act became effective September 9, 2024.

CURRENT LAW AND BILL ANALYSIS:

Section 7: Preemption of Local Regulations

G.S. 42-14.1 prohibits counties and cities from enacting, maintaining, or enforcing any ordinance or resolution that regulates the amount of rent to be charged for privately owned, single-family or multiple unit residential or commercial rental property. Cities and counties may: regulate property owned by the city or county; enter into agreements with private persons which regulate the amount of rent charged for subsidized rental properties; and enact ordinances or resolutions restricting rent for properties related to Community Development Block Grant Funds.

Section 7 prohibits counties and cities from enacting, maintaining, or enforcing an ordinance or resolution that prohibits the refusal to lease or rent a housing accommodation to a person because the person's lawful source of income to pay rent includes funding from a federal housing assistance program. The provision cannot be interpreted to prevent a county or city from enacting ordinances or resolutions applicable to owners or operators that receive funding or financial incentives from the county or city.

EFFECTIVE DATE: This bill was vetoed by the Governor on July 3, 2024, and that veto was overridden by the General Assembly on September 9, 2024. This section of the act became effective September 9, 2024.

Bill Patterson, Kristen Harris, and Brian Gwyn, Staff Attorneys of the Legislative Analysis Division, substantially contributed to this summary.

Kara McCraw
Director



Legislative Analysis
Division
919-733-2578