

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2009**

**SESSION LAW 2010-61
SENATE BILL 1362**

AN ACT TO ENABLE THE TRANSITION OF PROPERTIES OF THE AREA ALONG THEIR COMMON BOUNDARY BETWEEN ALAMANCE COUNTY AND ORANGE COUNTY DUE TO THE 2008 NORTH CAROLINA GEODETIC SURVEY WORK THAT DEPICTED AND MONUMENTED THE HISTORIC ORANGE COUNTY/ALAMANCE COUNTY BOUNDARY LINE AS DESCRIBED IN THE 1849 SURVEY ESTABLISHING ALAMANCE COUNTY.

The General Assembly of North Carolina enacts:

SECTION 1. The historic boundary line forming Alamance County from Orange County was described and surveyed in 1849. Over the years this line became uncertain, and so pursuant to G.S. 153A-18(c) entitled 'Uncertain or Disputed Boundary,' both county boards of commissioners passed resolutions (Alamance County, December 17, 2007, and Orange County, January 18, 2008) to request that the North Carolina Geodetic Survey (hereinafter "NCGS") perform a preliminary resurvey and present a proposed map for consideration by both counties. During the 160 years since the 1849 survey, the exact location of the surveyed line has become uncertain, resulting in unintentional modifications to the boundary line affecting taxation, school attendance, zoning maps, and elections within and among Alamance County, Orange County, and the Town of Mebane.

SECTION 2. The Alamance County Board of Commissioners agreed by vote on April 21, 2008, and Orange County on May 20, 2008, to approve authorizing NCGS to conduct the preliminary survey and the placing of monuments by the NCGS consistent with their research to form a boundary baseline.

SECTION 3. In the 160 years since the initial survey of the Alamance County/Orange County boundary line, Alamance and Orange Counties have entered into multiple taxing agreements that have resulted in properties being taxed in one county by the adjoining county. Other situations have arisen in which children of one county attend school in the adjoining county and voters in one county have voted in the adjoining county. The General Assembly recognizes the difficulties in addressing these issues and authorizes Alamance County and Orange County to maintain the current taxing, elections, education, and any other recognized government functions in place until July 1, 2011.

SECTION 4.(a) On and after July 1, 2011, all papers, documents, and instruments required or permitted to be filed or registered that involve residents and property located in areas affected by the resurvey of the boundary line that previously may have been recorded in the adjoining counties shall be recorded in the county to which the property has been annexed.

SECTION 4.(b) All public records related to residents and property located in areas affected by the resurvey of the boundary line that were filed or recorded prior to July 1, 2011, in the adjoining counties shall remain in those respective adjoining counties where filed or recorded, and such records shall be valid public records as to the property and persons involved, even though they are recorded in an adjoining county which is a county where the property is no longer located as evidenced by the 2008 North Carolina Geodetic Survey and the subsequent partial resurvey pursuant to Section 7 of this act.



SECTION 4.(c) On and after July 1, 2011, all real and personal property located in areas affected by the resurvey of the boundary line that was subject to ad valorem taxation on January 1, 2011, shall be subject to ad valorem taxes in the county to which the property is annexed for the fiscal year beginning July 1, 2011, to the same extent as it would have been had it been correctly recognized by the tax departments of each county on January 1, 2011, except as hereinafter provided with respect to classified registered motor vehicles. On July 1, 2011, the tax administrators of the adjoining counties shall transfer to the respective county tax assessors the ad valorem tax listings and valuations for all real and personal property subject to ad valorem taxation in areas affected by the resurvey of the boundary line, except classified motor vehicles that were registered in the adjoining counties prior to July 1, 2011. For the fiscal year that begins July 1, 2011, all real and personal property located in areas affected by the resurvey of the boundary line that was subject to ad valorem taxation in that area on January 1, 2011, shall be assessed and taxed as follows:

- (1) The ad valorem property taxes assessed on all classified registered motor vehicles registered or listed in adjoining counties between January 1, 2011, and June 30, 2011, shall be collected by the appropriate adjoining county tax collector, and all such taxes shall be retained by that adjoining county. The taxes on all classified registered motor vehicles registered after June 30, 2011, shall be assessed and collected by the county tax department in the county to which the real property wherein the classified registered motor vehicles are situated has been annexed.
- (2) The values established by the particular adjoining county tax administrator on all personal property other than classified registered motor vehicles shall be used by the county tax assessor without adjustment in computing taxes due for the fiscal year beginning July 1, 2011. All such taxes shall be assessed and collected by the appropriate county tax department.
- (3) For the interim time period between the annexation of properties into their respective counties and until such time as the next regularly scheduled revaluation period, Alamance County and Orange County may select either of two methods of valuating the property annexed into their respective county by this act. The selection of either method by a county shall not give any individual or entity grounds for challenging such temporary valuation. Such methods are delineated as follows:
 - a. The values established by the adjoining counties' tax administrators on all real property formerly taxed in their respective county shall be adjusted by the appropriate county tax assessor by applying the difference between one hundred percent (100%) of such values and the appropriate county median ratio, as established by the Sales Assessment Ratio Study compiled by the North Carolina Department of Revenue as of January 1, 2012. The taxes determined by applying this method will be collected and retained by the appropriate county tax collector. The value of such property shall then be revalued according to the regularly scheduled revaluation period for each county.
 - b. The values established by the adjoining counties' tax administrators on all real property formerly taxed in their respective county shall be adopted by the appropriate county tax assessor upon the transition of property to the adjoining county. The valuation of such property shall then be revalued according to the regularly scheduled revaluation period for each county.

- (4) Beginning January 1, 2012, all property in areas affected by the resurvey of the boundary line that is subject to ad valorem taxation shall be listed, assessed, and taxed by the appropriate county tax administrator in the same manner as is prescribed by law for all other property located within each county.
- (5) The final tax values of property subject to ad valorem taxation in areas affected by the resurvey of the boundary line as of January 1, 2011, shall be determined by the adjoining county tax administrator. Appeals to the North Carolina Property Tax Commission or to the courts by property owners of properties affected by the boundary line change shall be defended by both counties, and both counties shall be responsible for their costs and expenses, including attorneys' fees, incurred in connection with such appeals.
- (6) Any unpaid taxes or tax liens for the fiscal year ending June 30, 2011, or for prior years on property subject to taxation in areas affected by the resurvey of the boundary line shall continue to be valid and enforceable by the respective adjoining county, including (i) the foreclosure remedies provided for in G.S. 105-374 and G.S. 105-375 and (ii) the remedies of attachment and garnishment provided for in G.S. 105-366 through G.S. 105-368. The Alamance County and Orange County tax administrators shall supply one another with a list of unpaid taxes as of July 1, 2011. Any such taxes collected by either county shall be promptly paid to the appropriate adjoining county, including accrued interest. The provisions of G.S. 105-352(d) shall not apply to: those areas in an adjoining county previously taxed by either county outside the areas affected by the resurvey of the boundary line that shall forthwith be properly listed and taxed in the county to which they have been annexed; and those areas within each county that were in the past improperly listed and taxed by the adjoining county due to uncertainty as to the exact location of the true historic Alamance County/Orange County boundary line. Under the discovery process, each county may waive any interest and penalties accrued for tax years 2006-2011 in its sole discretion.

SECTION 4.(d) No cause of action, including criminal actions, involving persons or property located in areas affected by the resurvey of the boundary line that is pending on July 1, 2011, shall be abated, and such actions shall continue in the appropriate adjoining county.

SECTION 4.(e) The board of elections of each adjoining county shall, effective July 1, 2011, transfer the voter registration records pertaining to persons residing in areas affected by the resurvey of the boundary line and located in either county to the adjoining county's board of elections, and thereafter the registered voters so transferred shall be validly registered to vote in that adjoining county.

SECTION 4.(f) The Jury Commission of each adjoining county shall revise its jury lists to add to or eliminate therefrom those persons subject to jury duty who reside in areas affected by the resurvey of the boundary line, said revised jury lists to be effective July 1, 2011.

SECTION 4.(g) The areas affected by the resurvey of the boundary line and located in each county shall be transferred into the appropriate superior court district, district court district, and prosecutorial district. The areas affected by the resurvey of the boundary line shall remain in the same congressional district, the same State House of Representatives district, and the same State Senate district.

SECTION 4.(h) Any cause of action relating to taxation as it is currently exercised by the counties along or near the Alamance County/Orange County boundary, or any other cause of action related in any way to the Alamance County/Orange County boundary or

properties affected by changes in the boundary, is stayed, and no new cause of action relating to these matters shall be commenced until ratification of the official line by the North Carolina General Assembly. Thereafter, causes of action related to the taxation of property shall be defended as described in subdivision (5) of Section 4(c) of this act.

SECTION 5. The Alamance County Board of Education shall cooperate with the Orange County Board of Education on behalf of residents that have students affected by this act to ensure that a transition is made that provides students and their siblings with a choice to remain in their current school system until graduation from high school for so long as they reside in the residence affected by this act.

SECTION 6. Any child who was a resident of any area annexed by this act on its date of ratification and who was a student in the Orange County or Alamance County school system during the 2009-2010 or 2010-2011 school year, and the siblings of any such person, may attend school in the same school system previously attended without necessity of a release or payment of tuition. Any such student, while attending the Orange County school system, shall be considered a resident of Orange County for all public school purposes, including transportation, athletics, and funding formulas. Any such student, while attending the Alamance County school system, shall be considered a resident of Alamance County for all public school purposes, including transportation, athletics, and funding formulas. Notice must be given to all affected school systems by the parent or guardian in order to exercise the privilege granted by this section.

SECTION 7. Alamance County and Orange County shall establish an administrative method by which owners of property that is annexed or bisected by the North Carolina Geodetic Survey line shall have the opportunity to petition Alamance County and Orange County either to remain in the county to which their property was previously assigned or, in the case of a bisection, to be assigned to one county or the other, save and except that small lot subdivisions shall not be divided on a lot by lot basis. Notice of such opportunity to petition shall be delivered by United States mail to the affected property owners no later than 30 days after the effective date of this act. All administrative reviews on such petitions shall be concluded and final no later than December 15, 2010.

SECTION 8. Alamance County and Orange County shall cause areas of the boundary line to be resurveyed in areas where property owners have met the established administrative criteria to be assigned to a specific county and in areas where for practical or other reasons the North Carolina Geodetic Survey line is not reasonable or is unduly burdensome.

SECTION 9. Upon the conclusion of the survey and petition process established in Section 7 of this act, and no later than May 15, 2011, Alamance County and Orange County shall submit to the North Carolina General Assembly for ratification a completed survey that includes both the North Carolina Geodetic Survey line and all mutually agreed upon modifications thereto.

SECTION 10. The elected and appointed officials and employees of Alamance County and Orange County shall incur no liability under any local or North Carolina statute, law, ordinance, rule, or regulation for any act or failure to act relating to taxation, school attendance, land-use controls, elections, or any other governmental function as it relates to the currently utilized boundary line of Alamance County and Orange County.

SECTION 11. Owners and future owners of properties affected by this act shall be put on notice of the terms and conditions of this act by a written instrument filed in the office of the register of deeds of the county to which the property has been annexed.

SECTION 12. This act becomes effective July 1, 2010.

In the General Assembly read three times and ratified this the 8th day of July, 2010.

s/ Walter H. Dalton
President of the Senate

s/ Joe Hackney
Speaker of the House of Representatives