AN ACT TO REQUIRE MUNICIPALITIES LOCATED WHOLLY OR PARTLY IN DAVIDSON COUNTY TO INFORM THE DAVIDSON COUNTY BOARD OF COMMISSIONERS PRIOR TO ANNEXING CONTIGUOUS PROPERTY AND TO REQUIRE MUNICIPALITIES LOCATED WHOLLY OR PARTLY IN DAVIDSON COUNTY TO OBTAIN THE APPROVAL OF THE DAVIDSON COUNTY BOARD OF COMMISSIONERS PRIOR TO CONDUCTING A SATELLITE ANNEXATION OF CERTAIN PROPERTY AND PRIOR TO REZONING CERTAIN PROPERTY ACQUIRED BY SATELLITE ANNEXATION.

The General Assembly of North Carolina enacts:

SECTION 1. When conducting an annexation under Part 1 of Article 4A of Chapter 160A of the General Statutes, in addition to the provisions of that Part, the governing body of a municipality shall, not less than 10 days prior to the adoption of an annexation ordinance, notify the Davidson County Board of Commissioners (Board) that the governing body intends to adopt the annexation ordinance.

SECTION 2.(a) When conducting an annexation under Part 4 of Article 4A of Chapter 160A of the General Statutes, in addition to the provisions of that Part, the following additional requirements shall apply:

1. The governing body of a municipality shall, prior to the adoption of an annexation ordinance, notify the Board that the governing body intends to adopt the annexation ordinance.

2. Upon receipt of the notice under subdivision (1) of this section, the Board shall fix a date for a public hearing on the annexation ordinance. The public hearing shall be held no more than 45 days after receipt of the notice. The Board shall cause notice of the hearing to be published once at least 10 days before the date of hearing. At the hearing, any person residing in or owning property in the area proposed for annexation and any resident of the municipality seeking the annexation may appear and be heard on the question of annexation.

3. If the Board finds, after the public hearing, that the interests of the inhabitants of the county and the area proposed for annexation will be best served by the annexation, the Board shall adopt a resolution approving the annexation and the governing body of the municipality may proceed with the adoption of the annexation ordinance.

4. If the Board finds, after the public hearing, that the interests of the inhabitants of the county and the area proposed for annexation will not be best served by the annexation, the Board shall adopt a resolution disapproving the annexation. The governing body of the municipality may not proceed with the adoption of the annexation ordinance or begin a separate annexation process with respect to that area proposed for annexation, or any part thereof, for at
least 36 months from the date of the Board's adoption of the resolution disapproving annexation.

SECTION 2.(b) If the Board adopts a resolution approving the annexation and the governing body of the municipality adopts the annexation ordinance under this section, no rezoning under Chapter 160D of the General Statutes of any area that includes the annexed property, or any part thereof, may occur without the approval of both the governing body of the municipality and the Board.

SECTION 3. This act applies only to Davidson County and any municipality located wholly or partly in Davidson County seeking to annex an area located wholly within Davidson County.

SECTION 4. This act does not apply to annexation of any property to be used for single-family residential or multi-family residential purposes.

SECTION 5. This act does not alter or amend the provisions of S.L. 2012-54.

SECTION 6. This act becomes effective July 1, 2022, and applies to annexations initiated on or after that date.

In the General Assembly read three times and ratified this the 30th day of June, 2022.

s/ Phil Berger
President Pro Tempore of the Senate

s/ Tim Moore
Speaker of the House of Representatives