



HOUSE BILL 267: Holly Springs Deannex/Leland Annex Moratorium.

2023-2024 General Assembly

Committee: Senate Rules and Operations of the Senate	Date: June 27, 2023
Introduced by: Rep. Paré	Prepared by: Nicholas Giddings
Analysis of: Third Edition	Staff Attorney

OVERVIEW: *House Bill 267 would remove a tract of land from the corporate limits of the Town of Holly Springs and suspend the Town of Leland's authority to modify its own corporate boundaries through annexation.*

CURRENT LAW: Section 1 of Article VII of the North Carolina Constitution provides that 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 establishes a statutory procedure for a municipality to expand its corporate boundaries through voluntary and involuntary annexation. The General Assembly may also legislatively annex property into the corporate boundaries by local act. Only the General Assembly may decrease the corporate boundaries, commonly referred to as deannexation, which is also done by local act.

BILL ANALYSIS:

PART I of House Bill 267 would remove one tract of land from the corporate limits of the Town of Holly Springs. This Part would be effective June 30, 2023 and apply to tax years beginning on or after July 1, 2023.

PART II of House Bill 267 would suspend the authority of the Town of Leland to expand its own corporate boundaries through annexation of territory. If a petitioner had executed a petition for annexation prior to March 1, 2023, the Town of Leland could continue that annexation to its culmination. This Part would be effective when it becomes law.

EFFECTIVE DATE: Except as otherwise provided, this act would be effective when it becomes law.

BACKGROUND: S.L. 2022-26 limited the authority of the Town of Leland to annex noncontiguous satellite property by:

- Reducing from 3 miles to 1 1/2 miles the maximum distance the proposed satellite corporate limits can be from Leland's primary corporate limits.
- Removing Leland's exemption from the requirement that 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.
- Requiring the annexation petition to contain a statement from the owner that the owner's petition for annexation is not based upon any representation by Leland that a public enterprise service available outside Leland's corporate limits would be withheld from the owner's property without the petition for annexation.

Jeffrey Hudson
Director



Legislative Analysis
Division
919-733-2578