

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2005

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HOUSE DRH50418-LB-213A (5/4)

Short Title: NC Annexation Laws and Practice Study. (Public)

Sponsors: Representative Dollar.

Referred to:

A BILL TO BE ENTITLED

AN ACT TO CREATE A STUDY COMMISSION TO REVIEW NORTH
CAROLINA'S ANNEXATION LAWS AND PRACTICE.

Whereas, the annexation laws were rewritten in 1959 to allow involuntary annexation of areas without approval of those being annexed; and

Whereas, a legislative study commission in 1982 recommended, and the 1983 General Assembly enacted revisions to redress the imbalance in the annexation laws; and

Whereas, another legislative study commission on annexation laws authorized in 1997 resulted in further revision in the 1998 Session; and

Whereas, it is desirable to again examine the balance of annexation laws between the needs for services in urban areas, the growing provision of these services by counties, lessening the need for annexation, and the proper concern of those proposed to be annexed that they have no meaningful say in their annexation, which often leads to not only higher property taxes but often large and burdensome fees for extension of and connection to municipal water and sewer utilities, and can lead to regulatory requirements that substantially change the character of existing neighborhoods; Now, therefore,

The General Assembly of North Carolina enacts:

SECTION 1.(a) There is created the Study Commission on Annexation Laws. The Commission shall consist of 12 members as follows:

- (1) One county commissioner or county manager, appointed by the President Pro Tempore of the Senate.
- (2) One county commissioner or county manager, appointed by the Speaker of the House of Representatives.
- (3) One elected municipal official or city manager, appointed by the President Pro Tempore of the Senate.

- 1 (4) One elected municipal official or city manager, appointed by the
2 Speaker of the House of Representatives.
- 3 (5) One person who has been active in supporting changes in the
4 annexation laws to protect the rights of those proposed for annexation,
5 appointed by the President Pro Tempore of the Senate.
- 6 (6) One person who has been active in supporting changes in the
7 annexation laws to protect the rights of those proposed for annexation,
8 appointed by the Speaker of the House of Representatives.
- 9 (7) Three senators, appointed by the President Pro Tempore of the Senate.
- 10 (8) Three members of the House of Representatives, appointed by the
11 Speaker of the House of Representatives.

12 **SECTION 1.(b)** The Speaker of the House of Representatives shall appoint
13 a cochair, and the President Pro Tempore of the Senate shall appoint a cochair for the
14 Commission. The Commission may meet at any time upon the joint call of the cochairs.
15 Vacancies on the Commission shall be filled by the same appointing authority as made
16 the initial appointment.

17 **SECTION 2.** The Commission shall study the following issues relating to
18 the annexation laws:

- 19 (1) The balance of the rights of those proposed for annexation with the
20 responsibility to provide urban services.
- 21 (2) The lessened need for annexation because of the ability, willingness,
22 and growing trend of counties to provide services in urban and
23 urbanizing areas.
- 24 (3) The financial burdens placed on those annexed caused not only by
25 property taxes, but also heavy assessments for water and sewer line
26 extensions or connections, which are often burdensome.
- 27 (4) The value of maintaining the character of existing large lot
28 neighborhoods and communities that were initially developed well
29 outside the limits of a now rapidly expanding municipality.

30 **SECTION 3.** The Commission, while in the discharge of its official duties,
31 may exercise all powers provided for under G.S. 120-19 and G.S. 120-19.1 through
32 G.S. 120-19.4. The Commission may contract for professional, clerical, or consultant
33 services as provided by G.S. 120-32.02.

34 Subject to the approval of the Legislative Services Commission, the
35 Commission may meet in the Legislative Building or the Legislative Office Building.
36 The Legislative Services Commission, through the Legislative Services Officer, shall
37 assign professional staff to assist the Commission in its work. The House of
38 Representatives' and the Senate's Supervisors of Clerks shall assign clerical support staff
39 to the Commission, and the expenses relating to the clerical employees shall be borne
40 by the Commission. Members of the Commission shall receive subsistence and travel
41 expenses at the rates set forth in G.S. 120-3.1, 138-5, or 138-6, as appropriate.

42 **SECTION 4.** The Commission shall submit a final report of its findings and
43 recommendations, including any legislative recommendations, to the 2007 General
44 Assembly upon its convening. The Commission may also make an interim report to the

1 General Assembly in 2006. The Commission shall terminate upon the convening of the
2 2007 General Assembly.

3 **SECTION 5.** Of the funds appropriated to the General Assembly, the
4 Legislative Services Commission shall allocate adequate funds for the expenses of the
5 Commission established by this act, including staff, consultants, and production of
6 reports.

7 **SECTION 6.** This act becomes effective July 1, 2005.