

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2011

HOUSE BILL 971
RATIFIED BILL

AN ACT TO AUTHORIZE LEASE TERMINATION FOR A SERVICE MEMBER WHO DIES WHILE ON ACTIVE DUTY, AS RECOMMENDED BY THE HOUSE SELECT COMMITTEE ON MILITARY AFFAIRS.

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~~personnel, surviving family members, or lawful representative.**

(a) Any member of the Armed Forces of the United States 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 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.

(a3) If a member of the Armed Forces of the United States dies while on active duty, then an immediate family member, or a lawful representative of the member's estate, 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 the date described in subsection (a1) of this section. A copy of the death certificate, official military personnel casualty report, or letter from the commanding officer verifying the member's death must accompany the notice for this subsection to be effective. Termination of the member's lease obligations under this subsection shall also terminate the lease obligations of any cotenants who are immediate family members. If the member was a cotenant with a person who is not an immediate family member, then the termination shall relate only to the obligation of the member under the rental agreement. The prorated charges in subsection (a2) of this section and the liquidated damages provisions of subsection (b) of this section shall apply to any claims against the member's estate.

(b) In consideration of early termination of the rental agreement, the tenant is liable to the landlord for liquidated damages provided the tenant has completed less than nine months of the tenancy and the landlord has suffered actual damages due to loss of the tenancy. The liquidated damages shall be in an amount no greater than one month's rent if the tenant has



completed less than six months of the tenancy as of the effective date of termination, or one-half of one month's rent if the tenant has completed at least six but less than nine months of the tenancy as of the effective date of termination.

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

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

In the General Assembly read three times and ratified this the 21st day of June, 2012.

s/ Walter H. Dalton
President of the Senate

s/ Thom Tillis
Speaker of the House of Representatives

Beverly E. Perdue
Governor

Approved _____m. this _____ day of _____, 2012