

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2017

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HOUSE BILL 488
PROPOSED COMMITTEE SUBSTITUTE H488-PCS30280-TT-6

Short Title: Early Rental Termination by Military Members.

(Public)

Sponsors:

Referred to:

March 28, 2017

A BILL TO BE ENTITLED

AN ACT TO ADD ADDITIONAL PROTECTIONS FOR ACTIVE AND RESERVE
NATIONAL GUARD MEMBERS UPON EARLY TERMINATION OF A RENTAL
AGREEMENT.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 42-45 reads as rewritten:

"§ 42-45. Early termination of rental agreement by military personnel, surviving family members, or lawful representative.

(a) Any member of the Armed Forces of the United States ~~States~~, the Active Guard and Reserve under section 101 of Title 10 of the United States Code, or a military technician under section 10216 of Title 10 of the United States Code who (i) is required to move pursuant to permanent change of station orders to depart 50 miles or more from the location of the dwelling unit, or (ii) is prematurely or involuntarily discharged or released from active duty with the Armed Forces of the United States, may terminate the member's rental agreement for a dwelling unit by providing the landlord with a written notice of termination to be effective on a date stated in the notice that is at least 30 days after the landlord's receipt of the notice. The notice to the landlord must be accompanied by either a copy of the official military orders or a written verification signed by the member's commanding officer.

(a1) Any member of the Armed Forces of the United States ~~States~~, the Active Guard and Reserve under section 101 of Title 10 of the United States Code, or a military technician under section 10216 of Title 10 of the United States Code who is deployed with a military unit for a period of not less than 90 days may terminate the member's rental agreement for a dwelling unit by providing the landlord with a written notice of termination. The notice to the landlord must be accompanied by either a copy of the official military orders or a written verification signed by the member's commanding officer. Termination of a lease pursuant to this subsection is effective 30 days after the first date on which the next rental payment is due or 45 days after the landlord's receipt of the notice, whichever is shorter, and payable after the date on which the notice of termination is delivered.

(a2) Upon termination of a rental agreement under this section, the tenant is liable for the rent due under the rental agreement prorated to the effective date of the termination payable at such time as would have otherwise been required by the terms of the rental agreement. The tenant is not liable for any other rent or damages due to the early termination of the tenancy except the liquidated damages provided in subsection (b) of this section. If a member terminates the rental agreement pursuant to this section 14 or more days prior to occupancy, no damages or penalties of any kind shall be due.



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1 (a3) If a member of the Armed Forces of the United ~~States~~ States, the Active Guard and
2 Reserve under section 101 of Title 10 of the United States Code, or a military technician under
3 section 10216 of Title 10 of the United States Code dies while on active duty, then an
4 immediate family member, or a lawful representative of the member's estate, may terminate the
5 member's rental agreement for a dwelling unit by providing the landlord with a written notice
6 of termination to be effective on the date described in subsection (a1) of this section. A copy of
7 the death certificate, official military personnel casualty report, or letter from the commanding
8 officer verifying the member's death must accompany the notice for this subsection to be
9 effective. Termination of the member's lease obligations under this subsection shall also
10 terminate the lease obligations of any cotenants who are immediate family members. If the
11 member was a cotenant with a person who is not an immediate family member, then the
12 termination shall relate only to the obligation of the member under the rental agreement. The
13 prorated charges in subsection (a2) of this section and the liquidated damages provisions of
14 subsection (b) of this section shall apply to any claims against the member's estate.

15 (b) In consideration of early termination of the rental agreement, the tenant is liable to
16 the landlord for liquidated damages provided the tenant has completed less than nine months of
17 the tenancy and the landlord has suffered actual damages due to loss of the tenancy. The
18 liquidated damages shall be in an amount no greater than one month's rent if the tenant has
19 completed less than six months of the tenancy as of the effective date of termination, or
20 one-half of one month's rent if the tenant has completed at least six but less than nine months of
21 the tenancy as of the effective date of termination.

22 (c) The provisions of this section may not be waived or modified by the agreement of
23 the parties under any circumstances. Nothing in this section shall affect the rights established
24 by G.S. 42-3."

25 **SECTION 2.** This act is effective when it becomes law and applies to lease
26 agreements entered into or renewed on or after that date.