

Local Government Committee 1

Amendment No. 1 to HB0779

**Wirgau
Signature of Sponsor**

AMEND Senate Bill No. 749

House Bill No. 779*

by deleting all language after the enacting clause and substituting instead the following:

SECTION 1. Tennessee Code Annotated, Section 54-4-203, is amended by adding the following subsection:

(d)

(1) With respect to any streets or roads deannexed by a municipality on or after May 1, 1998, the municipality shall submit a map of the deannexed streets or roads to the commissioner of finance and administration within six (6) months of the effective date of this act. Within one (1) year of the submission, in order to equitably reflect those changes to the municipality's boundaries, the commissioner shall appropriately revise and reallocate any funding distributed to the municipality or county for improvement or maintenance of streets or roads.

(2) Prior to any reallocation of funds pursuant to subdivision (d)(1), a municipality may by a two-thirds (2/3) vote of its legislative body rescind the deannexation of the street or road; provided, however, such rescindment must be accomplished within six (6) months of the effective date of this act.

SECTION 2. Tennessee Code Annotated, Title 6, Chapter 51, Part 2, is amended by adding the following language as a new section:

No municipality shall, pursuant to § 6-51-201, deannex territory containing a street, highway, avenue, boulevard, publicly-owned right-of-way, bridge, tunnel, public parking area, or any other public way dedicated to public use and maintained for general public travel without approval by a two-thirds (2/3) vote of the county legislative body.

Amendment No. 1 to HB0779

Wirgau
Signature of Sponsor

AMEND Senate Bill No. 749

House Bill No. 779*

SECTION 3. Tennessee Code Annotated, Section 6-51-201, is amended by deleting the section in its entirety and by substituting instead the following:

(a) Any incorporated municipality, whether it was incorporated by general or special act, may contract its limits within any given territory; provided, that it is approved by a majority of the registered voters in an election held in accordance with § 6-51-202.

(b)

(1) Ten percent (10%) of the registered voters, who reside in a territory previously annexed by ordinance upon the initiative of the municipality on or after May 1, 1998, may petition the county election commission to hold an election to deannex such residential territory. The petition shall include a copy of the ordinance, which includes the map of the plat seeking deannexation. The map shall be the same map the municipality used to annex the residential territory. No additions or deletions from the original map used by the municipality is permitted; provided, however, prior to the election, any commercial or industrial properties located within the territory may be excluded from the proposed deannexation by resolution of the municipal legislative body.

(2) Upon receipt of the petition, the county election commission shall notify the municipality and hold an election to coincide with the next citywide or countywide election, primary, or referendum that is held not less than seventy-five (75) days after the petition for deannexation is filed. The election commission shall hold an election only for the registered voters residing within

the plat set forth in the map submitted to the election commission pursuant to subdivision (b)(1). The election commission shall submit to the voters the question of “For Deannexation” or “Against Deannexation.” If a majority of voters approve the deannexation, the deannexation of the territory shall become operative thirty (30) days after the date that the county election commission makes its official canvass of the election returns. If a majority of the voters fail to approve the deannexation, then the election commission shall file the certificate of the result with the county clerk, and no further election may be held for the territory pursuant to this subsection (b).

(3) This subsection (b) is hereby repealed on May 16, 2021.

SECTION 4. Tennessee Code Annotated, Section 6-51-202, is amended by deleting the section in its entirety and substituting instead:

The election provided for in § 6-51-201, shall be held under the provisions of a resolution to be passed for that purpose. A full report of the election shall be spread upon the minutes of the board, if a majority of the voters assent to the contraction, and in the report the metes and bounds of the territory to be excluded must be fully set forth.

SECTION 5. Tennessee Code Annotated, Section 6-51-204(a), is amended by deleting the subsection and substituting instead:

(a) Except for responsibility for any debt contracted prior to the surrender of jurisdiction, all municipal jurisdiction shall cease over the territory excluded from the municipality’s corporate limits on the date of the certification of the results of the election. The municipality may continue to levy and collect taxes on property in the excluded territory to pay the excluded territory’s proportion of any debt contracted prior to the exclusion upon a showing that the debt arises out of public improvements made to the deannexed territory.

SECTION 6. Tennessee Code Annotated, Section 6-51-104, is amended by adding the following language as a new subsection:

()

(1) A municipality may by resolution propose annexation of territory that does not adjoin the boundary of the main part of the municipality, without extending the corporate limits of that territory, if the territory proposed for annexation is entirely contained within the municipality's urban growth boundary and is either:

(A) To be used for industrial or commercial purpose or future residential development; or

(B) Owned by one (1) or more governmental entities.

(2) A resolution under this subsection shall be ratified only with the written consent of the property owner or owners.

(3) For purposes of this subsection, the boundary of the main part of the municipality is defined as the corporate limits of the territory containing its town seat or city hall. Territory that does not adjoin that boundary before a proposal to annex it is introduced cannot be annexed except as provided in this subsection.

(4) The resolution shall include the plan of services adopted under § 6-51-102. The plan shall be prepared by the municipality in cooperation with the county in which the territory is located. The municipality and county shall enter into an interlocal agreement pursuant to § 5-1-113 to provide emergency services for any interceding properties and to maintain roads and bridges comprising the primary route to the area thus annexed as the municipality and county deem necessary.

SECTION 7. This act shall take effect May 16, 2015, at 12:01 a.m., the public welfare requiring it.