

HOUSE BILL 2419

By Fritts

AN ACT to amend Tennessee Code Annotated, Title 6,  
Chapter 51, Part 1, relative to annexation.

WHEREAS, annexation of property by municipalities can impose significant costs on county governments and residents; and

WHEREAS, counties must have the authority to review the fiscal impacts of annexation proposals; and

WHEREAS, cooperation between municipalities and counties is essential to protect taxpayers and promote sustainable growth across Tennessee; now, therefore,

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 6, Chapter 51, Part 1, is amended by adding the following as a new section:

(a) Before adopting an annexation ordinance, a municipality shall:

(1) Submit to the county legislative body in which the territory proposed for annexation is located:

(A) A financial impact study, detailing the short-term and long-term effects on county infrastructure, public services, including schools, and county taxpayers; and

(B) A statement of financial viability, demonstrating the municipality's capacity to provide services to the annexed area, including water, sewer, roads, police, fire, and other obligations; and

(2) Obtain approval of such annexation by majority vote of the county legislative body.

(b)

(1) The county legislative body has at least sixty (60) calendar days to review the documentation and vote on the proposed annexation.

(2) A county legislative body's failure to act within sixty (60) days does not constitute approval.

(3) If a county legislative body has not approved the annexation within ninety (90) days of the submission pursuant to subsection (a), then the annexation is deemed denied.

(c) This section does not apply to the annexation of a single, contiguous lot of five (5) acres or less.

(d) The comptroller of the treasury shall prescribe the form and content of the financial impact study and statement of financial viability required under subdivision (a)(1).

(e) This section does not preempt any interlocal agreements or growth plans established pursuant to chapter 58 of this title.

SECTION 2. This act takes effect upon becoming a law, the public welfare requiring it.