

FAILED



NORTH CAROLINA GENERAL ASSEMBLY
AMENDMENT
Senate Bill 889

AMENDMENT NO. A1
(to be filled in by
Principal Clerk)

S889-ABAA-37 [v.4]

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Amends Title [YES]
First Edition

Date _____, 2026

Senator Bradley

1 moves to amend the bill on page 1, line 6, by inserting the following after the word
2 "REAPPRAISAL,":

3 "REDUCING THE APPROPRIATION FOR OPPORTUNITY SCHOLARSHIPS, AND
4 PROHIBITING HOUSING MARKET MANIPULATION AND PROTECTING AGAINST
5 ARTIFICIAL INFLATION BY EXCESSIVE HOME BUYING BY ENTITIES
6 PURCHASING HOMES FOR USE AS RENTAL PROPERTIES, EXPANDING
7 WORKFORCE HOUSING BY PROVIDING CURRENT AND ONGOING FUNDING
8 FOR THE HOUSING TRUST FUND,";

9
10 and on page 1, lines 28-29, by inserting the following between those lines:

11 "SECTION 1.7A.(a) Notwithstanding G.S. 115C-562.8 and any other provision of
12 law to the contrary, the State Education Assistance Authority shall transfer to the Office of State
13 Budget and Management for remittance to the General Fund the sum of two hundred million
14 dollars (\$200,000,000) in unencumbered, nonrecurring funds remaining at the end of the 2025-
15 2026 fiscal year that would otherwise be carried forward in the 2026-2027 fiscal year for the
16 award of opportunity scholarship grants pursuant to G.S. 115C-562.8(d)(2).

17 "SECTION 1.7A.(b) This section becomes effective July 1, 2026.

18 "SECTION 1.8.(a) Chapter 75 of the General Statutes is amended by adding a new
19 Article to read:

20 "Article 9.

21 "Housing Market Manipulation.

22 "§ 75-150. Purpose.

23 (a) The General Assembly finds that North Carolina has experienced urban growth at
24 levels significantly higher than many states. The General Assembly does not wish to inhibit the
25 ownership of property but recognizes that it is becoming increasingly common for business
26 entities to purchase substantial numbers of single-family homes for use as rental properties, both
27 lowering the supply of, and increasing the costs of, such homes. The General Assembly further
28 finds that home ownership is recognized as one of the most reliable ways to build wealth,
29 permitting owners to build equity, which can serve as reserves in times of need, and in terms of
30 passive income and increases in market value of owned property.

31 (b) The General Assembly seeks, by this narrowly tailored Article, to balance the
32 interests of building wealth through the use of business entities acquiring properties for rental



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1 purposes against the State, local, and individual economic benefits that result from having a
2 citizenry broadly engaged in and accruing the advantages attendant to home ownership.

3 **"§ 75-151. Definitions.**

4 The following definitions apply in this Article:

- 5 (1) Affiliate. – A person, other than an individual, that wholly or substantially
6 owns, is wholly or substantially owned by, or is under common ownership
7 with another person.
8 (2) Individual. – A human being.
9 (3) Person. – A fiduciary, a firm, an association, a partnership, a limited liability
10 company, a corporation, or other business entity or group acting as a unit. The
11 term includes an officer or employee of a corporation, a member, a manager,
12 or an employee of a limited liability company, and a member or employee of
13 a partnership who, as officer, employee, member, or manager, acts on behalf
14 of the business entity with whom they are associated or an affiliate of that
15 business entity. The term does not include governmental entities.
16 (4) Qualifying county. – A county with a population greater than 150,000 as of
17 the most recent decennial census.
18 (5) Single-family home. – A residential structure that is either a fully detached or
19 semi-detached building or that is a row or town home that (i) is separated from
20 the adjacent unit by a ground-to-roof wall, (ii) does not share heating or
21 air-conditioning systems or utilities, and (iii) does not have units located
22 above or below.

23 **"§ 75-152. Impermissible ownership quotas.**

24 It is unlawful for a person, including affiliates of the person, to purchase a single-family home
25 in a qualifying county for a purpose other than use by the person as a residence if the person,
26 including affiliates of the person, owns 100 or more single-family homes in qualifying counties
27 that are used primarily for rental purposes.

28 **"§ 75-153. Enforcement; remedies; damages.**

29 (a) The Attorney General shall have the same authority under this Article to make rules,
30 conduct civil investigations, bring civil actions, and enter into assurances of discontinuance as
31 provided under this Chapter. In an action brought by the Attorney General pursuant to this
32 section, the court may award or impose any relief available under this Chapter.

33 (b) A person aggrieved by a violation of this Article or by a violation of rules adopted
34 under this Article or the board of county commissioners of the county in which such person lives
35 may bring an action in superior court against a person who acquires a single-family home in
36 violation of this Article. A court may impose civil penalties on a person found to violate this
37 Article of up to one hundred dollars (\$100.00) per day for each single-family home acquired in
38 violation of this Article and may award to a plaintiff who prevails in an action brought pursuant
39 to this subsection one or more of the following remedies:

- 40 (1) Equitable relief.
41 (2) Damages.
42 (3) Costs and fees, including reasonable attorneys' fees.

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1 (4) Exemplary damages in an amount equal to fifty thousand dollars (\$50,000) or
2 three times the total of damages, costs, and fees, whichever is greater.

3 (c) A court may award to a defendant who prevails in an action brought pursuant to this
4 section costs and fees, including reasonable attorneys' fees, if the court finds the action was not
5 well-grounded in fact and warranted by existing law or was interposed for any improper purpose,
6 such as to harass or to cause unnecessary delay or needless increase in the cost of litigation.

7 (d) Joinder of Interested Parties. – In an action arising under subsection (a) or (b) of this
8 section, the court shall grant a motion by the Attorney General or a board of county
9 commissioners or a person aggrieved under this Article for joinder of any affiliate of a defendant
10 named in the litigation for purposes of (i) ensuring a proper accounting regarding the total number
11 of single-family homes owned by the named defendant and any affiliates and (ii) permitting
12 proper enforcement, remedies, and damages.

13 (e) If a party is unable to pay an amount awarded by the court pursuant to subsection (a)
14 or (b) of this section, the court may find any interested party joined pursuant to subsection (d) of
15 this section jointly and severally liable for violations of this Article and make the award
16 recoverable against any or all of the joined interested parties.

17 (f) This Article shall not be construed to limit rights and remedies available to the State
18 of North Carolina or to any person under any other law and shall not alter or restrict the Attorney
19 General's authority under this Article with regard to conduct involving assertions of violations of
20 this Article."

21 **SECTION 1.8.(b)** This section is effective when it becomes law and applies to
22 purchases of real estate on or after that date.

23 **SECTION 1.9.(a)** There is appropriated from the General Fund to the North Carolina
24 Housing Trust Fund, established under G.S. 122E-3, the sum of thirty million dollars
25 (\$30,000,000) in nonrecurring funds for the 2023-2024 fiscal year to be used in accordance with
26 the purposes provided in Chapter 122E of the General Statutes.

27 **SECTION 1.9.(b)** G.S. 161-11.5 reads as rewritten:

28 **"§ 161-11.5. Fees to be remitted to State Treasurer.**

29 Six dollars and twenty cents (\$6.20) of each fee collected by the register of deeds under
30 G.S. 161-10(a)(1) and (a)(1a) shall be remitted by the register of deeds to the county finance
31 officer, who shall remit the funds to the State Treasurer on a monthly basis to be credited as
32 follows:

- 33 (1) Fifty-five percent (55%) to the Floodplain Mapping Fund established under
34 G.S. 143-215.56A.
- 35 (2) ~~Twenty Eight and one-half percent (20%)-(18.5%)~~ to the General Fund as
36 nontax revenue.
- 37 (3) Twenty-five percent (25%) to the Department of Natural and Cultural
38 Resources to be used as provided in G.S. 121-5(e).
- 39 (4) One and one-half percent (1.5%) to the North Carolina Housing Trust Fund,
40 established under G.S. 122E-3."

41 **SECTION 1.9.(c)** G.S. 105-228.30 reads as rewritten:

42 **"§ 105-228.30. Imposition of excise tax; distribution of proceeds.**

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1 (a) An excise tax is levied on each instrument by which any interest in real property is
2 conveyed to another person. The tax rate is one dollar (\$1.00) on each five hundred dollars
3 (\$500.00) or fractional part thereof of the consideration or value of the interest conveyed. The
4 transferor must pay the tax to the register of deeds of the county in which the real estate is located
5 before recording the instrument of conveyance. If the instrument transfers a parcel of real estate
6 lying in two or more counties, however, the tax must be paid to the register of deeds of the county
7 in which the greater part of the real estate with respect to value lies.

8 The excise tax on instruments imposed by this Article applies to timber deeds and contracts
9 for the sale of standing timber to the same extent as if these deeds and contracts conveyed an
10 interest in real property.

11 (b) The register of deeds of each county must remit the proceeds of the tax levied by this
12 section to the county finance officer. The finance officer of each county must credit one-half of
13 the proceeds to the county's general fund and remit the remaining one-half of the proceeds, less
14 taxes refunded and the county's allowance for administrative expenses, to the Department of
15 Revenue on a monthly basis. A county may retain two percent (2%) of the amount of tax proceeds
16 allocated for remittance to the Department of Revenue as compensation for the county's cost in
17 collecting and remitting the State's share of the tax. The Department of Revenue shall credit an
18 amount equal to thirty-three percent (33%) of the funds remitted to the Department of Revenue
19 under this subsection to the North Carolina Housing Trust Fund, established under G.S. 122E-3,
20 and shall credit the remaining funds to the General Fund."

21 **SECTION 1.9.(d)** This section becomes effective July 1, 2026.";

22
23 and on page 2, line 20, by deleting "The" and substituting "Except as otherwise provided, the".

SIGNED _____
Amendment Sponsor

SIGNED _____
Committee Chair if Senate Committee Amendment

ADOPTED _____ FAILED _____ TABLED _____

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