

Article 6.

General Provisions.

§ 42A-36. Mandatory evacuations.

If State or local authorities, acting pursuant to Article 1A 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 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 amount charged for the vacation rental to the tenant less the amount paid by the tenant for a security deposit. (1999-420, s. 1; 2005-292, s. 3; 2009-245, s. 2; 2012-12, s. 2(h).)

§ 42A-37. Early termination of vacation rental agreement by military personnel.

(a) Any member of the Armed Forces of the United States who executes a vacation rental agreement and subsequently receives (i) an order for deployment with a military unit for a period overlapping with the rental period or (ii) permanent change of station orders requiring the member to relocate on a date prior to the beginning of the lease term may terminate the member's vacation rental agreement by providing the landlord or landlord's agent with a written notice of termination within 10 calendar days of receipt of the order. The notice 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 immediately upon receipt of the notice by the landlord or landlord's agent. All monies paid by the terminating member, with the exception of nonrefundable fees paid to third parties as described in G.S. 42-16, in connection with the vacation rental agreement shall be refunded to the member within 30 days of termination of the agreement.

(b) A member's termination of a vacation rental agreement pursuant to subsection (a) of this section shall also terminate any obligation a spouse or dependent of the member may have under the vacation rental agreement.

(c) The right to terminate a vacation rental agreement as described in subsection (a) of this section shall extend to the spouse of any member of the Armed Forces of the United States. A spouse exercising the right to terminate a rental agreement shall provide the same notice as described in subsection (a) of this section.

(d) The provisions of this section may not be waived or modified by the agreement of the parties. (2016-98, s. 1.4; 2017-212, s. 8.6.)

§ 42A-38: Reserved for future codification purposes.

§ 42A-39. (Effective July 1, 2025) Human trafficking awareness reporting and training requirements.

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

- (1) Accommodation facilitator. – As defined in G.S. 105-164.3.
- (2) Employee. – As defined in G.S. 130A-492.
- (3) Human trafficking awareness training. – The training developed or identified by the Department of Labor pursuant to G.S. 130A-511.
- (4) Property manager. – A landlord, as defined in G.S. 42A-4, or real estate broker, as defined in G.S. 93A-2, that has primary responsibility for the listing, supervision, or maintenance of a vacation rental. The term property manager does not include a landlord that delegates all listing, supervisory, and maintenance responsibilities to a real estate broker.
- (5) Third-party contractor. – A person not employed by a property manager of a vacation rental who contracts with the property manager to provide services for the vacation rental.
- (6) Vacation rental. – As defined in G.S. 42A-4.

(b) Human Trafficking Reporting Requirement. – Before initially listing a vacation rental, either directly or through an accommodation facilitator, the property manager shall implement a procedure for the reporting of suspected human trafficking occurring at vacation rentals to the National Human Trafficking Hotline or to a local law enforcement agency.

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

- (1) The property manager, or if the property manager is a partnership, corporation, sole proprietorship, or limited liability company, any employee or third-party contractor who oversees the listing, supervision, or maintenance of the vacation rental on behalf of the property manager.
- (2) The property manager's employees who perform housekeeping services at the vacation rental or provide check-in and check-out services for the vacation rental.
- (3) Any third-party contractor or employee of a third-party contractor who performs housekeeping services at the vacation rental or provides check-in and check-out services for the vacation rental.

(d) Training Frequency. – Individuals required to complete training pursuant to subsection (c) of this section shall complete the training as follows:

- (1) For vacation rentals initially offered for lease on or after July 1, 2025, the property manager shall complete training prior to the vacation rental being offered for lease, and any employee of the property manager, or third-party contractor or employee shall complete training within 60 days of first providing services for the vacation rental, and every two years thereafter.
- (2) For vacation rentals initially offered for lease prior to July 1, 2025, the property manager and all individuals employed or contracted by the property manager prior to July 1, 2025, shall complete the training required by this section no later than June 30, 2027, and every two years thereafter.

(e) Accommodation Facilitator Requirements. – If the vacation rental is listed through an accommodation facilitator, the accommodation facilitator shall comply with all of the following requirements:

- (1) Notify the property manager of the training requirements of this section.
- (2) For any vacation rental initially listed with the accommodation facilitator on or after July 1, 2025, prior to making the listing available, require the property manager to certify that any training required by this section has been completed.
- (3) For any vacation rental initially listed with the accommodation facilitator prior to July 1, 2025, require the property manager to certify no later than June 30, 2027, that any training required by this section has been completed.
- (4) Report to the Department of Labor within 30 days of request on the methods used to notify property managers of the requirements of this section, and to require certification of their compliance with the requirements of this section.

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

(g) **Unfair Trade Practice.** – It shall constitute an unfair trade practice in violation of G.S. 75-1.1 for a property manager to intentionally make a material misstatement in an acknowledgment of human trafficking awareness training completion.

(h) **No Private Right.** – Nothing in this section shall (i) be construed as creating a private cause of action against an accommodation facilitator, or its employees, for any act or omission arising out of the requirements of this section or (ii) in any way limit or impair the rights or remedies which are otherwise available to a victim of human trafficking under any other law. (2024-26, s. 2.)

§ 42A-40: Reserved for future codification purposes.