

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1997

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HOUSE BILL 1064

Short Title: Housing Authority Amendments.

(Public)

Sponsors: Representatives Fox; Aldridge, Arnold, Baker, Beall, Berry, Blue, Bonner, Boyd-McIntyre, Buchanan, Church, Cole, Crawford, Creech, Culp, Davis, Dedmon, Easterling, Gamble, Gardner, Hall, Hightower, Hill, Howard, H. Hunter, Hurley, Jarrell, Kinney, Kiser, McCombs, McCrary, Mercer, Michaux, Moore, Nye, Owens, Preston, Ramsey, Sexton, Sherrill, Smith, Sutton, Thompson, Tolson, Wainwright, Warner, Watson, Weatherly, Wilkins, G. Wilson, Womble, and Yongue.

Referred to: Judiciary II.

April 21, 1997

A BILL TO BE ENTITLED

1 AN ACT TO ALLOW A HOUSING AUTHORITY TO TERMINATE OR FAIL TO
2 RENEW A LEASE IF A TENANT ENGAGES IN CRIMINAL ACTIVITY ON OR
3 NEAR THE PREMISES AND TO ALLOW CERTAIN SUMMARY EJECTMENT
4 ACTIONS INITIATED BY A HOUSING AUTHORITY TO BE HELD IN
5 DISTRICT COURT INSTEAD OF IN MAGISTRATE'S COURT.
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7 The General Assembly of North Carolina enacts:

8 Section 1. G.S. 157-29 reads as rewritten:

9 "**§ 157-29. Rentals and tenant selections. Rentals; tenant selections; and summary**
10 **ejectments.**

11 (a) It is hereby declared to be the policy of this State that each housing authority
12 shall manage and operate its housing projects in an efficient manner so as to enable it to
13 fix the cost of dwelling accommodations for persons of low income at the lowest possible
14 rates consistent with its providing decent, safe, and sanitary dwelling accommodations.

1 No housing authority may construct or operate its housing projects so as to provide
2 revenues for other activities of the city.

3 (b) In the operation or management of housing projects, or portions of projects, for
4 persons of low income, an authority shall at all times observe the following duties with
5 respect to rentals and tenant selection:

6 (1) It may rent or lease dwelling accommodations set aside for persons of
7 low income only to persons who lack the amount of income ~~which~~that
8 is necessary (as determined by the housing authority undertaking the
9 project) to enable them, without financial assistance, to live in decent,
10 safe, and sanitary dwellings, without overcrowding; and

11 (2) It may rent or lease dwelling accommodations to persons of low income
12 only at rentals within the financial reach of such persons.

13 (c) An authority may terminate or refuse to renew a rental agreement for a serious
14 or repeated violation of a material term of the rental agreement such as (i) failure to make
15 payments due under the rental agreement, if such payments were properly and promptly
16 calculated according to applicable HUD regulation, whether or not such failure was the
17 fault of the tenant, (ii) failure to fulfill the tenant obligations set forth in 24 C.F.R.
18 Section 966.4(f) or other applicable provisions of federal law as they may be amended
19 from time to time, ~~or (iii) other good cause.~~ (iii) engaging in criminal activity that threatens
20 the health and safety of housing authority tenants or threatens the tenants' right to
21 peaceful enjoyment of the housing authority premises, or (iv) engaging in illegal drug
22 activity on or near the housing authority premises. Except in the case of failure to make
23 payments due under a rental agreement, fault on the part of a tenant may be considered in
24 determining whether good cause exists to terminate a rental agreement.

25 (d) The receipt or acceptance of rent by an authority, with or without knowledge of
26 a prior default or failure by the tenant under a rental agreement, shall not constitute a
27 waiver of that default or failure unless (i) the authority expressly agrees to such waiver in
28 writing, or (ii) within 120 days after obtaining knowledge of the default or failure, the
29 authority fails either to notify the tenant that a violation of the rental agreement has
30 occurred or to exercise one of the authority's remedies for such violation.

31 (e) If, in a summary ejectment action under Article 3 of Chapter 42 of the General
32 Statutes, a housing authority alleges that a tenant's lease has been terminated because the
33 tenant engaged in criminal activity or activity involving illegal drugs as provided in
34 subsection (c) of this section, the housing authority may, prior to the hearing before a
35 magistrate pursuant to G.S. 42-31, file a petition with the clerk of superior court
36 demanding that the case be tried at the first session of district court after the petition is
37 filed and that the presiding judge have the discretion that is granted in G.S. 42-34(a).
38 Upon assignment to the district court, the case shall be handled and disposed of in the
39 same manner as an appeal from a magistrate."

40 Section 2. This act becomes effective October 1, 1997, and applies to acts
41 committed on or after that date.