

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2023

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HOUSE BILL 971
PROPOSED COMMITTEE SUBSTITUTE H971-PCS10565-CNa-3

Short Title: Hotel Operation and Personnel Education Act.

(Public)

Sponsors:

Referred to:

May 6, 2024

1 A BILL TO BE ENTITLED
2 AN ACT DIRECTING THE DEPARTMENT OF HEALTH AND HUMAN SERVICES TO
3 DEVELOP HUMAN TRAFFICKING AWARENESS TRAINING, REQUIRING
4 LODGING ESTABLISHMENTS, ACCOMMODATION FACILITATORS, AND
5 LANDLORDS OR REAL ESTATE BROKERS FOR VACATION RENTALS TO
6 IMPLEMENT HUMAN TRAFFICKING AWARENESS TRAINING, AND INCREASING
7 THE PUNISHMENT FOR A FIRST OFFENSE OF SOLICITING A PROSTITUTE.

8 The General Assembly of North Carolina enacts:

9 SECTION 1. Chapter 130A of the General Statutes is amended by adding a new
10 Article to read:

11 "Article 24.

12 "Human Trafficking Public Awareness in Lodging Establishments.

13 "**§ 130A-511. Human trafficking awareness training.**

14 (a) Definitions. – The following definitions apply in this section:

15 (1) Employee. – As defined in G.S. 130A-492.

16 (2) Employer. – As defined in G.S. 130A-492.

17 (3) Lodging establishment. – As defined in G.S. 130A-492.

18 (4) Third-party contractor. – A person not employed by a lodging establishment
19 who contracts with the lodging establishment to provide services for the
20 lodging establishment.

21 (b) Training Development and Availability. – The Department shall do all of the
22 following:

23 (1) In consultation with the North Carolina Human Trafficking Commission and
24 the North Carolina Restaurant and Lodging Association, develop a training
25 course, or identify existing training courses, to inform and educate individuals
26 about human trafficking.

27 (2) Ensure the training developed or identified pursuant to this subsection is
28 accessible electronically, without charge, to individuals required to complete
29 the training but is not otherwise readily available to the public.

30 (c) Lodging Establishment Requirements. – A lodging establishment shall do all of the
31 following:

32 (1) Ensure that employees of the establishment who perform housekeeping
33 services, provide food or beverage services, or perform check-in and
34 check-out duties receive human trafficking awareness training as required by
35 this section.



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- 1 (2) Implement a procedure for the reporting of suspected human trafficking to the
2 National Human Trafficking Hotline or to a local law enforcement agency.
3 (3) Prominently display on the premises in a place that is clearly conspicuous and
4 visible to employees and the public a public awareness sign that contains the
5 National Human Trafficking Resource hotline information. The Department
6 shall consult with the North Carolina Restaurant and Lodging Association in
7 developing public awareness signage language.

8 (d) Third-Party Contractor Requirements. – A third-party contractor shall ensure that any
9 employee of the third-party contractor who performs housekeeping services at the lodging
10 establishment, provides food or beverage services on site at the lodging establishment, or
11 provides check-in and check-out services at the lodging establishment receive human trafficking
12 awareness training as required by this section.

13 (e) Training Frequency. – Employees of lodging establishments and third-party
14 contractors that begin employment on or after January 1, 2025, shall complete the training
15 required by this section prior to performing any housekeeping services, food or beverage
16 services, or check-in and check-out duties, and every two years thereafter. Persons employed by
17 a lodging establishment or third-party contractor prior to January 1, 2025, shall complete the
18 training required by this section no later than December 31, 2026, and every two years thereafter.

19 (f) Penalty. – The Department may impose an administrative penalty against any
20 individual who willfully and knowingly violates the requirements of this section in the amount
21 of five hundred dollars (\$500.00) for the first violation, one thousand dollars (\$1,000) for the
22 second violation, and two thousand dollars (\$2,000) for the third and each subsequent violation.
23 The clear proceeds of penalties assessed under this subsection shall be remitted to the Civil
24 Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2.

25 (g) Private Right. – Nothing in this section shall (i) be construed as creating a private
26 cause of action against a lodging establishment, or its employees, for any act or omission arising
27 out of the requirements of this section or (ii) in any way limit or impair the rights or remedies
28 which are otherwise available to a victim of human trafficking under any other law."

29 **SECTION 2.** Article 6 of Chapter 42A of the General Statutes is amended by adding
30 a new section to read:

31 "**§ 42A-39. Human trafficking awareness reporting and training requirements.**

32 (a) Definitions. – The following definitions apply in this section:

33 (1) Accommodation facilitator. – As defined in G.S. 105-164.3.

34 (2) Employee. – As defined in G.S. 130A-492.

35 (3) Human trafficking awareness training. – The training developed or identified
36 by the Department of Health and Human Services pursuant to G.S. 130A-511.

37 (4) Landlord. – As defined in G.S. 42A-4.

38 (5) Real estate broker. – As defined in G.S. 93A-2.

39 (6) Third-party contractor. – A person not employed by the landlord of a vacation
40 rental who contracts with the landlord of the vacation rental to provide
41 services for the vacation rental.

42 (7) Vacation rental. – As defined in G.S. 42A-4.

43 (b) Human Trafficking Reporting Requirement. – Before initially listing a vacation
44 rental, either directly by the landlord, through a real estate broker, or through an accommodation
45 facilitator, a landlord shall implement a procedure for the reporting of suspected human
46 trafficking occurring at vacation rentals to the National Human Trafficking Hotline or to a local
47 law enforcement agency.

48 (c) Human Trafficking Awareness Training. – For any vacation rental offered for lease,
49 all of the following individuals, if applicable, shall complete human trafficking awareness
50 training:

- 1 (1) The landlord, or if the landlord is a partnership, corporation, sole
2 proprietorship, or limited liability company, the employee or third-party
3 contractor who oversees the supervision or maintenance of the vacation rental
4 on behalf of the landlord.
- 5 (2) The landlord's employees who perform housekeeping services at the vacation
6 rental or provide check-in and check-out services for the vacation rental.
- 7 (3) Any third-party contractor or employee of a third-party contractor who
8 performs housekeeping services at the vacation rental or provides check-in
9 and check-out services for the vacation rental.
- 10 (4) Any real estate broker and any employee of the real estate broker that performs
11 housekeeping services at the vacation rental or provides check-in and
12 check-out services for the vacation rental.
- 13 (d) Training Frequency. – Individuals required to complete training pursuant to
14 subsection (c) of this section shall complete the training as follows:
- 15 (1) For vacation rentals initially offered for lease on or after January 1, 2025, the
16 landlord shall complete training prior to the vacation rental being offered for
17 lease, and any employee of the landlord, third-party contractor or employee,
18 or real estate broker or employee shall complete training prior to performing
19 any housekeeping services or check-in and check-out services for the rental,
20 and every two years thereafter.
- 21 (2) For vacation rentals offered for lease prior to January 1, 2025, the landlord
22 and all individuals employed or contracted by the landlord or real estate broker
23 prior to January 1, 2025, shall complete the training required by this section
24 no later than December 31, 2026, and every two years thereafter.
- 25 (e) Accommodation Facilitator Requirements. – If the vacation rental is listed through an
26 accommodation facilitator, the accommodation facilitator shall comply with all of the following
27 requirements:
- 28 (1) Notify the landlord or any real estate broker providing the listing of the
29 training requirements of this section.
- 30 (2) For any vacation rental initially listed with the accommodation facilitator on
31 or after January 1, 2025, prior to making the listing available, require the
32 landlord or any real estate broker providing the listing to certify that any
33 training required by this section has been completed.
- 34 (3) For any vacation rental listed with the accommodation facilitator prior to
35 January 1, 2025, require the landlord or any real estate broker providing the
36 listing to certify no later than December 31, 2026, that any training required
37 by this section has been completed.
- 38 (4) Report to the Department of Health and Human Services no later than January
39 1, 2026, and annually thereafter, on the methods used to notify landlords and
40 real estate brokers of the requirements of this section, and to verify compliance
41 with those requirements by landlords and real estate brokers using their
42 services.
- 43 (f) Penalty. – The Department may impose an administrative penalty against any
44 individual who willfully and knowingly violates the requirements of this section in the amount
45 of five hundred dollars (\$500.00) for the first violation, one thousand dollars (\$1,000) for the
46 second violation, and two thousand dollars (\$2,000) for the third and each subsequent violation.
47 The clear proceeds of penalties assessed under this subsection shall be remitted to the Civil
48 Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2.
- 49 (g) Unfair Trade Practice. – It shall constitute an unfair trade practice in violation of
50 G.S. 75-1.1 for a vacation rental provider to intentionally make a material misstatement in an
51 acknowledgment of human trafficking awareness training completion.

1 (h) Private Right. – Nothing in this section shall (i) be construed as creating a private
2 cause of action against an accommodation facilitator, or its employees, for any act or omission
3 arising out of the requirements of this section or (ii) in any way limit or impair the rights or
4 remedies which are otherwise available to a victim of human trafficking under any other law."

5 **SECTION 3.** The Department of Health and Human Services shall develop or
6 identify a human trafficking awareness training program that complies with Sections 1 and 2 of
7 this act and make that training program available electronically no later than January 1, 2025.

8 **SECTION 4.(a)** G.S. 14-205.1(a) reads as rewritten:

9 (a) Except as otherwise provided in this section, any person who solicits another for the
10 purpose of prostitution is guilty of a Class ~~1 misdemeanor~~ I felony for a first offense and a Class
11 H felony for a second or subsequent offense. This subsection shall not apply to the person
12 engaging in prostitution, as defined in G.S. 14-203(5). Any person 18 years of age or older who
13 willfully solicits a minor for the purpose of prostitution is guilty of a Class G felony. Any person
14 who willfully solicits a person who has a severe or profound mental disability for the purpose of
15 prostitution is guilty of a Class E felony. Punishment under this section may include participation
16 in a program devised for the education and prevention of sexual exploitation (i.e. "John School"),
17 where available. A person who violates this subsection is not eligible for a disposition of prayer
18 for judgment continued under any circumstances."

19 **SECTION 4.(b)** This section becomes effective December 1, 2024, and applies to
20 offenses committed on or after that date.

21 **SECTION 5.(a)** There is appropriated from the General Fund to the Administrative
22 Office of the Courts the sum of five hundred thousand dollars (\$500,000) in nonrecurring funds
23 for the 2024-2025 fiscal year to be used for an awareness campaign and other efforts to raise
24 awareness on the provisions of this act and to otherwise further the work of the North Carolina
25 Human Trafficking Commission.

26 **SECTION 5.(b)** This section becomes effective July 1, 2024.

27 **SECTION 6.** Sections 1 and 2 of this act become effective January 1, 2025. Except
28 as otherwise provided, the remainder of this act is effective when it becomes law.