

MEMO

Date: April 8, 2020

To: NCRLA Lodging Members

From: Lynn Minges, President & CEO

Re: Update on a hotel's right to evict during COVID-19

Today, along with NCRLA General Counsel Frank Gray, I had several phone meetings with the N.C. Attorney General's office to clarify some ongoing confusion surrounding the rights of hoteliers to evict non-paying guests during the COVID-19 pandemic. Below I have outlined our work to date on this issue as well as the latest guidance we can provide to our lodging members.

1. On Friday, April 3, the Consumer Protection Section of the North Carolina Attorney General's Office sent out a letter to approximately 100 hotels, primarily in the Charlotte area. The A.G.'s letter says it was sent in response to complaints from community organizations that hotel guests were being evicted without a court order. [Link to letter.](#)
2. In response to questions raised by hoteliers and by media coverage of this letter, NCRLA posted guidance on its website – clarifying that hotels typically offer accommodations to travelers, tourists and other guests – short-term in duration – and may deny accommodations to the public even in a crisis situation like the one we are facing with COVID-19. A hotel has the right to evict a guest for generally the same reasons as its right to deny accommodations to a guest – including the failure to pay for the room. A court filing is not necessary. [Link to guidance.](#)
3. The A.G.'s letter addressed concerns about evicting long-term guests for whom the hotel is their primary residence. To clear up any confusion, NCRLA counsel asked for and received a clarifying letter from the A.G.'s office. The key points in the letter are that:
 - 1) The A.G.'s April 3rd letter does not apply to leisure or temporary business travelers. It only applies to those living in your hotel as their primary residence.
 - 2) Even those who may constitute long-term residents still owe their payments. [Link to letter](#)

4. What constitutes a long-term guest using your hotel as their primary residence is a question that depends on the circumstances. Hotels must apply common sense in this pandemic & consult with their counsel when needed.

5. North Carolina is under a State of Emergency due to the COVID-19 virus. Governor Cooper has encouraged all businesses to work with their customers in light of mass layoffs affecting the hospitality industry. Hotels are encouraged to work with their guests who are experiencing financial difficulties.

Of note, Governor Roy Cooper announced today that North Carolina has received approval from FEMA to provide up to 16,500 units of housing alternatives, such as hotels, motels, and dormitories, for North Carolinians with unstable housing who may need to quarantine in response to or are at high-risk for severe illness from COVID-19. Local governments and local departments of public health have the ability to work with hotels to procure rooms for this purpose. [Link to press release.](#)