



HOUSE BILL 26: Town of Madison/Satellite Annexation.

2025-2026 General Assembly

Committee:	House State and Local Government. If favorable, re-refer to Finance. If favorable, re-refer to Rules, Calendar, and Operations of the House	Date:	February 25, 2025
Introduced by:	Rep. Pyrtle	Prepared by:	Karyl Smith
Analysis of:	First Edition		Committee Co-Counsel

OVERVIEW: *House Bill 26 would exempt the Town of Madison from the 10% area cap on voluntary satellite annexations.*

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 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 26 would add the Town of Madison to the list of municipalities exempted from the 10% area cap on voluntary satellite annexations.

EFFECTIVE DATE: The bill would become 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).

Kara McCraw
Director



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Legislative Analysis
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