

March 10, 2009

**H 525. ANNEXATION—LGC AND ALREADY SERVED AREAS.** Filed 3/10/09. *TO DIRECT THE LOCAL GOVERNMENT COMMISSION TO PROVIDE OVERSIGHT OF THE MUNICIPAL ANNEXATION PROCESS AND TO PROHIBIT INVOLUNTARY ANNEXATION INTO AN AREA CURRENTLY SERVED BY A CENTRAL WATER AND SEWER SYSTEM NOT OF ANNEXING MUNICIPALITY UNLESS AT LEAST ONE-HALF OF THE PROPERTY OWNERS CONSENT.*

Enacts a new GS 160A-58.11 to require that the Local Government Commission (Commission) provide oversight of annexation by all municipalities. Requires that the Commission do at least all of the following: (1) assess the fiscal feasibility of all proposed annexations, (2) prohibit further annexation by any municipality that has not provided services as stated in an annexation ordinance of an area more than 12 months prior to the proposed annexation, and (3) abate all ad valorem property taxes levied on the newly annexed territory if the municipality has not provided services within five years of the effective date of the annexation ordinance. Amends GS 160A-36 (regarding annexation by cities of less than 5,000) and GS 160A-48 (regarding annexation by cities of more than 5,000) to add to the list of standards required to be met in the total area to be annexed that at least 50% of property owners must consent to the annexation if the area is served by a central water and sewer system operated by an entity other than the annexing municipality. Also requires that the annexing municipality obtain written documentation of the agreement of the property owners, dated within 12 months of the annexation ordinance effective date. Effective for annexations on or after October 1, 2009.

**Intro. by Luebke, Goforth.**

GS 160A