



Frequently Asked Questions for Executive Order 142 May 30, 2020

This Frequently Asked Questions (“FAQ”) document provides guidance for the implementation of Executive Order No. 142 (“Order”). On Saturday, May 30, 2020, Governor Roy Cooper issued an Executive Order that assists North Carolinians by prohibiting utility shut-offs and late fees, urging utility reconnection and implementing a moratorium on evictions. This Order provides relief to North Carolinians harmed financially by COVID-19 and helps to slow the spread of COVID-19 by preventing homelessness due to eviction and ensuring that people have access to essential utilities. The Order also provides protections to struggling businesses by preventing evictions of commercial entities. Below are frequently asked questions and their answers. In addition, check with your local government to determine whether additional restrictions exist in your area to limit the spread of COVID-19.

What does Executive Order No. 142 do?

Executive Order No. 142 puts in place a moratorium on evictions for residential and commercial tenants and provides relief for individuals who are unable to pay their utility bills during the COVID-19 pandemic.

The Order’s evictions moratorium:

- Is effective immediately and lasts for 3 weeks;
- Prevents residential landlords from initiating or furthering summary ejectment or other eviction proceedings against a residential tenant for nonpayment or late payment of rent;
- Prevents commercial landlords from using “self-help” eviction procedures or terminating a lease for their commercial tenants, if the legal basis for the termination is for a late payment or nonpayment of rent that was caused by the COVID19 pandemic;
- Prevents residential and commercial landlords from assessing late fees, interest, or other penalties for late or nonpayment;
- Prevents the accumulation of additional interest, fees, or other penalties for existing late fees during the effective period of the order;
- Requires residential and commercial landlords to give tenants six months, after the executive order ends, to pay outstanding rent that became due during the effective period of the order;
- States explicitly that residential and commercial tenants are still responsible for paying their rent; and

- Makes clear that evictions for reasons other than late payment or nonpayment, such as evictions related to health and safety, can take place.

The Order's utility shutoff moratorium:

- Continues effective immediately and lasts 60 days;
- Prohibits utility disconnections for all customers;
- Prohibits billing or collection of late fees, penalties, and other charges for failure to pay;
- Continues to provide that once the executive order ends, utilities must give customers the chance to set up a repayment plan for charges that became due during the effective period of the order, and sets the default term to six months for cases when the utility and customer cannot agree on the terms of a repayment plan; and
- States explicitly that customers are ultimately responsible for the cost of the utilities that they use.

Why are these consumer protections needed?

North Carolinians are facing significant job loss and lack of wages as a result of COVID-19. Jobs may be slow to return, keeping North Carolinians under financial strain even as more businesses reopen. In fact, according to a [recent University of Chicago study](#), 42 percent of coronavirus-related job losses aren't expected to come back.

North Carolinians need a home and access to utilities to stay safe. In Phase 2, North Carolina is under a "Safer at Home" advisory. Evictions [are linked to](#) a large increase in the risk of homelessness. [According to the CDC](#), individuals experiencing homelessness are at risk for COVID-19 infection. In order to practice proper hygiene to mitigate the risk of acquiring and spreading COVID-19, North Carolinians need access to running water. Access to other utilities helps individuals remain safely at home and stay informed on the latest news and information related to the COVID-19 pandemic.

Does this mean I don't have to pay my rent and utility bills?

No. All customers are still responsible for paying their utility bills, and all tenants are still responsible for paying their rent.

How long will I have to pay overdue rent and utility bills?

The order requires landlords to give tenants 6 months to pay overdue rent that becomes due while the executive order is in effect. Utilities must give their customers at least 6 months to pay overdue utility bills that become due from March 31, 2020 to July 29, 2020.

How long will this order last?

The evictions section of this order will be in effect for 3 weeks, while the utility shutoff section will be in effect for 60 additional days, through July 29, 2020. At its signing, this order immediately extends and amends Executive Order No. 124.

How does this interact with Chief Justice Beasley's order related to evictions?

Executive Order No. 124 prevents landlords from beginning eviction proceedings, while the Chief Justice's order halts eviction orders from being issued and bans local law enforcement from carrying out evictions.

Does this Executive Order affect residential and commercial evictions?

Yes. Both residential and commercial landlords must abide by the order.