

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2025

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HOUSE BILL 26

Senate State and Local Government Committee Substitute Adopted 5/22/25
PROPOSED SENATE COMMITTEE SUBSTITUTE H26-PCS30458-BAxfr-14

Short Title: Various Local Provisions I.

(Local)

Sponsors:

Referred to:

February 3, 2025

A BILL TO BE ENTITLED
AN ACT TO DEANNEX CERTAIN DESCRIBED TERRITORIES AND MAKE OTHER
CHANGES TO VARIOUS LOCAL LAWS.

The General Assembly of North Carolina enacts:

PART I. TOWN OF MADISON SATELLITE ANNEXATION CAP REMOVAL

SECTION 1. G.S. 160A-58.1(b) reads as rewritten:

"(b) A noncontiguous area proposed for annexation must meet all of the following standards:

...

(5) The area within the proposed satellite corporate limits, when added to the area within all other satellite corporate limits, may not exceed ten percent (10%) of the area within the primary corporate limits of the annexing city.

This subdivision does not apply to the Cities of Archdale, Asheboro, Belmont, Claremont, Concord, Conover, Durham, Elizabeth City, Gastonia, Greenville, Hickory, Kannapolis, Kings Mountain, Locust, Lowell, Marion, Mount Airy, Mount Holly, New Bern, Newton, Oxford, Randleman, Roanoke Rapids, Rockingham, Saluda, Sanford, Salisbury, Shelby, Southport, Statesville, and Washington and the Towns of Ahoskie, Angier, Apex, Ayden, Belville, Benson, Bladenboro, Bridgeton, Bunn, Burgaw, Calabash, Carthage, Catawba, China Grove, Clayton, Columbia, Columbus, Cramerton, Creswell, Dallas, Dobson, Four Oaks, Franklin, Franklinton, Franklinville, Fuquay-Varina, Garner, Godwin, Goldston, Granite Quarry, Green Level, Grimesland, Harrisburg, Holly Ridge, Holly Springs, Hookerton, Hope Mills, Huntersville, Jamestown, Kenansville, Kenly, Knightdale, Landis, Laurel Park, Liberty, Lillington, Louisburg, Madison, Maggie Valley, Maiden, Mayodan, Maysville, Middlesex, Midland, Mocksville, Morrisville, Mount Pleasant, Nashville, North Wilkesboro, Norwood, Oak Island, Oakboro, Ocean Isle Beach, Pembroke, Pine Level, Pollocksville, Princeton, Ramseur, Ranlo, Richlands, Rockwell, Rolesville, Rutherfordton, Shallotte, Siler City, Smithfield, Spencer, Spring Lake, Stanley, Stem, Stovall, Surf City, Swansboro, Taylorsville, Troutman, Troy, Vass, Wallace, Warsaw, Watha, Waynesville, Weldon, Wendell, West Jefferson, Wilson's Mills, Windsor, Wingate, Yadkinville, Youngsville, and Zebulon."



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PART II. TOWN OF ANDREWS DEANNEXATION

SECTION 2.(a) The following described property is removed from the corporate limits of the Town of Andrews:

TRACT I:

Parcel No. 556617114476000, being approximately 41 acres and more particularly described in that certain deed from Douglas Cole and Mildred Alice Cole, husband and wife, to Douglas Cole, Trustee of the Douglas Cole Family Trust, dated November 13, 1992, and recorded in Deed Book 666, Page 75, of the Cherokee County Registry.

TRACT II:

Parcel No. 556617213361000, being approximately 10.75 acres and more particularly described in that certain deed from Andrew S. Pyle and wife, Kelly K. Pyle, to Steelhouse Mountain, LLC, a North Carolina limited liability company, dated September 9, 2018, and recorded in Deed Book 1596, Page 266, of the Cherokee County Registry.

TRACT III:

Parcel No. 556618219676000, being approximately 2.99 acres and more particularly described in that certain deed from Andrew S. Pyle and wife, Kelly K. Pyle, to Steelhouse Mountain, LLC, a North Carolina limited liability company, dated September 9, 2018, and recorded in Deed Book 1596, Page 260, of the Cherokee County Registry.

TRACT IV:

Parcel No. 556617202977000, being approximately 7.26 acres and more particularly described in that certain deed from Andrew S. Pyle and wife, Kelly K. Pyle, to Steelhouse Mountain, LLC, a North Carolina limited liability company, dated September 9, 2018, and recorded in Deed Book 1596, Page 262, of the Cherokee County Registry.

SECTION 2.(b) This section has no effect upon the validity of any liens of the Town of Andrews for ad valorem taxes or special assessments outstanding before the effective date of this section. Such liens may be collected or foreclosed upon after the effective date of this section as though the property were still within the corporate limits of the Town of Andrews.

SECTION 2.(c) This section becomes effective June 30, 2025. Property in the territory described in this section as of January 1, 2025, is no longer subject to municipal taxes for taxes imposed for taxable years beginning on or after July 1, 2025.

PART III. CITY OF ELIZABETH CITY DEANNEXATION

SECTION 3.(a) The following described property is removed from the corporate limits of the City of Elizabeth City:

All that certain lot or parcel of land situated in Mount Hermon Township, Pasquotank County, North Carolina, and more particularly described as follows: Being Lot No. 1, containing 6.89 acres, as shown and delineated on that map or plat entitled in part, "Minor Subdivision for Storage to Go, LLC", dated 04/16/2021, prepared by Timmons Group, and recorded in Map Book 73, Page 23, of the Pasquotank County Registry.

SECTION 3.(b) This section has no effect upon the validity of any liens of the City of Elizabeth City for ad valorem taxes or special assessments outstanding before the effective date of this section. Such liens may be collected or foreclosed upon after the effective date of this section as though the property were still within the corporate limits of the City of Elizabeth City.

SECTION 3.(c) This section becomes effective June 30, 2025. Property in the territory described in this section as of January 1, 2025, is no longer subject to municipal taxes for taxes imposed for taxable years beginning on or after July 1, 2025.

PART IV. CITY OF KING DEANNEXATION

SECTION 4.(a) The following described property is removed from the corporate limits of the City of King:

TRACTS I AND II

1 Parcels identified by Stokes County Tax Property Identification Numbers 6901279265 and
2 6901371165.

3 TRACT III

4 All of the portion of Century Oak Drive Right of Way lying South of a new line crossing
5 from the most Southeasterly corner of Stokes County Tax Property Identification Number
6 6901370748 to the most Southwesterly corner of Stokes County Tax Property Identification
7 Number 6901372761 as Century Oak Drive Right of Way appears in the Stokes County Tax
8 Property GIS System.

9 **SECTION 4.(b)** This section has no effect upon the validity of any liens of the City
10 of King for ad valorem taxes or special assessments outstanding before the effective date of this
11 section. Such liens may be collected or foreclosed upon after the effective date of this section as
12 though the property were still within the corporate limits of the City of King.

13 **SECTION 4.(c)** This section becomes effective June 30, 2025. Property in the
14 territory described in this section as of January 1, 2025, is no longer subject to municipal taxes
15 for taxes imposed for taxable years beginning on or after July 1, 2025.

16
17 **PART V. TOWN OF DAVIDSON CHARTER CONSOLIDATION**

18 **SECTION 5.(a)** The Charter of the Town of Davidson is revised and consolidated
19 to read:

20 "THE CHARTER OF THE TOWN OF DAVIDSON.

21 "ARTICLE I. INCORPORATION AND CORPORATE POWERS.

22 "Section 1.1. **Incorporation.** The Town of Davidson, in Iredell County and Mecklenburg
23 County, North Carolina, and the inhabitants thereof, shall continue to be a municipal body politic
24 and corporate under the name of the "Town of Davidson," hereinafter referred to as the "Town."

25 "Section 1.2. **Grant and Exercise of Powers.** (a) General Powers. The Town shall
26 continue to be vested with all of the property and rights in property belonging to the Town; shall
27 have perpetual succession; may sue and be sued; may contract and be contracted with; may
28 acquire and hold any property, real and personal, devised, bequeathed, sold, or in any manner
29 conveyed, dedicated, or otherwise acquired by them; and, from time to time, may hold, invest,
30 sell, or dispose of the same; may have a common seal, and alter and renew the same at will. The
31 enumeration of any particular powers, rights, or authorities shall not be held or deemed to be
32 exclusive. In addition to any powers, rights, or authorities enumerated or implied under this
33 Charter, the Town shall have and may exercise all of the powers, functions, duties, rights,
34 privileges, and immunities of every kind and nature whatsoever conferred upon the Town under
35 the general laws of the State of North Carolina, local acts applicable to the Town, and this
36 Charter.

37 (b) Manner of Exercise. All powers of the Town, whether expressed or implied, shall be
38 exercised in the manner prescribed by the general laws of the State of North Carolina, local acts
39 applicable to the Town, and this Charter or, if not prescribed therein, in the manner provided by
40 ordinance, resolution, or other official act of the Town's governing body.

41 "ARTICLE II. CORPORATE BOUNDARIES.

42 "Section 2.1. **Corporate Boundaries.** The corporate boundaries of the Town shall be those
43 existing on the effective date of this Charter, as the same may be modified and updated from time
44 to time. The official corporate limits shall be set forth and delineated either on the official map
45 of the Town corporate limits, by a written narrative description of the corporate limits, or through
46 a combination of such techniques. Such official description of the corporate limits shall be kept
47 and retained permanently in the office of the Town Clerk. Modifications to the official corporate
48 limits shall be indicated by appropriate entries upon, or additions to, the map or description, made
49 by or under the direction of the Town Clerk, in the manner prescribed by law. Upon alteration of
50 the corporate limits pursuant to law, the appropriate changes to the official map shall be made,
51 and copies shall be filed in the office of the Secretary of State, the Iredell County Register of

Deeds, the Mecklenburg County Register of Deeds, the Iredell County Board of Elections, and the Mecklenburg County Board of Elections.

"ARTICLE III. GOVERNING BODY.

"Section 3.1. **Mayor and Board; Powers.** The Board of Commissioners (hereinafter "Board") and the Mayor shall be the governing body of the Town. The Board shall consist of five members and the Mayor, each to be elected at large by the qualified voters of the Town. All powers of the Town shall be vested in and exercised by the Mayor and the Board.

"Section 3.2. **Terms of Mayor and Board.** The Mayor shall be elected to serve for a two-year term. Each Board member shall serve a four-year term, and the terms shall be staggered. The Mayor and Board members shall continue to serve until their successors are chosen and qualified.

"Section 3.3. **Duties of the Mayor; Mayor Pro Tempore.** (a) The Mayor shall preside at all meetings of the Board; shall have a casting vote only in case of an equal division; shall be recognized as the official head of the Town for all ceremonial purposes; shall have the power to administer oaths; shall execute all official instruments and documents of the Town, unless that authority has been delegated to another official of the Town by the general laws of North Carolina or a Town ordinance; and shall exercise such other powers and perform such other duties as are or may be conferred and imposed upon the office of Mayor by the general laws of North Carolina, this Charter, or the ordinances of the Town, not inconsistent therewith.

(b) At its first regular meeting following the regular municipal elections held as provided in Article IV of this Charter, the Board shall choose one of its members to serve as Mayor Pro Tempore. A Board member serving as Mayor Pro Tempore shall be entitled to vote on all matters and shall be considered a Board member for all purposes, including whether a quorum is present.

"Section 3.4. **Residency Qualification; Compensation.** (a) No person shall be eligible to file for or be elected to the office of Mayor or Board, or to serve as such, unless he or she is a qualified voter and resident of the Town.

(b) In accordance with general law, the Board may provide for and fix the amount of compensation for Council members and the Mayor.

"Section 3.5. **Meetings; Procedure; Adoption of Ordinances; Organizational Meeting; Oaths.** (a) The organizational meeting of the Board shall be held at the time of the first regular meeting of the Board following each regular municipal election. At the organizational meeting, or otherwise before entering upon the duties of their respective offices, the Mayor-elect and each Board member-elect shall take an oath prescribed by law before a person authorized by law to administer oaths.

(b) The Board shall fix suitable times for its regular meetings, which shall be at least once each month. The Board may change the time of the regular meetings as it deems necessary. Special meetings of the Board may be held in accordance with applicable general law regarding (i) the authority for special meetings, (ii) procedures for calling, (iii) notice of such meetings, and (iv) conditions upon matters to be addressed at special meetings. Minutes shall be kept of the proceedings of all regular and special meetings. Subject to applicable provisions of Article 33C of Chapter 143 of the General Statutes, the Open Meetings Law of North Carolina, all meetings of the Board shall be open to the public. The Board shall have the authority to adopt rules of procedure not inconsistent with applicable general law, provisions of this Charter, or generally accepted principles of parliamentary procedure.

(c) The Board may adopt and provide for the execution of such ordinances, resolutions, rules, and regulations, not inconsistent with general law, local acts applicable to the Town, or the provisions of this Charter, as may be necessary or appropriate for the preservation and promotion of the health, safety, and welfare of the Town and its inhabitants.

"Section 3.6. **Quorum and Voting Requirements.** In the transaction of Board business, the presence of a quorum, whether a Board member may be excused from voting on any matter, and

other voting rules and requirements shall be determined in accordance with applicable provisions of general law.

"Section 3.7. **Vacancies.** A vacancy in the office of Mayor or Board shall be filled as provided in G.S. 160A-63.

"ARTICLE IV. ELECTIONS.

"Chapter 1. Municipal Elections.

"Section 4.1. **Regular Municipal Elections.** Regular municipal elections shall be held in each odd-numbered year in accordance with the uniform municipal election laws of North Carolina in Chapter 163 of the General Statutes. Elections shall be conducted on a nonpartisan basis and the results determined using the nonpartisan plurality method as provided in G.S. 163-292.

"Section 4.2. **Special Elections; Referenda.** Special elections and referenda may be held only as provided by general law or local acts applicable to the Town.

"Section 4.3. **Election of Mayor.** A Mayor shall be elected every two years and shall serve a two-year term.

"Section 4.4. **Election of Board.** The Board shall be comprised of five members elected to serve four-year staggered terms until their successors are elected and qualified.

"ARTICLE V. ORGANIZATION AND ADMINISTRATION.

"Section 5.1. **Form of Government.** The Town shall operate under the council-manager form of government in accordance with Part 2 of Article 7 of Chapter 160A of the General Statutes.

"Section 5.2. **Town Manager.** The Board shall appoint a Town Manager to serve at its pleasure who shall be the chief administrative official of Town government and who shall be responsible to the Board for the proper administration of the affairs of the Town. The Town Manager shall have those powers and duties provided by general law and shall also perform such other duties as are prescribed by the Board, subject to general law. The Town Manager shall appoint and may remove all Town employees except the Town Attorney.

"Section 5.3. **Town Attorney; Appointment and Duties.** The Board shall appoint one or more persons to serve as Town Attorney. The Town Attorney shall serve at the pleasure of the Board and shall be its legal adviser. The Town Attorney shall also serve as legal counsel to the Town and its departments and offices. As directed by the Board, the Town Attorney shall represent the Town in all litigation and legal proceedings before courts of law, administrative boards and commissions, and other legal tribunals. The Town Attorney shall perform such other duties of a legal nature pertaining to the Town as may be directed by the Board or as may be imposed by law upon the Town Attorney. The Board may engage other attorneys to provide legal services for the Town as it deems advisable.

"Section 5.4. **Clerk; Duties.** The Board shall appoint a Town Clerk to give notice of meetings of the Board; to make and maintain full and accurate minutes of the proceedings of the Board; to be the custodian of all books, records, documents, and other Town records; and to surrender the same to his or her successor in office. The Town Clerk shall be the custodian of the official seal of the Town and shall affix the official seal to, and attest on behalf of the Town the execution of, all deeds, contracts, and other official documents, all in accordance with applicable laws and ordinances. The Town Clerk shall perform such other duties as provided by general law and as directed by the Board.

"Section 5.5. **Administrative Head Appointments; Other Appointments.** The Town Manager may appoint other administration and department heads as permitted by Part 2 of Article 7 of Chapter 160A of the General Statutes, including assignment of administrative duties to the Town Clerk. The Town Manager may also authorize other positions to be filled by appointment and organize the Town governance as deemed appropriate subject to requirements of general law."

SECTION 5.(b) In 2025 for the regular municipal election, in order to implement the staggering for terms of office for the Board, the two persons receiving the two highest numbers of votes shall serve four-year terms and the three persons receiving the next three highest numbers of votes shall serve two-year terms. In 2027, and quadrennially thereafter, three members of the Board shall be elected for four-year terms. In 2029, and quadrennially thereafter, two members of the Board shall be elected for four-year terms.

SECTION 5.(c) The purpose of this section is to revise the Charter of the Town of Davidson and to consolidate certain acts concerning the property, affairs, and government of the Town. It is intended to continue without interruption those provisions of prior acts that are expressly consolidated into this section, so that all rights and liabilities which have accrued are preserved and may be enforced.

SECTION 5.(d) This section does not repeal or affect any acts concerning the property, affairs, or government of public schools or any acts validating official actions, proceedings, contracts, or obligations of any kind.

SECTION 5.(e) The following acts, having served the purposes for which they were enacted or having been consolidated into this section, are expressly repealed:

- (1) Chapter 281 of the Private Laws of 1891.
- (2) Chapter 106 of the Private Laws of 1935.
- (3) Chapter 36 of the Session Laws of 1957.

SECTION 5.(f) The provisions of this section shall have no effect on the validity of the following acts as they apply to the Town of Davidson:

- (1) Chapter 411 of the Session Laws of 1993.
- (2) S.L. 1997-420.
- (3) S.L. 1999-85.

SECTION 5.(g) This section does not affect any rights or interests that arose under any provisions repealed by this section.

SECTION 5.(h) All existing ordinances, resolutions, and other provisions of the Town of Davidson not inconsistent with the provisions of this section shall continue in effect until repealed or amended.

SECTION 5.(i) Whenever a reference is made in this section to a particular provision of the General Statutes and the provision is later amended, superseded, or recodified, the reference shall be deemed amended to refer to the amended General Statute or to the General Statute that most clearly corresponds to the statutory provision that is superseded or recodified.

SECTION 5.(j) If any provision of this section or application thereof is held invalid, such invalidity shall not affect other provisions or applications of this section that can be given effect without the invalid provision or application and, to this end, the provisions of this section are declared to be severable.

SECTION 5.(k) This section is effective when it becomes law. No action or proceeding pending on the effective date of this section by or against the Town of Davidson or any of its departments or agencies shall be abated or otherwise affected by this section.

PART VI. TOWN OF FOUR OAKS DEANNEXATION

SECTION 6.(a) The following described property is removed from the corporate limits of the Town of Four Oaks:

TRACT I:

Being all of Area 1, containing 11.609 acres, more or less, as shown on that map entitled "Estate Division by Will Plat for Bill Ray Price Estate" recorded in Map Book 95, Page 204 of the Johnston County Registry.

TRACT II:

Being all of that certain tract or parcel of land described as "Remaining Combined Area," containing 14.432 acres, more or less, as shown on that map entitled "Minor Subdivision Plat for Pamela Rae Price" recorded in Map Book 96, Page 278 of the Johnston County Registry.

SECTION 6.(b) This section has no effect upon the validity of any liens of the Town of Four Oaks for ad valorem taxes or special assessments outstanding before the effective date of this section. Such liens may be collected or foreclosed upon after the effective date of this section as though the property were still within the corporate limits of the Town of Four Oaks.

SECTION 6.(c) This section becomes effective June 30, 2025. Property in the territory described in this section as of January 1, 2025, is no longer subject to municipal taxes for taxes imposed for taxable years beginning on or after July 1, 2025.

PART VII. CITY OF CREEDMOOR DEANNEXATION

SECTION 7.(a) The following described property, identified by Granville County Tax Property Identification Number, is removed from the corporate limits of the City of Creedmoor: 180603417847.

SECTION 7.(b) This section has no effect upon the validity of any liens of the City of Creedmoor for ad valorem taxes or special assessments outstanding before the effective date of this section. Such liens may be collected or foreclosed upon after the effective date of this section as though the property were still within the corporate limits of the City of Creedmoor.

SECTION 7.(c) This section becomes effective June 30, 2025. Property in the territory described in this section as of January 1, 2025, is no longer subject to municipal taxes for taxes imposed for taxable years beginning on or after July 1, 2025.

PART VIII. CITY OF WILSON DEANNEXATION

SECTION 8.(a) The following described property is removed from the corporate limits of the City of Wilson:

BEGINNING at a point at the intersection of the northerly right-of-way of Lake Wilson Road (S.R. 1332) with the easterly right-of-way of London Church Road (S.R. 1327), thence from said point of BEGINNING running along the northerly right-of-way of Lake Wilson Road North 72 degrees 17 minutes 06 seconds East 204.21 feet and North 71 degrees 30 minutes 10 seconds East 232.02 feet to an iron stake, cornering, thence leaving the northerly right-of-way of Lake Wilson Road North 18 degrees 29 minutes 50 seconds West 522.41 feet to an iron stake, cornering, thence North 73 degrees 20 minutes 31 seconds East 157.58 feet to an iron stake, cornering, thence South 1 degrees 29 minutes 50 seconds East 577.35 feet to a point on the southerly right-of-way of Lake Wilson Road, cornering, thence running along the southerly right-of-way of Lake Wilson Road South 71 degrees 30 minutes 10 seconds West 389.52 feet and South 72 degrees 17 minutes 06 seconds West 206.90 feet to a point located at the intersection of the southerly right-of-way of Lake Wilson Road with the easterly right-of-way of London Church Road, cornering, thence running North 15 degrees 55 minutes 30 seconds West 60.06 feet to the point of BEGINNING and containing 2.70 acres.

SECTION 8.(b) This section has no effect upon the validity of any liens of the City of Wilson for ad valorem taxes or special assessments outstanding before the effective date of this section. Such liens may be collected or foreclosed upon after the effective date of this section as though the property were still within the corporate limits of the City of Wilson.

SECTION 8.(c) This section becomes effective June 30, 2025. Property in the territory described in this section as of January 1, 2025, is no longer subject to municipal taxes for taxes imposed for taxable years beginning on or after July 1, 2025.

PART IX. EFFECTIVE DATE

SECTION 9. Except as otherwise provided, this act is effective when it becomes law.