



HOUSE BILL 164: Greensboro/Deannex; Rockwell/No Sat Annex Cap.

2021-2022 General Assembly

Committee: Senate Rules and Operations of the Senate	Date: April 22, 2021
Introduced by: Rep. Hardister	Prepared by: Nicholas Giddings
Analysis of: Second Edition	Staff Attorney

OVERVIEW: House Bill 164 would:

- Remove a 10.6-acre tract of land from the corporate limits of the City of Greensboro
- Exempt the Town of Rockwell from the 10% area cap on voluntary satellite annexations

CURRENT LAW: Under Section 1 of Article VII of the North Carolina 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.

G.S. 160A-58.1 governs the voluntary municipal annexation of noncontiguous property, also known as voluntary satellite annexation. If all property owners in a satellite area petition a municipality for voluntary annexation of the noncontiguous property, the municipality may annex the property, but only if the following 5 requirements are met:

1. The nearest point on the proposed satellite corporate limits must not be more than 3 miles from the primary corporate limits of the annexing municipality.
2. No point on the proposed satellite corporate limits may be closer to the primary corporate limits of another municipality than to the primary corporate limits of the annexing municipality.
3. The area must be so situated that the annexing municipality will be able to provide the same services within the proposed satellite corporate limits than it provides within its primary corporate limits.
4. If the area proposed for annexation, or any portion thereof, is a subdivision as defined in G.S. 160D-102(31), the entire subdivision must be included.
5. *The area within the proposed satellite corporate limits, when added to the area within all other satellite corporate limits, may not exceed 10% of the area within the primary corporate limits of the annexing city.*

BILL ANALYSIS: House Bill 164 would:

- Remove a 10.6-acre tract of land from the corporate limits of the City of Greensboro.
- Exempt the Town of Rockwell from the 10% area cap on voluntary satellite annexations.

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EFFECTIVE DATE: The deannexation from Greensboro would become effective June 30, 2021, and would apply to tax years beginning July 1, 2021. The exemption from the 10% area cap on voluntary satellite annexations for Rockwell would be effective when the bill becomes law.

BACKGROUND: The General Assembly has exempted over 100 other municipalities from the 10% area cap on voluntary satellite annexations in G.S. 160A-58.1(b)(5).

Greg Roney, counsel to House Finance, substantially contributed to this summary.