



SENATE BILL 266: Durham and Walkertown Annexations.

2017-2018 General Assembly

Committee:	Senate Finance. If favorable, re-refer to Rules and Operations of the Senate	Date:	May 2, 2017
Introduced by:	Sen. McKissick	Prepared by:	Cindy Avrette
Analysis of:	Second Edition		Staff Attorney

OVERVIEW: Senate Bill 266 would add certain properties to the corporate limits of the City of Durham and to the corporate limits of the Town of Walkerton. The property would become part of the municipal limits and subject to municipal property taxes for taxes imposed for taxable years beginning on or after July 1, 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 in Sections 1 and 2 of the bill, including 4 parcels located in Wake County, into the corporate limits of the City of Durham. The purpose of the annexation is to incorporate property that is completely surrounded by the city's corporate limits or is partially annexed to the City's corporate limits. The inclusion of the property within the municipal limits will allow the more efficient provision of services.

The bill would also annex the described property in Sections 3 and 4 of the bill into the Town of Walkerton. This part of the bill was included by amendment in the State and Local Government Committee.

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

Billy Godwin, counsel to Senate State and Local Government Committee, substantially contributed to this summary.

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