



HOUSE BILL 262: Kannapolis Deannexation.

2017-2018 General Assembly

Committee:	House State and Local Government I. If favorable, re-refer to Finance	Date:	March 28, 2017
Introduced by:	Rep. Ford	Prepared by:	Billy R. Godwin Staff Attorney
Analysis of:	PCS to First Edition H262-CSBDx-14		

OVERVIEW: House Bill 262 (proposed committee substitute - PCS) would remove two tracts of land from the corporate limits of the City of Kannapolis. The bill would become effective June 30, 2017 and apply to tax years beginning July 1, 2017.

The PCS makes a technical change to clarify that the City of Kannapolis may still collect any ad valorem taxes or special assessments on the property that were outstanding before the effective date of the deannexation.

[As introduced, this bill was identical to S261, as introduced by Sen. Brock, which is currently in Senate State and Local Government.]

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 annexations. In addition, the General Assembly may annex property by local act. However, the General Assembly has not enacted any method for municipalities to deannex property. Only the General Assembly may deannex property.

BILL ANALYSIS: The PCS would deannex two tracts of land from the corporate limits of the City of Kannapolis.

EFFECTIVE DATE: The bill would become effective June 30, 2017 and apply to tax years beginning July 1, 2017.

BACKGROUND: This bill has the support of the governing body of the City of Kannapolis.

Karen Cochrane-Brown
Director



Legislative Analysis
Division
919-733-2578