

**GENERAL ASSEMBLY OF NORTH CAROLINA**  
**SESSION 2007**

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**HOUSE BILL 1527**  
**Committee Substitute Favorable 5/23/07**

Short Title: Partition Sales of Real Property Study.

(Public)

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Sponsors:

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Referred to:

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April 17, 2007

A BILL TO BE ENTITLED

1 AN ACT TO STUDY THE IMPACT OF PARTITION SALES OF REAL PROPERTY  
2 ON THE ECONOMIC USE AND LOSS OF HEIR PROPERTY AND  
3 FARMLAND BY HEIRS IN NORTH CAROLINA.  
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5 The General Assembly of North Carolina enacts:

6 **SECTION 1.** There is created the Partition Sales Study Committee to  
7 address the issue of the impact of the partition sale procedures on the economic use and  
8 loss of heir property and farmland by heirs in North Carolina.

9 **SECTION 2.** The Committee shall be comprised of 18 members as follows:

10 (1) Nine members appointed by the Speaker of the House of  
11 Representatives as follows:

12 (a) Five members of the House of Representatives.

13 (b) A Clerk of Superior Court.

14 (c) Three members of the public with an expertise or stakeholder  
15 interest in the issue.

16 (2) Nine members appointed by the President Pro Tempore of the Senate  
17 as follows:

18 (a) Five members of the Senate.

19 (b) A Clerk of Superior Court.

20 (c) Three members of the public with an expertise or stakeholder  
21 interest in the issue.

22 The Speaker of the House of Representatives and the President Pro Tempore  
23 of the Senate shall each designate a cochair of the Committee. A quorum of the  
24 Committee shall be a majority of its members. The Committee shall meet upon the joint  
25 call of the cochairs.

26 **SECTION 3.** The Committee shall study the laws and procedures  
27 concerning partition sales in North Carolina and how these laws affect landowners in  
28 the State, examining both the effectiveness and equity of the current law and exploring  
29 potential alternatives. Specifically, the Committee shall:

- 1 (1) Review information about partition sales and examine current trends in  
2 partition sales in the State, especially related to sales initiated by  
3 strangers in interest to heirs or related cotenants.
- 4 (2) Analyze research and information from North Carolina and other states  
5 and jurisdictions regarding the effect of partition laws on desired land  
6 retention and economic development.
- 7 (3) Analyze information concerning the comparative frequency of  
8 partition sales vs. partition-in-kind in North Carolina.
- 9 (4) Identify and assess alternative partition sales laws from other states.
- 10 (5) Explore how best to balance competing interests of the tenants in  
11 common in the partition sales context.
- 12 (6) Identify and consult with academics who have studied partition sales  
13 nationally to determine their recommendations concerning "best  
14 practices" in partition proceedings.
- 15 (7) Identify current barriers to the adoption of "best practices"  
16 recommendations and to alternative laws adopted by other states and  
17 potential options to address these barriers.
- 18 (8) Prepare a report with a statement of the issues and a summary of the  
19 research including the Committee's recommendations concerning any  
20 needed improvements and draft legislation to address any inequities  
21 presented by partition sales in North Carolina.

22 **SECTION 4.** Members of the Committee shall receive per diem,  
23 subsistence, and travel allowances in accordance with G.S. 120-3.1, 138-5, or 138-6, as  
24 appropriate. Upon the prior approval of the Legislative Services Commission, the  
25 Legislative Services Officer shall assign professional and clerical staff to the Committee  
26 to aid in its work. The Committee may contract for professional, clerical, or consultant  
27 services as provided by G.S. 120-32.02. The Committee may meet during a regular or  
28 extra session of the General Assembly, subject to approval of the President Pro  
29 Tempore of the Senate and the Speaker of the House of Representatives. Subject to the  
30 approval of the Legislative Services Commission, the Committee may meet in the  
31 Legislative Building or the Legislative Office Building. The Committee, while in the  
32 discharge of its official duties, may exercise all the powers provided under the  
33 provisions of G.S. 120-19 and G.S. 120-19.1 through G.S. 120-19.4, including the  
34 power to request all officers, agents, agencies, and departments of the State to provide  
35 any information, data, or documents within their possession, ascertainable from their  
36 records, or otherwise available to them and the power to subpoena witnesses.

37 **SECTION 5.** The Committee shall submit a final report of the results of its  
38 study, including any legislative recommendations, to the 2008 Regular Session of the  
39 2007 General Assembly no later than May 1, 2008. The Committee shall terminate on  
40 May 1, 2008, or upon the filing of its final report, whichever occurs first.

41 **SECTION 6.** From funds appropriated to the General Assembly, the  
42 Legislative Services Commission shall allocate funds for the purpose of conducting the  
43 study provided for in this act.

44 **SECTION 7.** This act is effective when it becomes law.