A BILL TO BE ENTITLED
AN ACT REQUIRING MUNICIPALITIES TO PROVIDE AN OPPORTUNITY FOR QUALIFIED VOTERS WITHIN AREAS TO BE ANNEXED OR AREAS OVER WHICH A MUNICIPALITY INTENDS TO EXERCISE EXTRATERRITORIAL JURISDICTION TO VOTE IN ELECTIONS FOR THE OFFICERS OF THE MUNICIPALITY'S GOVERNING BODY.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 160A-37(e) reads as rewritten:

"(e) Passage of the Annexation Ordinance. – The municipal governing board shall take into consideration facts presented at the public hearing and shall have authority to amend the report required by G.S. 160A-35 to make changes in the plans for serving the area proposed to be annexed so long as such changes meet the requirements of G.S. 160A-35. At any regular or special meeting held no sooner than the tenth day following the public hearing and not later than 90 days following such public hearing, the governing board shall have authority to adopt an ordinance extending the corporate limits of the municipality to include all, or such part, of the area described in the notice of public hearing which meets the requirements of G.S. 160A-36 and which the governing board has concluded should be annexed. The ordinance shall:

(1) Contain specific findings showing that the area to be annexed meets the requirements of G.S. 160A-36. The external boundaries of the area to be annexed shall be described by metes and bounds. In showing the application of G.S. 160A-36(c) and (d) to the area, the governing board may refer to boundaries set forth on a map of the area and incorporate same by reference as a part of the ordinance.

(2) A statement of the intent of the municipality to provide services to the area being annexed as set forth in the report required by G.S. 160A-35.

(3) A specific finding that on the effective date of annexation the municipality will have funds appropriated in sufficient amount to finance construction of any water and sewer lines found necessary in
the report required by G.S. 160A-35 to extend the basic water and/or
sewer system of the municipality into the area to be annexed, or that
on the effective date of annexation the municipality will have authority
to issue bonds in an amount sufficient to finance such construction. If
authority to issue such bonds must be secured from the electorate of
the municipality prior to the effective date of annexation, then the
effective date of annexation shall be no earlier than the day following
the statement of the successful result of the bond election.

(4) Fix the effective date for annexation. The effective date of annexation
may be fixed for any date not less than 40 days nor more than 400 days
from the date of passage of the ordinance. However, the annexation
ordinance shall not become effective unless the governing board has,
prior to adopting the ordinance, provided an opportunity for the
qualified voters residing within the area to be annexed to vote for each
officer of the governing board.

SECTION 2. G.S. 160A-49(e) reads as rewritten:
"(e) Passage of the Annexation Ordinance. – The municipal governing board shall
take into consideration facts presented at the public hearing and shall have authority to
amend the report required by G.S. 160A-47 to make changes in the plans for serving the
area proposed to be annexed so long as such changes meet the requirements of
G.S. 160A-47, provided that if the annexation report is amended to show additional
subsections of G.S. 160A-48(c) or (d) under which the annexation qualifies that were
not listed in the original report, the city must hold an additional public hearing on the
annexation not less than 30 nor more than 90 days after the date the report is amended,
and notice of such new hearing shall be given at the first public hearing. At any regular
or special meeting held no sooner than the tenth day following the public hearing and
not later than 90 days following such public hearing, the governing board shall have
authority to adopt an ordinance extending the corporate limits of the municipality to
include all, or such part, of the area described in the notice of public hearing which
meets the requirements of G.S. 160A-48 and which the governing board has concluded
should be annexed. The ordinance shall:

(1) Contain specific findings showing that the area to be annexed meets
the requirements of G.S. 160A-48. The external boundaries of the area
to be annexed shall be described by metes and bounds. In showing the
application of G.S. 160A-48(c) and (d) to the area, the governing
board may refer to boundaries set forth on a map of the area and
incorporate same by reference as a part of the ordinance.

(2) A statement of the intent of the municipality to provide services to the
area being annexed as set forth in the report required by G.S. 160A-47.

(3) A specific finding that on the effective date of annexation the
municipality will have funds appropriated in sufficient amount to
finance construction of any major trunk water mains and sewer outfalls
and such water and sewer lines as required in G.S. 160A-47(3)b found
necessary in the report required by G.S. 160A-47 to extend the basic
water and/or sewer system of the municipality into the area to be annexed, or that on the effective date of annexation the municipality will have authority to issue bonds in an amount sufficient to finance such construction. If authority to issue such bonds must be secured from the electorate of the municipality prior to the effective date of annexation, then the effective date of annexation shall be no earlier than the day following the statement of the successful result of the bond election.

(4) Fix the effective date for annexation. The effective date of annexation may be fixed for any date not less than 70 days nor more than 400 days from the date of passage of the ordinance. However, the annexation ordinance shall not become effective unless the governing board has, prior to adopting the ordinance, provided an opportunity for the qualified voters residing within the area to be annexed to vote for each officer of the governing board.

SECTION 3. G.S. 160A-360(a) reads as rewritten:

"(a) All of the powers granted by this Article may be exercised by any city within its corporate limits. In addition, any city may exercise these powers within a defined area extending not more than one mile beyond its limits. With the approval of the board or boards of county commissioners with jurisdiction over the area, a city of 10,000 or more population but less than 25,000 may exercise these powers over an area extending not more than two miles beyond its limits and a city of 25,000 or more population may exercise these powers over an area extending not more than three miles beyond its limits. The boundaries of the city's extraterritorial jurisdiction shall be the same for all powers conferred in this Article. No city may exercise extraterritorially any power conferred by this Article that it is not exercising within its corporate limits. No city may exercise extraterritorially any power conferred by this Article unless the city's governing board has first provided an opportunity for the qualified voters residing within the defined area to vote for each officer of the governing board. In determining the population of a city for the purposes of this Article, the city council and the board of county commissioners may use the most recent annual estimate of population as certified by the Secretary of the North Carolina Department of Administration."

SECTION 4. G.S. 163-282 reads as rewritten:

"§ 163-282. Residency defined for voting in municipal elections.

The rules for determining residency within a municipality shall be the same as prescribed in G.S. 163-57 for determining county residency. For purposes of eligibility to vote in elections for officers of a municipality as authorized in G.S. 160A-37(e), 160A-49(e), and 160A-360(a), any person who is a resident of an area described in a notice of public hearing under G.S. 160A-37(b) or a resident of an area over which the municipality has expressed its intent to exercise extraterritorial jurisdiction under G.S. 160A-360 or by local act is a resident of the municipality. A person whose residency is based upon the person's residing in an area to be annexed or an extraterritorial area is eligible to vote only in elections for officers of the city and not for other types of elections. However, if an area is annexed by a municipality, residents in
that area may thereafter vote in all municipal elections if they are otherwise registered,
qualified, and eligible. No person shall be entitled to reside in more than one city or
town at the same time."

SECTION 4. G.S. 163-288.1(a) reads as rewritten:
"(a) Whenever any new city or special district is incorporated or whenever an
existing city or district annexes any territory, intends to annex territory under
G.S. 160A-37(e) or G.S. 160A-49(e) or by local act or to add territory to its
extraterritorial planning jurisdiction under G.S. 160A-360 or by local act, the city or
special district shall cause a map of the corporate or district limits or extraterritorial area
to be prepared from the boundary descriptions in the act, charter or other document
creating the city or district or authorizing or implementing the planned annexation or
extension of extraterritorial jurisdiction. The map shall be delivered to the county or
municipal board of elections conducting the elections for the city or special district. The
board of elections shall then activate for city or district elections each voter eligible to
vote in the city or district who is registered to vote in the county to the extent that
residence addresses shown on the county registration certificates can be identified as
within the limits of the city or special district or within the extraterritorial area.
Each voter whose registration is thus activated for city or special district elections shall
be so notified by mail. The cost of preparing the map of the newly incorporated city or
special district or of the newly annexed area, territory to be annexed or the
extraterritorial area, and of activating voters eligible to vote therein, shall be paid by the
city or special district. In lieu of the procedures set forth in this section, the county
board of elections may use either of the methods of registration of voters set out in
G.S. 163-288.2 when activating voters pursuant to the incorporation of a new city or
election of city officials or both under authority of an act of the General Assembly or
when activating voters after an annexation of new territory residing within territory to
be annexed by a city or special district under Chapter 160A, Article 4A, Article 4A of
Chapter 160A of the General Statutes or other general or local law or residing
within an extraterritorial area."

SECTION 5. G.S. 163-288.2 reads as rewritten:
"§ 163-288.2. Registration in area proposed for incorporation or annexed.
(a) Whenever the General Assembly incorporates a new city and provides in the
act of incorporation for a referendum on the question of incorporation or for a special
election for town officials or for both, or whenever an existing city or special district
annexes intends to annex new territory under the provisions of Chapter 160A, Article
4A, Article 4A of Chapter 160A of the General Statutes or other general or local law, or
to add territory to its extraterritorial planning jurisdiction under G.S. 160A-360 or by
local act, the board of elections of the county in which the proposed city is located or in
which the newly annexed territory to be annexed or the extraterritorial area is located
shall determine those individuals eligible to vote in the referendum or special election or
in the city or special district elections. In determining the eligible voters the board may,
in its discretion, use either of the following methods:
METHOD A. – The board of elections shall prepare a list of those registered voters
residing within the proposed city or newly annexed territory, city, the territory to be
annexed, or the extraterritorial area. The board shall make this list available for public inspection in its office for a two-week period ending on the twenty-fifth day before the day of the referendum or special election, or the next scheduled city or special district election. During this period, any voter resident within the proposed city or newly annexed territory city, the territory to be annexed, or the extraterritorial area and not included on the list may cause his name to be added to the list. At least one week and no more than two weeks before the day the period of public inspection is to begin, the board shall cause notice of the list's availability to be posted in at least two prominent places within the proposed city or newly annexed territory city, the territory to be annexed, or the extraterritorial area and may cause the notice to be published in a newspaper of general circulation within the county. The notice shall state that the list has been prepared, that only those persons listed may vote in the referendum or special election, that the list will be available for public inspection in the board's office, that any qualified voter not included on the list may cause his name to be added to the list during the two-week period of public inspection, and that persons in newly annexed territory the territory to be annexed or the extraterritorial area should present themselves so their registration records may be activated for voting in city or special district elections in the newly annexed territory. The territory to be annexed or extraterritorial area. Notice may additionally be made on a radio or television station or both, but such notice shall be in addition to the newspaper and other required notice.

METHOD B. – The board of elections shall conduct a special registration of eligible persons desiring to vote in the referendum or special election or in the newly annexed territory. The territory to be annexed or the extraterritorial area. The registration records shall be open for a two-week period (except Sundays) ending on the twenty-fifth day before the day of the referendum or special election or the next scheduled city or special district election. On the two Saturdays during that two-week period, the records shall be located at the voting place for the referendum or special election or the next scheduled city or special district election; on the other days it may, in the discretion of the board, be kept at the voting place, at the office of the board, or at the place of business of a person designated by the board to conduct the special registration. At least one week and no more than two weeks before the day the period of special registration is to begin, the board shall cause notice of the registration to be posted in at least two prominent places within the proposed city or newly annexed territory. The territory to be annexed or the extraterritorial area and may cause the notice to be published in a newspaper of general circulation within the county. The notice shall state the purpose and times of the special registration, the location of the registration records, that only those persons registered in the special registration may vote in the referendum or special election, and that persons in newly annexed territory the territory to be annexed or the extraterritorial area should present themselves so their registration records may be activated for voting in city or special district elections in the newly annexed territory. The territory to be annexed or extraterritorial area. Notice may additionally be made on a radio or television station or both, but such notice shall be in addition to the newspaper and other required notice.

(b) Only those persons registered pursuant to this section may vote in the referendum or special election, provided, however, that in cases where voters are
activated under either Method A or B to vote in a city or special district that annexes territory, the city or special district shall permit them to vote in the city or special district's election and shall, as well, permit other voters to vote in such elections who did not register under the provisions of this section if they are otherwise registered, qualified and eligible to vote in the same."

SECTION 6. This act is effective when it becomes law and applies to annexations that occur on or after that date and to annexations that have commenced (evidenced by the passing of a resolution under G.S. 160A-37(a) or G.S. 160A-49(a)) prior to that date but do not become effective until on or after October 1, 2005. This act also applies to extensions of extraterritorial jurisdiction that occur on or after the date this act becomes law and to extensions that are planned (evidenced by the municipality notifying owners of land in the ETJ area under G.S. 160A-360(a1)) prior to that date but do not become effective until on or after October 1, 2005.