House Bill 374 (COMMITTEE SUBSTITUTE)

By: Representatives Thomas of the 21st, Jasperse of the 11th, Anderson of the 10th, Carson of the 46th, Wilkerson of the 38th, and others

A BILL TO BE ENTITLED

AN ACT

To amend Chapter 36 of Title 36 of the Official Code of Georgia Annotated, relating to municipal annexation of territory, so as to provide for municipal deannexation of property by application of 100 percent of property owners; to provide for procedures, conditions, and limitations; to provide for ad valorem taxes; to provide for special tax districts for outstanding general obligation bonded indebtedness; to provide for related matters; to provide for an effective date; to repeal conflicting laws; and for other purposes.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

SECTION 1.

Chapter 36 of Title 36 of the Official Code of Georgia Annotated, relating to municipal annexation of territory, is amended by adding a new article to read as follows:

"ARTICLE 8

36-36-130.

The procedures of this article shall apply to all deannexations pursuant to this chapter but shall not apply to deannexations by local Acts of the General Assembly.

36-36-131.

(a) Authority is granted to the governing authority of any municipality to deannex an area or areas of the existing corporate limits thereof, in accordance with the procedures provided in this article and in Article 1 of this chapter, upon the written and signed applications of all of the owners of all of the land, except the owners of any public street, road, highway, or right of way, proposed to be deannexed, containing a complete description of the lands to be deannexed; provided, however, that no more than ten parcels of property may be deannexed in one action and only upon the adoption of a resolution by the governing authority of the county in which such property is located consenting to such deannexation. If the governing authority of the county consents to the deannexation and the deannexation conforms with the requirements of this article, the governing authority of the municipal corporation is obligated to approve such deannexation unless it finds that the deannexation would be detrimental to the health, safety, and welfare of the residents and property owners of the area to be deannexed or to the area remaining within the municipality.

(b) Lands to be deannexed at any one time under this article shall be treated as one body, regardless of the number of owners, and all parts shall be considered as adjoining the limits of the municipality when any one part of the entire body abuts such limits; provided, however, that at least one-eighth of the aggregate external boundary or 50 feet of the area to be deannexed, whichever is less, either abuts directly on the municipal boundary or would directly abut on the municipal boundary if it were not otherwise separated from the municipal boundary by lands owned by the municipal corporation or some other political subdivision, by lands owned by this state, or by the definite width of:

(1) Any street or street right of way;

(2) Any creek or river; or

(3) Any right of way of a railroad or other public service corporation

which divides the municipal boundary and any area proposed to be deannexed.

(c) When such application is acted upon by the municipal governing authority and the land is, by ordinance, deannexed from the municipality, an identification of the property so deannexed shall be filed with the Department of Community Affairs and with the governing authority of the county in which the property is located in accordance with Code Section 36-36-3.

(d) When so deannexed, such lands shall cease to constitute a part of the lands within the corporate limits of the municipality as completely and fully as if the limits had been marked and defined by local Act of the General Assembly.

(e)(1) Except as provided in paragraph (2) of this subsection and Code Section 36-36-133, when so deannexed, the land shall be deannexed from the municipality effective for ad valorem tax purposes on December 31 of the year during which such application is submitted and for all other purposes on the first day of the next calendar quarter that begins at least one month after the month during which the requirements of this article have been met.

(2) Unless otherwise agreed in writing by the governing authority of the county and a municipal governing authority, where property zoned and used for commercial purposes is deannexed from a municipality with an independent school system, the effective date for the purposes of ad valorem taxes levied for educational purposes shall be December 31 of the year after the year in which the requirements of this article have been met.

(f) Property that has been deannexed from a municipality under this article shall not be annexed again until at least two calendar years after the effective date of such deannexation unless such annexation is accomplished by local Act of the General Assembly.

36-36-132.

There shall be no deannexation under this article that results in the formation of one or more unincorporated islands or in part of the area remaining in the municipal corporation no longer being a contiguous area of such municipal corporation.

36-36-133.

Property that has been deannexed from a municipality under this article shall be subject to all general obligation bonded indebtedness of the municipality which is outstanding on the effective date of such deannexation. On the effective date of such deannexation, a special tax district shall be created whose geographical boundary shall correspond to and be conterminous with the property that has been deannexed. The ad valorem taxes imposed by the municipality on the effective date of the deannexation to retire such bonded indebtedness shall continue to be imposed within such special district in the same manner and to the same extent that such ad valorem taxes were previously imposed by the municipality in accordance with the terms of the obligations of such bonded indebtedness. The governing authority of the municipality shall administer such special district for the purposes relating to such bonded indebtedness, including enforcement of the rights and remedies of the bondholders.″

SECTION 2.

This Act shall become effective upon its approval by the Governor or upon its becoming law without such approval.

SECTION 3.

All laws and parts of laws in conflict with this Act are repealed.