



Annexation by Majority Vote Only Policy Development 2013

Issue:

A common reason active farmers do not want to be in the city is because they do not perceive they get the full benefit of services in return for the taxes paid. Proposed legislation in 2013 attempted to give those property owners in a proposed area the right for a referendum and thus the ability to decide whether they will be annexed or not. The Tennessee General Assembly has placed cities under a temporary moratorium on forced annexations of farm or residential property until May 15, 2014.

Questions:

1. What should the role of TFBF be in cases where legislation is introduced proposing annexation by majority vote only?
2. Should Farm Bureau work with sponsors to include or exclude any provisions relative to agricultural lands?

Background:

Some are pressing firmly for a property owners' right to vote before a city can annex an area. Legislation introduced in 2013 evolved into the current moratorium on most annexations across the state. Supporters of "majority vote" legislation say it will contribute to more orderly growth of cities. Tennessee is one of three states that allow annexation by ordinance. This means decisions are being made on the behalf of property owners by decision-makers they did not elect.

The challenge is to strike a delicate balance between the use of a democratic process by allowing property owners to vote on their inclusion and to not punish those cities that are growing responsibly and budgeting accordingly. Sometimes property owners in unincorporated areas want to be in incorporated areas and in such situations annexation by ordinance makes sense.

The amended version of the 2013 legislation stipulates a couple of things must or can occur:

- It places a moratorium on annexations of farm and residential properties beginning April 15, 2013 until May 15, 2014 and gives county commissions the authority to opt out of moratoriums by a simple majority vote if a city can demonstrate substantial financial injury.
- In the summer of 2013, studies are being conducted by the Tennessee Advisory Commission on Intergovernmental Relations (TACIR). TACIR will perform "a comprehensive review and evaluation of the efficacy of state policies."

Farm Bureau Policy:

Before annexation, citizens in the area affected should have the right to vote to be annexed or to remain outside the municipality. Farm Bureau supports the right to a jury trial in annexation disputes.

Municipalities should be restricted to how much land they can annex in a given period. State funded grants should not be allowed as a means to offset the high costs incurred by municipalities installing utility lines simply to lay claim to rural areas. Strip annexation of highways leading out of municipalities should be curtailed.

An election should be called for after population has been changed by 15% due to annexation. Newly annexed areas should not be taxed for any debt of the original municipal area.

If farmland is annexed, no city property taxes should be collected as long as the land remains in production agriculture. Working family farms within city limits are an asset to the livelihood of the cities' citizens. Every effort should be made to preserve these working farms when the landowner wants to continue to farm. Farm owners should always be consulted as to their intent to continue farming before annexing into a city limit. We encourage local governments to voluntarily work more closely with farmers to develop incentives to promote the continuation of family farms.