

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2023

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SENATE BILL 167

Short Title: Source of Income Nondiscrimination Act. (Public)

Sponsors: Senators Mayfield, Murdock, and Salvador (Primary Sponsors).

Referred to: Rules and Operations of the Senate

February 28, 2023

1 A BILL TO BE ENTITLED
2 AN ACT TO MAKE HOUSING DISCRIMINATION ON THE BASIS OF "SOURCE OF
3 INCOME" A VIOLATION OF THE STATE FAIR HOUSING ACT.

4 The General Assembly of North Carolina enacts:

5 **SECTION 1.** Chapter 41A of the General Statutes reads as rewritten:

6 **"Chapter 41A.**

7 **"State Fair Housing Act.**

8 **"§ 41A-1. Title.**

9 This Chapter shall be known and may be cited as the State Fair Housing Act.

10 ...

11 **"§ 41A-3. Definitions.**

12 For the purposes of this Chapter, the following definitions apply:

13 ...

14 (9) "Source of income" means any lawful source of money paid directly,
15 indirectly, or on behalf of a renter or buyer of real property, including the
16 following:

17 a. Income derived from any lawful profession or occupation.

18 b. Income or rental payments derived from a grant, loan program, the
19 State or federal government or any local governmental unit, including
20 the HOPE program or a Section 8 voucher, or financial assistance from
21 a private source, including a nonprofit or other nongovernmental
22 entity.

23 **"§ 41A-4. Unlawful discriminatory housing practices.**

24 (a) It is an unlawful discriminatory housing practice for any person in a real estate
25 transaction, because of race, color, religion, sex, national origin, handicapping condition, source
26 of income, or familial status to:

27 ...

28 (b1) It is an unlawful discriminatory housing practice for any person or other entity whose
29 business includes engaging in residential real estate related transactions to discriminate against
30 any person in making available such a transaction, or in the terms and conditions of such a
31 transaction, because of race, color, religion, sex, national origin, handicapping condition, source
32 of income, or familial status. As used in this subsection, "residential real estate related
33 transaction" means:

34 ...

35 (c) It is an unlawful discriminatory housing practice for a person to induce or attempt to
36 induce another to enter into a real estate transaction from which such person may profit:



1 (1) By representing that a change has occurred, or may or will occur in the
2 composition of the residents of the block, neighborhood, or area in which the
3 real property is located with respect to race, color, religion, sex, national
4 origin, handicapping condition, source of income, or familial status of the
5 owners or occupants;

6 ...

7 (d) It is an unlawful discriminatory housing practice to deny any person who is otherwise
8 qualified by State law access to or membership or participation in any real estate brokers'
9 organization, multiple listing service, or other service, organization, or facility relating to the
10 business of engaging in real estate transactions, or to discriminate in the terms or conditions of
11 such access, membership, or participation because of race, color, religion, sex, national origin,
12 handicapping condition, source of income, or familial status.

13 ...

14 (g) It is an unlawful discriminatory housing practice to discriminate in land-use decisions
15 or in the permitting of development based on race, color, religion, sex, national origin,
16 handicapping condition, source of income, familial status, or, except as otherwise provided by
17 law, the fact that a development or proposed development contains affordable housing units for
18 families or individuals with incomes below eighty percent (80%) of area median income. It is
19 not a violation of this Chapter if land-use decisions or permitting of development is based on
20 considerations of limiting high concentrations of affordable housing.

21 **"§ 41A-5. Proof of violation.**

22 (a) It is a violation of this Chapter if:

23 (1) A person by his act or failure to act intends to discriminate against a person.
24 A person intends to discriminate if, in committing an unlawful discriminatory
25 housing practice described in G.S. 41A-4 he was motivated in full, or in any
26 part at all, by race, color, religion, sex, national origin, handicapping
27 condition, source of income, or familial status. An intent to discriminate may
28 be established by direct or circumstantial evidence.

29 (2) A person's act or failure to act has the effect, regardless of intent, of
30 discriminating, as set forth in G.S. 41A-4, against a person of a particular race,
31 color, religion, sex, national origin, handicapping condition, source of income,
32 or familial status. However, it is not a violation of this Chapter if a person
33 whose action or inaction has an unintended discriminatory effect, proves that
34 his action or inaction was motivated and justified by business necessity.

35 ...

36 **"§ 41A-6. Exemptions.**

37 (a) The provisions of G.S. 41A-4, except for subdivision (a)(6), do not apply to the
38 following:

39 ...

40 (3) Religious institutions or organizations or charitable or educational
41 organizations operated, supervised, or controlled by religious institutions or
42 organizations which give preference to members of the same religion in a real
43 estate transaction, as long as membership in such religion is not restricted by
44 race, color, sex, national origin, handicapping condition, source of income, or
45 familial status;

46"

47 **SECTION 2.** This act becomes effective October 1, 2023.