



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

SENATE BILL 41: Remove Certain Satellite Annexation Caps.

2021-2022 General Assembly

Committee:	Senate Finance. If favorable, re-refer to Rules and Operations of the Senate	Date:	March 3, 2021
Introduced by:	Sen. Alexander	Prepared by:	Nicholas Giddings Staff Attorney
Analysis of:	Second Edition		

OVERVIEW: Senate Bill 41 would exempt the City of Shelby and the Town of Stanley from the 10% area cap on voluntary satellite annexations.

[As introduced, this bill was identical to H24, as introduced by Rep. Torbett, which is currently in House Finance.]

CURRENT LAW: 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 five 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 that 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: Senate Bill 41 would add the City of Shelby and the Town of Stanley to the list of municipalities exempted from the 10% area cap on voluntary satellite annexation.

EFFECTIVE DATE: Senate Bill 41 would be effective when it becomes law.

BACKGROUND: The General Assembly has exempted over 100 other municipalities from this requirement in G.S. 160A-58.1(b)(5).

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