



SENATE BILL 214: Various Local Provisions VII.

2025-2026 General Assembly

Committee:		Date:	April 22, 2026
Introduced by:	Sen. Sawrey	Prepared by:	Erika Churchill
Analysis of:	Conference Committee Substitute (S214-PCCS35356-BAxr-6)		Staff Attorney

OVERVIEW: *The proposed conference committee substitute for Senate Bill 214 would do all of the following:*

- *Remove land from the corporate limits of Southport, Yadkinville, and Kannapolis.*
- *Amend the ETJ jurisdiction of Yadkinville and Sunset Beach.*
- *Authorize Franklin County to acquire land in the counties of Halifax, Vance or Warran without the consent of that county.*
- *Remove the satellite annexation cap for the Town of East Spencer.*
- *Provide that for the 2026 election, members elected to the Forsyth County Board of Commissioners and the Winston-Salem/Forsyth County Board of Education will serve a two-year term of office.*

CURRENT LAW, BILL ANALYSIS, and EFFECTIVE DATE:

Parts I-IV. 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.

Generally, a municipality may regulate land use within an area beyond its corporate limits, commonly referred to as extraterritorial jurisdiction (ETJ). Land use regulations include zoning, subdivision regulation, building code enforcement, minimum housing code enforcement, historic preservation, erosion and sedimentation control regulation, and historic district regulation. To regulate the ETJ area, the municipality must be exercising the same power within its corporate limits. In addition, the municipality may not select different ETJ areas for different regulatory powers. If a municipality fails to exercise its ETJ authority, that territory is regulated by the county in which the property lies.

The proposed conference committee substitute would:

- Remove 3 tracts of land from the corporate limits of Southport, effective June 30, 2026.

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- Remove 1 tract of land from the corporate limits and extraterritorial jurisdiction of Yadkinville, effective June 30, 2026.
- Remove 2 tracts of land from the corporate limits of Kannapolis, effective June 30, 2026.
- Eliminate ETJ authority for the Town of Sunset Beach, effective when the bill becomes law.

Part V. G.S. 153A-15 requires most counties, including Franklin County and all the counties adjacent to Franklin County, to seek the approval of the board of commissioners of any county in which that county seeks to acquire or condemn property.

The proposed conference committee substitute would, effective when the bill becomes law, allow Franklin County to acquire property or an interest in property, including by condemnation, within the county boundaries of Halifax, Vance, or Warren without the approval of the board of county commissioners of those counties. Franklin County would still be required to seek approval of any other county subject to G.S. 153A-15 in which Franklin County sought to acquire property or an interest in property.

Part VI. G.S. 160A-58.1 governs satellite annexations, the voluntary municipal annexation of noncontiguous property. If all property owners in a satellite area petition a municipality for voluntary annexation of the noncontiguous property, the municipality may annex the property 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 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.*

The proposed conference committee substitute would add the Town of East Spencer to the list of municipalities exempted from the 10% area cap on voluntary satellite annexations, effective when the bill becomes law.

Part VII. The Forsyth County Board of Commissioners consists of seven members, elected to staggered four-year terms of office on a partisan basis in even-numbered years from a combination of electoral districts and at-large seats.

The Winston-Salem/Forsyth Board of Education (Board) consists of nine members, elected to four-year terms of office on a partisan basis in even-numbered years from a combination of electoral districts and at-large seats. Staggering of the four-year terms is set to begin with the 2026 general election. For the

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district seats, only qualified voters of the district are eligible to be candidates and only qualified voters of the district are eligible to vote. For the at-large seats, any qualified voter of the county is eligible to be a candidate and all qualified voters of the county are eligible to vote.

Effective for the 2026 general election only, both the Forsyth County Board of Commissioners and the Winston-Salem/Forsyth County Board of Education, all members receiving a certificate of election in 2026 would serve a two-year term, ending in 2028. For the Winston-Salem/Forsyth County Board of Education, the implementation of staggering of terms would begin in 2028.