



SENATE BILL 270: Durham Deannexation.

2019-2020 General Assembly

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| Committee: | Senate Finance. If favorable, re-refer to Rules and Operations of the Senate | Date: | April 10, 2019 |
| Introduced by: | Sens. McKissick, Woodard | Prepared by: | Nicholas Giddings |
| Analysis of: | First Edition | | Staff Attorney |

OVERVIEW: *Senate Bill 270 would remove 114 acres of property from the corporate limits of the City of Durham.*

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: Senate Bill 270 would deannex 114 acres of specified property from the corporate limits of the City of Durham.

EFFECTIVE DATE: The act would become effective June 30, 2019. Property in the territory described in Section 1 of this act as of January 1, 2019, would no longer be subject to municipal taxes for taxes imposed for taxable years beginning on or after July 1, 2019.

BACKGROUND: This deannexation was requested by the property owner. This property was originally annexed into the Durham city limits with the anticipation that a northern Durham parkway would be built and that utilities would be extended to the property. The plans for the parkway and utility extension have since changed and the City of Durham does not anticipate that annexation will occur to connect the contiguous city limits with this satellite area of the city. The City Council does not object to this deannexation proposal.

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

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