

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2009

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HOUSE BILL 777

Short Title: Vacation Rentals/Mandatory Evacuations. (Public)

Sponsors: Representatives Spear; and McComas.

Referred to: Commerce, Small Business, and Entrepreneurship, if favorable, Judiciary II.

March 26, 2009

A BILL TO BE ENTITLED

AN ACT PROVIDING THAT IN THE CASE OF A MANDATORY EVACUATION A
TENANT SUBJECT TO A VACATION RENTAL AGREEMENT IS ENTITLED TO A
REFUND OF THE PRORATED RENT, TAXES, AND OTHER PAYMENTS MADE BY
THE TENANT FOR THE OCCUPATION OF THE VACATION RENTAL UNIT.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 42A-36 reads as rewritten:

"§ 42A-36. **Mandatory evacuations.**

If State or local authorities, acting pursuant to Article 36A of Chapter 14 or Article 1 of Chapter 166A of the General Statutes, order a mandatory evacuation of an area that includes the residential property subject to a vacation rental, the tenant under the vacation rental agreement, whether in possession of the property or not, shall comply with the evacuation order. Upon compliance, the tenant shall be entitled to a refund from the landlord of the prorated rent rent, taxes, and any other payments made by the tenant pursuant to the vacation rental agreement as a condition of the tenant's right to occupy the property prorated for each night that the tenant is unable to occupy the property because of the mandatory evacuation order. The tenant shall not be entitled to a refund if: (i) prior to the tenant taking possession of the property, the tenant refused insurance offered by the landlord or real estate broker that would have compensated the tenant for losses or damages resulting from loss of use of the property due to a mandatory evacuation order; or (ii) the tenant purchased insurance offered by the landlord or real estate broker. The insurance offered shall be provided by an insurance company duly authorized by the North Carolina Department of Insurance, and the cost of the insurance shall not exceed eight percent (8%) of the total rent amount charged for the vacation rental to the tenant-tenant less the amount paid by the tenant for a security deposit."

SECTION 2. This act is effective when it becomes law.

