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State of Tennessee  
PUBLIC CHAPTER NO. 441

SENATE BILL NO. 279

By Watson, Beavers, Bowling, Campfield, Bell, Niceley, Kelsey, Norris

Substituted for: House Bill No. 475

By Carter, Joe Carr, Van Huss, Lollar, McManus, Butt, Lynn, Mark White, Pody, Coley, Todd, Rogers, Rich, Spivey, Travis, Timothy Hill, Rogers, Holt, Hall

AN ACT to amend Tennessee Code Annotated, Title 6, Chapter 51 and Title 6, Chapter 58, relative to annexation.

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 language as a new section:

6-51-122.

(a)(1) Notwithstanding the provisions of this part or any other law to the contrary, from April 15, 2013, through May 15, 2014, no municipality shall extend its corporate limits by means of annexation by ordinance upon the municipality's own initiative, pursuant to § 6-51-102, in order to annex territory being used primarily for residential or agricultural purposes; and, except as otherwise permitted pursuant to subdivision (a)(2), no such ordinance to annex such territory shall become operative during such period. As used in this subsection, "municipality" does not include any county having a metropolitan form of government.

(2) If, prior to April 15, 2013, a municipality formally initiated an annexation ordinance delayed by subdivision (a)(1); and if the municipality would suffer substantial and demonstrable financial injury if such ordinance does not become operative prior to May 15, 2014; then, upon petition by the municipality, the county legislative body may, by a majority vote of its membership, waive the restrictions imposed on such ordinance by subdivision (a)(1).

(b) On or before January 14, 2014, the Tennessee advisory commission on intergovernmental relations (TACIR) shall complete a comprehensive review and evaluation of the efficacy of state policies set forth within title 6, chapters 51 and 58, and shall submit a written report of findings and recommendations, including any proposed legislation, to the speaker of the senate and the speaker of the house of representatives.

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

SENATE BILL NO. 279

PASSED: April 19, 2013

  
\_\_\_\_\_  
RON RAMSEY  
SPEAKER OF THE SENATE

  
\_\_\_\_\_  
BETH HARWELL, SPEAKER  
HOUSE OF REPRESENTATIVES

APPROVED this 16th day of May 2013

  
\_\_\_\_\_  
BILL HASLAM, GOVERNOR

HOUSE BILL 590

By Van Huss

AN ACT to amend Tennessee Code Annotated, Title 6, Chapter 51 and Title 6, Chapter 58, relative to annexation.

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

SECTION 1. Tennessee Code Annotated, Section 6-51-102, is amended by deleting subdivisions (a)(1) and (2) in their entirety and by substituting instead the following language:

(a)

(1) A municipality, when petitioned by a majority of the residents and property owners of the affected territory, or upon its own initiative when it appears that the prosperity of such municipality and territory will be materially retarded and the safety and welfare of the inhabitants and property endangered, after notice and public hearing, by ordinance, may extend its corporate limits by annexation of such territory adjoining its existing boundaries as may be deemed necessary for the welfare of the residents and property owners of the affected territory as well as the municipality as a whole; provided, that the ordinance shall not become operative until approval of such annexation by a majority of qualified voters who reside in the territory proposed for annexation.

(2)

(A) If a proposal to extend the corporate limits by the annexation of territory adjoining the existing boundaries of a municipality is proposed by the municipality upon its own initiative by ordinance, the ordinance shall not become operative until an election is held at the expense of the proposing municipality for approval or disapproval of such annexation by the qualified voters who reside in the territory proposed for annexation. The municipality shall give ninety (90) days' notice to the residents of the territory proposed for annexation by sending

the affected residents by registered mail, return receipt requested, the proposed ordinance. The operation of the ordinance shall be subject to approval of the voters who reside in such territory to be determined in an election pursuant to subdivision (a)(2)(B).

(B) The county election commission shall hold an election thereon at the next regularly scheduled election for the county, providing options to vote "For" or "Against" the ordinance. A majority vote of those voting in the election shall determine whether the ordinance is to be operative. A vote "For" the ordinance shall be a vote "For Annexation" and a vote "Against" the ordinance shall be a vote "Against Annexation". If the vote is for the ordinance, the ordinance shall become operative thirty (30) days after the date that the county election commission makes its official canvass of the election returns; such ordinance shall not become operative before the expiration of one hundred twenty (120) days following the final passage of the annexation ordinance. If the ordinance is rejected, all relevant provisions in this chapter shall apply to the question of annexation in such county.

SECTION 2. Tennessee Code Annotated, Section 6-58-111(a), is amended by deleting the language "A municipality possesses exclusive authority to annex territory located within its approved urban growth boundaries" and by substituting instead the language "Except as provided in § 6-51-102(a), a municipality possesses exclusive authority to annex territory located within its approved urban growth boundaries".

SECTION 3. This act shall take effect upon becoming a law, the public welfare requiring it.

Local Government Committee 1

Amendment No. 1 to HB0590

Hill M

Signature of Sponsor

AMEND Senate Bill No. 869

House Bill No. 590\*

is amended by deleting everything after the enacting clause and by substituting instead the following language:

SECTION 1. Tennessee Code Annotated, Section 6-51-102, is amended by deleting subdivisions (a)(1) and (2) in their entirety and by substituting instead the following language:

(a)

(1) A municipality, when petitioned by a majority of the residents and property owners of the affected territory, after notice and public hearing, by ordinance, may extend its corporate limits by annexation of such territory adjoining its existing boundaries as may be deemed necessary for the welfare of the residents and property owners of the affected territory as well as the municipality as a whole; provided, that the ordinance shall not become operative until thirty (30) days after final passage thereof. During this thirty-day period, the municipality shall notify the county mayor in whose county the territory being annexed is located that territory located in the unincorporated part of the county is being annexed by the municipality. The notification shall include a copy of the annexation ordinance and a map of the area being annexed.

(2)

(A) A municipality, upon its own initiative when it appears that the prosperity of such municipality and territory will be materially retarded and the safety and welfare of the inhabitants and property endangered, after notice and public hearing, by ordinance, may extend its corporate limits by annexation of such territory adjoining its existing boundaries as may be deemed necessary for the welfare of the residents and property owners of the affected territory as well as the municipality as a whole; provided, that the ordinance shall not become

**Local Government Committee 1**

**Amendment No. 1 to HB0590**

**Hill M  
Signature of Sponsor**

**AMEND Senate Bill No. 869**

**House Bill No. 590\***

operative until approval of such annexation by a majority of qualified voters who reside in the territory proposed for annexation.

(B) If a proposal to extend the corporate limits by the annexation of territory adjoining the existing boundaries of a municipality is proposed by the municipality upon its own initiative by ordinance, the ordinance shall not become operative until an election is held at the expense of the proposing municipality for approval or disapproval of such annexation by the qualified voters who reside in the territory proposed for annexation. The municipality shall give one hundred eighty (180) days notice to the residents of the territory proposed for annexation by sending the affected residents by registered mail, return receipt requested, the proposed ordinance. The operation of the ordinance shall be subject to approval of the voters who reside in such territory to be determined in an election pursuant to subdivision (a)(2)(C).

(C) The county election commission shall hold an election thereon at the next regularly scheduled election for the county, providing options to vote "For" or "Against" the ordinance. A majority vote of those voting in the election shall determine whether the ordinance is to be operative. A vote "For" the ordinance shall be a vote "For Annexation" and a vote "Against" the ordinance shall be a vote "Against Annexation". If the vote is for the ordinance, the ordinance shall become operative thirty (30) days after the date that the county election commission makes its official canvass of the election returns; such ordinance shall not become operative before the expiration of one hundred twenty (120) days following the final passage of the annexation ordinance. If the ordinance is



rejected, all relevant provisions in this chapter shall apply to the question of annexation in such county.

SECTION 2. Tennessee Code Annotated, Section 6-58-111(a), is amended by deleting the language "A municipality possesses exclusive authority to annex territory located within its approved urban growth boundaries" and by substituting instead the language "Except as provided in § 6-51-102(a), a municipality possesses exclusive authority to annex territory located within its approved urban growth boundaries".

SECTION 3. This act shall take effect upon becoming a law, the public welfare requiring it.

DRAFT

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HOUSE BILL 230  
By Carter

SENATE BILL 731

By Watson

AN ACT to amend Tennessee Code Annotated, Title 6, Chapter 51 and Title 6, Chapter 58, relative to annexations under an amended growth plan and to enact the "Restraint on Government Growth Act".

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

SECTION 1. This act shall be known and may be cited as the "Restraint on Government Growth Act".

SECTION 2. Tennessee Code Annotated, Section 6-58-111, is amended by designating the first sentence as subdivision (a)(1), by designating the remaining language as subdivision (a)(2), by redesignating subdivisions (a)(1) and (a)(2) accordingly, and by deleting the words "Within a" at the beginning of the second sentence and substituting instead the language "Under the initial growth plan, within a".

SECTION 3. Tennessee Code Annotated, Section 6-58-111(a), is further amended by adding the following language to be designated as subdivision (a)(3):

Under any amended growth plan, within a municipality's approved urban growth boundaries, annexation must be by referendum only and not by ordinance. The municipality must follow the referendum process as provided for in §§ 6-51-104 and 6-51-105.

SECTION 4. This act shall take effect upon becoming a law, the public welfare requiring it.

DRAFT

SENATE BILL 1381

By Bowling

AN ACT to amend Tennessee Code Annotated, Title 6,  
relative to comprehensive growth plans.

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

SECTION 1. Tennessee Code Annotated, Section 6-58-111, is amended by adding the following language as new subsections (d) and (e):

(d) Notwithstanding any law to the contrary, whenever a municipality proposes to annex territory within the municipality's approved urban growth boundaries using any of the methods in chapter 51 of this title, or annex any territory beyond the municipality's approved urban growth boundaries using the method in subdivision (c)(1), the municipality shall promptly mail a copy of the ordinance or resolution describing the territory proposed for annexation to each property owner of record within the territory proposed for annexation at least ninety (90) days prior to the proposed date of annexation.

(e) Prior to a municipality annexing by ordinance any territory located inside or outside its existing urban growth boundary, it shall hold a minimum of three (3) informational meetings to inform all property owners of record within the territory proposed for annexation of the potential impacts of the annexation on their property and community.

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

DRAFT

Local Government Committee 1

Amendment No. 1 to HB1319

Hill M  
Signature of Sponsor

**AMEND Senate Bill No. 1381\***

**House Bill No. 1319**

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

SECTION 1. Tennessee Code Annotated, Section 6-58-111, is amended by adding the following language as new subsections (d) and (e):

(d) Notwithstanding any law to the contrary, whenever a municipality proposes to annex territory within the municipality's approved urban growth boundaries using any of the methods in chapter 51 of this title, or annex any territory beyond the municipality's approved urban growth boundaries using the method in subdivision (c)(1), the municipality shall, at least ninety (90) days prior to the proposed date of annexation, promptly mail each property owner of record within the territory proposed for annexation:

(1) A copy of the ordinance or resolution describing the territory proposed for annexation; and

(2) Notice of the date, time, and location of the informational meeting held by the municipality pursuant to subsection (e).

(e)

(1) Prior to a municipality annexing by ordinance any territory located inside or outside its existing urban grown boundary, the municipality shall hold at least one (1) informational meeting to allow for questions from property owners of record within the territory proposed for annexation and to provide information regarding the planned annexation.

**Local Government Committee 1**

**Amendment No. 1 to HB1319**

**Hill M  
Signature of Sponsor**

**AMEND Senate Bill No. 1381\***

**House Bill No. 1319**

(2) Any informational meeting held pursuant to this subsection shall be held within the proposed area of annexation, or, if no space is available within the proposed area of annexation, in the closest public building to the proposed area of annexation that is available for the municipality's use.

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



**Local Government Committee 2**

**Amendment No. 2 to HB1319**

**Hill M  
Signature of Sponsor**

**AMEND Senate Bill No. 1381\***

**House Bill No. 1319**

by deleting the language "annexation, promptly mail" from the sixth line of subsection (d) of the bill as amended (#4323) and by substituting instead the language "annexation, by certified mail return receipt requested, promptly mail".

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HOUSE BILL 1249  
By Van Huss

SENATE BILL 1316

By Bowling

AN ACT to amend Tennessee Code Annotated, Title 6,  
relative to comprehensive growth plans.

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

SECTION 1. Tennessee Code Annotated, Title 6, Chapter 58, is amended by adding the following new section:

A municipality shall not annex any territory located within its approved urban growth boundaries that is zoned for agricultural use until there is a change in use triggered by a request for a non-agricultural zoning designation or by sale of the territory for use other than agricultural purposes.

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

DRAFT

HOUSE BILL 135  
By Keisling

SENATE BILL 613

By Yager

AN ACT to amend Tennessee Code Annotated, Section 6-58-104, relative to the amendment and revision of county growth plans.

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

SECTION 1. Tennessee Code Annotated, Section 6-58-104(d), is amended by deleting subdivision (1) in its entirety and by substituting the following language:

(1)

(A)

(i) After the local planning advisory committee has approved the county's initial growth plan or any revision of the growth plan in accordance with subdivision (d)(1)(B), the plan shall stay in effect without amendment for not fewer than three (3) years absent extraordinary circumstances. After this three-year period, a growth plan may be amended as often as deemed necessary in accordance with the procedures of this subdivision (d)(1)(A). An amendment to a growth plan may be proposed only by the mayor of a municipality regarding the urban growth boundary of that mayor's municipality, or by a county mayor or county executive regarding a change in the boundary between a planned growth area and a rural area. A municipal mayor may propose an amendment to the growth plan by filing notice with all of the other municipal mayors in the county and the county mayor or county executive. A county mayor or county executive may propose an amendment to the growth plan by filing notice with all of the municipal mayors in the county. The county mayor or county executive and

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municipal mayors may propose only one (1) amendment each at a time for consideration by the coordinating committee. Each mayor or county executive may not propose another amendment until the amendment process has been completed for that mayor's or county executive's proposed amendment; provided however, that more than one (1) amendment may be in the amendment process and be considered by the coordinating committee at the same time.

(ii) The local governments and the coordinating committee shall use the planning criteria and procedures established in § 6-58-106(a)(1) and (2) for establishing urban growth boundaries; § 6-58-106(b)(1) and (2) for establishing planned growth areas; and § 6-58-106(c)(1) for establishing rural areas.

(iii) Upon the county mayor or county executive providing notice or receiving notice of a proposed amendment to the growth plan, the county mayor or county executive shall:

(a) Take appropriate action to reconvene or reestablish the coordinating committee within sixty (60) days of providing notice or receiving notice of a proposed amendment to the growth plan;

(b) Determine the date, time, and place for the first meeting of the coordinating committee to begin the growth plan amendment process; and

(c) Cause adequate public notice of the meeting to be made.

(iv) Except as provided in this subdivision (d)(1)(A), the procedures for amending the growth plan are the same as the procedures in this section for establishing the original growth plan. The burden of

proving the reasonableness and necessity of the proposed amendment is upon the party proposing the amendment.

(v) The coordinating committee shall take one (1) of the following actions on the proposed amendment within six (6) months after the coordinating committee's first meeting on the amendment:

(a) Recommend approval to the county legislative body and the governing body of each municipality in the county as submitted;

(b) Recommend rejection to the county legislative body and the governing body of each municipality in the county as submitted; or

(c) Recommend amendment or amendments to the proposed amendment; provided however, that an amendment or amendments proposed by the coordinating committee shall only relate to the same subject matter as the original proposed amendment.

(vi) If the coordinating committee recommends an amendment or amendments to the proposed amendment, it shall submit its recommended amendment or amendments to the local government that submitted the proposed amendment within four (4) months after the coordinating committee's first meeting on the original proposed amendment. The local government's legislative or governing body shall approve or reject the coordinating committee's proposed amendment within one (1) month after receiving it. If the local government approves the coordinating committee's proposed amendment, then the coordinating

committee shall submit such amendment with its recommendation for approval to the county legislative body and the governing body of each municipality in the county. If the local government rejects the coordinating committee's proposed amendment, the coordinating committee shall recommend approval or rejection of the original proposed amendment. This action by the coordinating committee concludes the formulation of the proposed amendment, and the local governments shall then act on the coordinating committee's recommendation. After an amendment is approved by the county legislative body and the governing body of each municipality, it shall be submitted to the local government planning advisory committee for approval or rejection. The local government planning advisory committee shall approve or reject the proposed amendment within sixty (60) days of receipt. If approved by the local government planning advisory committee, or if the local government planning advisory committee takes no action within sixty (60) days of receipt of the proposed amendment, the amendment to the growth plan becomes effective. If the local government planning advisory committee rejects the amendment, it shall specify its objections to the local governments. Then, the municipal mayor or county mayor or county executive that initially proposed the amendment may modify the amendment in accordance with the objections of the local government planning advisory committee and propose this modified amendment as a new proposed amendment and begin the amendment process again in accordance with this subdivision (d)(1)(A).

(B)



(i) Any change of an approved growth plan, or approved revised growth plan, beyond what is authorized through the amendment process described in subdivision (d)(1)(A) is deemed a revision of the growth plan. The process of revision of a growth plan begins after the adoption of a resolution by either the county legislative body or by the governing bodies of municipalities within the county representing at least one half (1/2) of the population living within municipal boundaries within the county asking for the reconvening or reestablishment of the coordinating committee for the purpose of developing and submitting a revised growth plan. If the population of one (1) municipality within the county is equal to one half (1/2) or more of the population living within municipal boundaries in the county, then a resolution of that municipality's governing body is sufficient to begin the growth plan revision process. If more than one (1) municipality is necessary to achieve the population criteria, then the municipalities have 6 (six) months to achieve the necessary resolutions after the adoption of the first such resolution by a municipality. However, failure of the municipalities to meet the population criteria for the municipal resolutions within the six-month time period shall not prevent a municipality or the county from adopting a resolution to begin the growth plan revision process after the end of this six-month period. The clerks of the respective county and municipal legislative or governing bodies shall send notice to the mayor of each municipality and the mayor or county executive of the county after adoption of a resolution pursuant to this subdivision (d)(1)(B). Immediately after receiving notice of the adoption

of a county resolution or sufficient municipal resolutions pursuant to this subdivision (d)(1)(B), the county mayor or executive shall:

(a) Take appropriate action to reconvene or reestablish the coordinating committee within sixty (60) days of receiving notice of the adoption of the resolution or resolutions;

(b) Determine the date, time, and place for the first meeting of the coordinating committee to begin the growth plan revision process; and

(c) Cause adequate public notice of the meeting to be made.

(ii) The local governments and the coordinating committee shall use the same planning criteria and procedures established in § 6-58-106(a)(1) and (2) for establishing urban growth boundaries; § 6-58-106(b)(1) and (2) for establishing planned growth areas; and § 6-58-106(c)(1) for establishing rural areas. Except as otherwise provided in this subdivision (d)(1)(B), the local governments and coordinating committee shall follow the same procedures for making a revision of the growth plan as the procedures for establishing the original growth plan; provided however, that the coordinating committee shall develop a recommended revised growth plan within one (1) year after the coordinating committee's first meeting to develop a revised growth plan. The revised growth plan submitted by the coordinating committee pursuant to this subdivision(d)(1)(B) is subject to approval in the same manner as provided for in this section for the original growth plan. The local government planning advisory committee shall approve or reject the

revised growth plan within sixty (60) days of receipt. If approved by the local government planning advisory committee, or if the local government planning advisory committee takes no action within sixty (60) days of receipt of the revised growth plan, the revised growth plan becomes effective.

(iii) After a revised growth plan is approved by the local government planning advisory committee, either by vote or by operation of law, seven (7) years shall transpire before a resolution or resolutions may be adopted to begin another revision process for the growth plan pursuant to this subdivision (d)(1)(B); provided however, that a revised growth plan adopted pursuant to this subdivision (d)(1)(B) may be amended pursuant to subdivision (d)(1)(A) after three (3) years from the approval date of the revised growth plan.

SECTION 2. This act shall take effect on July 1, 2013, the public welfare requiring it.

DRAFT

HOUSE BILL 231  
By Carter

SENATE BILL 732

By Watson

AN ACT to amend Tennessee Code Annotated, Title 6,  
Chapter 58, relative to comprehensive growth  
plans.

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

SECTION 1. Tennessee Code Annotated, Section 6-58-104(d)(1), is amended by deleting from the third sentence the language "Any time after the expiration of the initial three-year period" and by substituting instead the language "Subject to subdivision (d)(3), any time after the expiration of the initial three-year period".

SECTION 2. Tennessee Code Annotated, Section 6-58-104(d)(1), is further amended by deleting the fifth sentence in its entirety and by substituting instead the following language:

Except as otherwise provided by this subsection (d) and subdivision (a)(1)(B), the procedures for amending the growth plan shall be the same as the procedures in this section for establishing the original plan.

SECTION 3. Tennessee Code Annotated, Section 6-58-104(d), is amended by adding the following language as a new subdivision (3):

(3) Until a municipality has annexed all territory within its urban growth boundaries under the initial growth plan or an amended growth plan and has fully complied with all plans of services adopted for all annexed territories, the mayor of such a municipality has no authority to propose an amendment to the growth plan.

SECTION 4. Tennessee Code Annotated, Section 6-58-104(a)(1), is amended by deleting the language "be composed of the following members:" in the introductory language and by substituting instead the language "be composed of the following members, except as provided in subdivision (a)(1)(B)(ii):".

SECTION 5. Tennessee Code Annotated, Section 6-58-(a)(1), is amended by deleting subdivision (B) in its entirety and by substituting instead the following language:

(B)

(i) The mayor of each municipality or the mayor's designee, to be confirmed by the municipal governing body;

(ii) Notwithstanding subdivision (i), the mayor, or the mayor's designee, of a municipality that has not annexed all territory within its urban grown boundaries under the initial growth plan or an amended growth plan and has not fully complied with all plans of services adopted for all annexed territories, shall not serve on a coordinating committee reconvened or reestablished pursuant to a proposed amendment to the growth plan pursuant to subdivision (d)(1);

SECTION 6. This act shall take effect upon becoming a law, the public welfare requiring it.

**Local Government Committee 1**

**Amendment No. 1 to HB0231**

**Hill M**

**Signature of Sponsor**

**AMEND Senate Bill No. 732**

**House Bill No. 231\***

by deleting the language "6-58-(a)(1)" in the directory language of SECTION 5 and substituting instead the language "6-58-104(a)(1)".

AND FURTHER AMEND by deleting the language "grown" in the amendatory language of SECTION 5(B)(ii) and substituting instead the language "growth"

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**Local Government Committee 2**

**Amendment No. 2 to HB0231**

**Hill M**

**Signature of Sponsor**

**AMEND Senate Bill No. 732**

**House Bill No. 231\***

by deleting subdivision (3) in its entirety in Section 3 of the bill as amended (# 3231) and by substituting instead the following:

(3) Until a municipality has fully complied with all plans of services adopted for all annexed territories, the mayor of such a municipality has no authority to propose an amendment to expand the growth plan.

**and further amend** by deleting subdivision (B)(ii) in its entirety in Section 5 of the bill as amended (#3231) and by substituting instead the following:

(ii) Notwithstanding subdivision (i), the mayor, or the mayor's designee, of a municipality that has not fully complied with all plans of services adopted for all annexed territories, shall not serve on a coordinating committee reconvened or reestablished pursuant to a proposed amendment to expand the growth plan pursuant to subdivision (d)(1);

DRAFT

SENATE BILL 1054

By Kelsey

AN ACT to amend Tennessee Code Annotated, Title 6, Chapter 51, Part 1; Title 6, Chapter 58 and Title 67, Chapter 5, Part 5, relative to municipal annexation.

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

SECTION 1. Tennessee Code Annotated, Section 6-51-108, is amended by adding the following as a new subsection (b) and redesignating the present subsection (b) and remaining subsections accordingly:

(b)

(1) This subsection shall apply to any municipality whose annexation ordinance becomes effective by court order pursuant to § 6-51-103(d).

(2) Within ten (10) days after the date on which a court order is entered sustaining the validity of a proposed annexation, any annexing municipality to which this subsection applies shall submit written notification, meeting the requirements of subdivision (b)(3), to each person owning real property in the territory that the territory will become a part of the municipality. In the event an appeal is taken from the court order, the annexing municipality shall notify the property owners in writing of the pending appeal. If on appeal the court affirms the validity of the proposed annexation, the municipality shall submit written notification, meeting the requirements of subdivision (b)(3), to the property owners within ten (10) days of entry of judgment of the appellate court.

(3) The advance written notification shall include the date on which the annexed territory becomes a part of the municipality, a detailed description of the annexed territory, and the reasons for the annexation. The notification shall be

sent by first class mail to the last known address listed in the office of the property assessor for each property owner of record within the annexed territory.

(4) A person with personal knowledge of the mailing of the notification shall submit a notarized affidavit to the presiding officer of the annexing municipality attesting that the notifications were mailed in accordance with subdivision (b)(3).

SECTION 2. Tennessee Code Annotated, Section 67-5-504, is amended by adding the following as a new subsection (c):

(c) Any annexing municipality that makes assessments of taxes shall only assess the tax on real property within the annexed territory if the annexation takes effect prior to January 1 of the year in which the assessment is made.

SECTION 3. Tennessee Code Annotated, Section 6-51-103(d), is amended by designating the present language as subdivision (1), and by deleting the word "therefrom" at the end of the subsection and substituting instead the following:

from the judgment, or unless the presiding court grants the municipality's petition to defer the effective date pursuant to subdivision (d)(2).

SECTION 4. Tennessee Code Annotated, Section 6-51-103(d), is further amended by adding the following language as a new subdivision (2):

(2) Upon petition of the municipality, the presiding court may, as part of the judgment sustaining the validity of the annexation ordinance, order that the effective date of the ordinance be fixed as December 31 following the date of entry of the judgment or determination of appeal. In making any order under this subdivision (d)(2), the court shall consider the necessity of the deferred effective date to render municipal services to the annexed territory within a reasonable time. The petition shall be filed by the municipality in the presiding court where the annexation ordinance is being contested in a quo warranto proceeding as provided in this section.

SECTION 5. Tennessee Code Annotated, Section 6-51-102(b)(1), is amended by deleting the subdivision in its entirety and substituting instead the following:

(1)

(A) Before any territory may be annexed under this section, the governing body of the municipality shall adopt a plan of services establishing, at a minimum, the following:

(i) The type of services to be delivered to the territory proposed to be annexed;

(ii) The standards for delivering the services to the territory proposed to be annexed;

(iii) The financial ability of the municipality to provide services to the territory proposed to be annexed, which shall include estimated costs and any commitment to make expenditures or to budget additional resources; and

(iv) The proposed time schedule with specific dates for actual delivery of each municipal service to the residents and owners of the territory proposed to be annexed.

(B) Upon adoption of the plan of services, the municipality shall cause a copy of the plan of services to be forwarded to the county mayor in whose county the territory being annexed is located. The plan of services shall be reasonable with respect to the scope and timing of the services to be provided and the standards and financial ability for providing the services.

SECTION 6. Tennessee Code Annotated, Section 6-51-104(b)(1)(A), is amended by deleting the following sentence:

The plan of services shall address the same services and timing of services as required in § 6-51-102.

and by substituting instead the following:

The plan of services shall address the same services, timing of services, and standards and financial ability for providing services as required in § 6-51-102(b)(1).

SECTION 7. This act shall take effect upon becoming a law, the public welfare requiring it, and Section 2 of this act shall apply to assessments made on or after January 1, 2012.

DRAFT