



SENATE BILL 289: Various Deannexations.

2017-2018 General Assembly

Committee:	House Finance	Date:	June 25, 2017
Introduced by:	Sen. Rabon	Prepared by:	Cindy Avrette Staff Attorney
Analysis of:	PCS to First Edition S289-CSSTxr-30		

OVERVIEW: *Section 1 of Senate Bill 289 removes 6.22 acres from the Town of Sunset Beach. The House Proposed Committee Substitute adds two new sections to the bill. Both sections apply only to the City of Kinston:*

- *Section 2 deannexes property from the City of Kinston, and provides that the City of Kinston cannot amend, enforce, or otherwise seek to force any party to abide by the terms and conditions of the sewer service agreement recorded in the Lenoir County Register of Deed.*
- *Section 3 requires a petition for a voluntary annexation or a voluntary satellite annexation to include a statement by each owner that signs the petition that the petition is not based upon any representation by the municipality that a public enterprise service available outside the corporate limits of that municipality would be withheld from the owner's property without the petition for annexation.*

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. The General Assembly has not enacted any method for municipalities to *deannex* property; that power remains with the General Assembly.

BILL ANALYSIS: Section 1 of Senate Bill 289 removes 6.22 acres from the Town of Sunset Beach at the request of the property developer. The property the bill proposes to deannex from the Town is the property known as "Sunset Creek Commons". Sunset Creek Commons is a development that offers living space to adults aged 55 or older. From news articles, the Town and the developer of Sunset Creek Commons have been in a long dispute over inspection schedules and fees.¹

Section 2 of Senate Bill 289 removes certain described property from the City of Kinston and provides that the City of Kinston cannot amend, enforce, or otherwise seek to force any party to abide by the terms and conditions of the sewer service agreement recorded in the Lenoir County Register of Deed.

Section 3 requires a petition for a voluntary annexation or a voluntary satellite annexation to the City of Kinston include a statement by each owner that signs the petition that the petition is not based upon any

¹ ["Rabon files Sunset Beach deannexation bill," StarNews Online, March 29, 2017.](#)

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representation by the municipality that a public enterprise service available outside the corporate limits of that municipality would be withheld from the owner's property without the petition for annexation.

EFFECTIVE DATE: Sections 1 and 2 of this act become effective June 30, 2017. The remainder of this act is effective when it becomes law.

Brad Krehely, counsel to Senate State and Local Government Committee, substantially contributed to this summary.