

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2011**

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**SENATE BILL 27
Finance Committee Substitute Adopted 2/22/11**

Short Title: Involuntary Annexation Moratorium.

(Public)

Sponsors:

Referred to:

February 3, 2011

A BILL TO BE ENTITLED

AN ACT TO ADOPT A MORATORIUM ON INVOLUNTARY ANNEXATIONS.

The General Assembly of North Carolina enacts:

SECTION 1. No resolution of consideration, resolution of intent, or annexation ordinance may be adopted under Part 2 or 3 of Article 4A of Chapter 160A of the General Statutes from the date this act becomes law until July 1, 2012. If any annexation proceeding has been initiated under those Parts prior to the date this act becomes effective but the annexation ordinance has not yet been adopted, any provision of law requiring any action or notice by the municipality or any person within a certain period of time is tolled during the suspension of authority provided by this section. Nothing in this section shall prohibit municipalities from developing policies, planning, collecting data, or developing materials with respect to potential future annexations under Part 2 or 3 of Article 4A of Chapter 160A of the General Statutes.

SECTION 2.(a) An annexation ordinance adopted under Part 2 or 3 of Article 4A of Chapter 160A of the General Statutes that has an effective date on or after the day this act becomes law shall not become effective until July 1, 2012, unless one of the following applies:

(1) The municipality by ordinance adopts a new effective date later than July 1, 2012, for the annexation ordinance.

(2) The municipality meets the restrictions of subsection (c) of this section.

SECTION 2.(b) An annexation ordinance that was adopted under Part 2 or 3 of Article 4A of Chapter 160A of the General Statutes prior to the effective date of this act and is the subject of litigation in any court on the effective date of this act shall not become effective until after July 1, 2012, unless the municipality by ordinance adopts a new effective date later than July 1, 2012, for the annexation ordinance.

SECTION 2.(c) An annexation ordinance adopted under Part 2 or 3 of Article 4A of Chapter 160A of the General Statutes that has an effective date on June 30, 2011, may become effective on June 30, 2011, if all of the following requirements are met:

(1) The ordinance of annexation was adopted before the effective date of this act.

(2) The ordinance of annexation was preceded by the adoption of a resolution of consideration.

(3) No legal challenge to the ordinance of annexation has been filed.

(4) The time allowed for filing a legal challenge to the ordinance of annexation has expired.

(5) The municipality has incurred or contracted to incur expenditures in excess of five million dollars (\$5,000,000) in connection with annexation as of the effective date of this act.



1 **SECTION 3.** Any annexation litigation under Parts 2 or 3 of Article 4A of Chapter
2 160A of the General Statutes pending in any court of this State shall be stayed upon enactment
3 of this act.

4 **SECTION 4.** If any municipality has adopted its budget ordinance for the
5 2010-2011 fiscal year prior to the date this act becomes effective and the total amount of
6 assessed valuation estimated in that budget ordinance has been reduced because of this act, the
7 municipality may amend the budget ordinance to account for this act, including establishment
8 of a different tax rate.

9 **SECTION 5.** If any provision of this act or its application is held invalid, the
10 invalidity does not affect other provisions or applications of this act that can be given effect
11 without the invalid provisions or application, and to this end the provisions of this act are
12 severable.

13 **SECTION 6.** This act is effective when it becomes law and expires on June 30,
14 2012.