

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2005

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HOUSE BILL 1704

Short Title: NC Annexation Laws and Practice Study.

(Public)

Sponsors: Representative Dollar.

Referred to: Rules, Calendar, and Operations of the House.

May 12, 2005

1 A BILL TO BE ENTITLED
2 AN ACT TO CREATE A STUDY COMMISSION TO REVIEW NORTH
3 CAROLINA'S ANNEXATION LAWS AND PRACTICE.

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

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

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

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

19 The General Assembly of North Carolina enacts:

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

- 22 (1) One county commissioner or county manager, appointed by the
23 President Pro Tempore of the Senate.
- 24 (2) One county commissioner or county manager, appointed by the
25 Speaker of the House of Representatives.
- 26 (3) One elected municipal official or city manager, appointed by the
27 President Pro Tempore of the Senate.
- 28 (4) One elected municipal official or city manager, appointed by the
29 Speaker of the House of Representatives.

1 (5) One person who has been active in supporting changes in the
2 annexation laws to protect the rights of those proposed for annexation,
3 appointed by the President Pro Tempore of the Senate.

4 (6) One person who has been active in supporting changes in the
5 annexation laws to protect the rights of those proposed for annexation,
6 appointed by the Speaker of the House of Representatives.

7 (7) Three senators, appointed by the President Pro Tempore of the Senate.

8 (8) Three members of the House of Representatives, appointed by the
9 Speaker of the House of Representatives.

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

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

17 (1) The balance of the rights of those proposed for annexation with the
18 responsibility to provide urban services.

19 (2) The lessened need for annexation because of the ability, willingness,
20 and growing trend of counties to provide services in urban and
21 urbanizing areas.

22 (3) The financial burdens placed on those annexed caused not only by
23 property taxes, but also heavy assessments for water and sewer line
24 extensions or connections, which are often burdensome.

25 (4) The value of maintaining the character of existing large lot
26 neighborhoods and communities that were initially developed well
27 outside the limits of a now rapidly expanding municipality.

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

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

40 **SECTION 4.** The Commission shall submit a final report of its findings and
41 recommendations, including any legislative recommendations, to the 2007 General
42 Assembly upon its convening. The Commission may also make an interim report to the
43 General Assembly in 2006. The Commission shall terminate upon the convening of the
44 2007 General Assembly.

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

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