



SENATE BILL 774: Marvin and Asheboro/Deannexation.

**This Bill Analysis
reflects the
contents of the bill
as it was presented
in committee.**

2016-2017 General Assembly

Committee: House Local Government
Introduced by: Sen. Tucker
Analysis of: PCS to Second Edition
S774-CSTYxr-16

Date: June 14, 2016
Prepared by: Augustus Willis
Committee Counsel

SUMMARY: *Senate Bill 774 would remove a 6.9 acre piece of property from the corporate limits of the Village of Marvin in Union County, and remove a 0.456 acre piece of property from the corporate limits of the City of Asheboro in Randolph County.*

The Proposed Committee Substitute (PCS) makes a technical change to the effective date clarifying that the property being deannexed would no longer be subject to municipal taxes for taxes imposed for taxable years beginning on or after July 1, 2016.

CURRENT LAW: Under Section 1 of Article VII of the NC Constitution, the General Assembly is empowered to "provide for the organization and government and the fixing of boundaries of counties, cities and towns, and other governmental subdivisions, and, except as otherwise prohibited by this Constitution, may give such powers and duties to counties, cities and towns, and other governmental subdivisions as it may deem advisable."

Pursuant to this Section, the General Assembly enacted Article 4A of Chapter 160A of the General Statutes, which governs municipal annexation. The General Assembly has not enacted any method for municipalities to *deannex* property — that power remains with the General Assembly.

BILL ANALYSIS:

Section 1 would remove a 6.9 acre piece of property referenced by Union County Tax Office Parcel Identification Number from the corporate limits of the Village of Marvin.

Section 2 would remove a .456 acre piece of property in the Cedar Grove Township from the corporate limits of the City of Asheboro.

Liens for ad valorem taxes or special assessments imposed by the respective municipalities that are outstanding before the effective date of the act would remain valid and could still be collected or foreclosed upon after the effective date of the act as if the property were still within the municipality's corporate limits.

EFFECTIVE DATE: This act would become effective June 30, 2016.

**Brad Krehely and Nicholas Giddings contributed substantially to this summary.*

Karen Cochrane-Brown
Director



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Legislative Analysis
Division
919-733-2578