



# SENATE BILL 266: Durham Donut Annexations.

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

2017-2018 General Assembly

**Committee:** Senate State and Local Government. **Date:** April 24, 2017  
favorable, re-refer to Finance. If favorable, re-refer to Rules and Operations of the Senate

**Introduced by:** Sen. McKissick **Prepared by:** Billy R. Godwin  
**Analysis of:** First Edition Staff Attorney

**OVERVIEW:** Senate Bill 266 would add certain properties to the corporate limits of the City of Durham and would become effective June 30, 2017.

**CURRENT LAW:** Annexation is a method by which municipalities alter their boundaries. The municipality must follow the statutorily prescribed steps in order to add an area into its boundaries. The municipality must provide, or contract to provide, basic services to the area. These services include police protection, fire protection, solid waste collection and the extension of water and sewer lines to the area.

North Carolina law sets forth four basic ways in which a municipality may annex an area.

- Voluntary Annexation. – All owners of any real property in an area contiguous to the municipality desiring to be annexed sign a petition requesting annexation.
- Voluntary Satellite Annexation. – All owners of any non-contiguous real property within 3 miles of the municipality desiring to be annexed sign a petition requesting annexation, if it otherwise meets the statutory requirements.
- Municipal-Initiated Annexation subject to a referendum. – The municipality initiates an annexation proceeding, pursuant to statutory requirements.
- Legislative Act. – The General Assembly has the authority to extend the boundaries of any municipality.

**BILL ANALYSIS:** Senate Bill 266 would annex the described property (including 4 parcels located in Wake County) into the corporate limits of the City of Durham.

**EFFECTIVE DATE:** The act would become effective June 30, 2017. The property annexed as of January 1, 2017, would be subject to municipal taxes for taxes imposed for taxable years beginning on or after July 1, 2017.

Karen Cochrane-Brown  
Director



Legislative Analysis  
Division  
919-733-2578