



SENATE BILL 63: City of Kannapolis/Annexation.

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

2019-2020 General Assembly

Committee:	Senate State and Local Government. If favorable, re-refer to Finance. If favorable, re-refer to Rules and Operations of the Senate	Date:	March 4, 2019
Introduced by:	Sen. Ford	Prepared by:	Billy R. Godwin Staff Attorney
Analysis of:	First Edition		

OVERVIEW: Senate Bill 63 would add certain properties to the corporate limits of the City of Kannapolis and would become effective June 30, 2020.

[As introduced, this bill was identical to H84, as introduced by Reps. Howard, Warren, which is currently in House Finance.]

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.** – The owners of all real property in an area contiguous to the municipality desiring to be annexed sign a petition requesting annexation.
- **Voluntary Satellite Annexation.** – The owners of all real property in the area 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 63 would annex, by legislative act, numerous properties around the Old Beatty Ford Road interchange on Interstate 85 in southern Rowan County, into the corporate limits of the City of Kannapolis. The Kannapolis City Council, on December 17, 2018, adopted a resolution requesting that its local delegation to the General Assembly introduce a bill to annex these properties into the city.

EFFECTIVE DATE: The act would become effective June 30, 2020. The property annexed as of January 1, 2020, would be subject to municipal taxes for taxes imposed for taxable years beginning on or after July 1, 2020.

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