



HOUSE BILL 1041: Deannex Certain Prop. from City of Morehead.

2025-2026 General Assembly

Committee:	House Finance. If favorable, re-refer to Rules, Calendar, and Operations of the House	Date:	June 9, 2026
Introduced by:	Rep. Cairns	Prepared by:	Nicholas Giddings Staff Attorney
Analysis of:	First Edition		

OVERVIEW: *House Bill 1041 would remove three tracts of land from the corporate limits of the City of Morehead City.*

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: House Bill 1041 would remove three tracts of land from the corporate limits of the City of Morehead City.

EFFECTIVE DATE: The bill would become effective June 30, 2026, and apply to tax years beginning on or after July 1, 2026.

Karyl Smith, counsel to House State and Local Government, substantially contributed to this summary.

Kara McCraw
Director



Legislative Analysis
Division
919-733-2578