

HOUSE BILL REPORT

ESB 5505

As Passed House - Amended:

April 1, 2011

Title: An act relating to allowing the use of federal census data to determine the resident population of annexed territory.

Brief Description: Allowing the use of federal census data to determine the resident population of annexed territory.

Sponsors: Senators Hill, Chase, Fain, Pridemore, Stevens, Nelson, Litzow, Swecker, Honeyford and Schoesler.

Brief History:

Committee Activity:

Local Government: 3/4/11, 3/9/11 [DPA].

Floor Activity:

Passed House - Amended: 4/1/11, 92-0.

Brief Summary of Engrossed Bill (As Amended by House)

- Authorizes an annexing city to use updated 2010 federal decennial census data to account for the resident population of complete federal census blocks located in territory to be annexed, if the date of annexation occurs within 12 months after the release of the census data and the annexing city has a population of greater than 10,000 inhabitants.
- Specifies that if an annexing city is using 2010 federal decennial census data, and at least two weeks prior to the date of annexation, the Office of Financial Management (OFM) confirms a known census error within a complete federal census block, the OFM may require the city to enumerate the population of certain group quarters, mobile home parks, apartment complexes, missing subdivisions, and closures of any of these structures or complexes within that block.
- Requires an annexing city to use actual enumeration to account for the resident population of any partial census block located within the territory to be annexed, and for the entire resident population of territory to be annexed, if the date of annexation occurs more than 12 months after the date of release of

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federal decennial census data or if the annexing city has a population of 10,000 or fewer inhabitants.

HOUSE COMMITTEE ON LOCAL GOVERNMENT

Majority Report: Do pass as amended. Signed by 9 members: Representatives Takko, Chair; Tharinger, Vice Chair; Angel, Ranking Minority Member; Asay, Assistant Ranking Minority Member; Fitzgibbon, Rodne, Smith, Springer and Upthegrove.

Staff: Heather Emery (786-7136).

Background:

Annexations and Population Determinations.

Annexations by cities and towns and annexations by code cities, while governed by separate statutes, share a common requirement for the annexing jurisdiction to determine the resident population of the territory to be annexed. Such population determinations must be accomplished using the practice of actual enumeration, conducted in accordance with the practices and policies, and subject to the approval of, the Office of Financial Management (OFM), which uses the information supplied through the annexation process in annually calculating the population of all cities and towns in the state.

State-shared revenues from the gasoline tax, liquor board profits, and the liquor excise tax are distributed to cities on the basis of population as determined by the OFM. For a city to have its population adjusted for an annexation for purposes of state-shared revenue distributions, the OFM must certify the annexation, after which it notifies the appropriate state agencies of the population change.

For purposes of state-shared revenues, the revised city boundaries and the new population are not recognized until the date that the OFM approves the annexation certificate submitted to it by the city.

Federal Census Blocks.

The United States (U.S.) Census counts every resident in the U.S. It is mandated by Article I, section 2 of the U.S. Constitution, takes place every 10 years, and must be accomplished using actual enumeration. Among other purposes, decennial census data is used to determine the distribution of congressional seats to states, to make decisions about what community services to provide, and to distribute federal funds to local, state, and tribal governments.

Census blocks are the smallest geographic area for which the U.S. Census Bureau (Bureau) collects and tabulates decennial census data. Generally, they are formed by streets, roads, railroads, streams and other bodies of water, other visible physical and cultural features, and the legal boundaries shown on Bureau maps.

Summary of Amended Bill:

Engrossed Senate Bill (ESB) 5505 is a companion bill to Substitute House Bill (SHB) 1336, which received a do pass substitute (DPS) recommendation from the House Local Government Committee on February 15, 2011.

Actual enumeration must be used to account for the population of territory to be annexed if:

- the annexing city has a population of 10,000 or fewer inhabitants;
- the territory to be annexed consists entirely of one or more partial census blocks; or
- the annexation does not occur within the 12 months immediately following release of the 2010 federal decennial census data.

An annexing city may always choose to use actual enumeration to determine the population of territory to be annexed. However, if the city or town does not use actual enumeration for determining population within the 12 months immediately following the release of the 2010 federal decennial census data, its determination of the population of the area to be annexed shall consist of:

- relevant 2010 federal decennial census data, as updated by the OFM, pertaining to the population of any complete census block or blocks located within the territory to be annexed;
- an actual enumeration of any population residing within the annexed territory but outside any complete census block or blocks; and
- an actual enumeration of group quarters, mobile home parks, certain apartment buildings, missing subdivisions, and closures of any of these structures or complexes that are located within a complete census block, if the OFM confirms the existence of a known census error and identifies one or more of these structures or complexes as the source of the error.

An actual enumeration must be conducted pursuant to the policies and procedures, and subject to the approval of, the OFM, and the annexing city is responsible for the full cost of determining the population of the territory to be annexed.

Engrossed Senate Bill 5505 Compared to SHB 1336.

Engrossed Senate Bill 5505 further limits eligibility to use updated federal census data to circumstances where:

- the annexing city has a population of over 10,000 inhabitants; and
- federal decennial census data has been released within the 12 months (rather than 18, as provided by House Bill (HB) 1336) immediately prior to the annexation.

If an annexing city is eligible and chooses to use updated federal census data to account for the population of territory to be annexed, ESB 5505 provides that the population determination shall (rather than "may," as provided by HB 1336) consist of specific factors. In addition to those factors set forth in HB 1336, ESB 5505 provides that if the OFM confirms the existence of a known census error within a complete federal census block and identifies a structure or complex as a likely source of that error, the city must use actual enumeration to account for the population of:

- missing subdivisions; and
- closures of any group quarters, mobile home parks, certain large, new apartment buildings and missing subdivisions.

Engrossed Senate Bill 5505 requires that when actual enumeration is used, it shall be made in accordance with the practices and procedures, and subject to the approval of, the OFM.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date of Amended Bill: The bill contains an emergency clause and takes effect immediately.

Staff Summary of Public Testimony:

(In support) This bill is good, practical sense. Requiring enumeration so soon after the census would be redundant. According to the last census, the City of Kirkland had a population of 49,000 inhabitants. By June 2011, the population will have swelled to 85,000, due in part to an anticipated annexation. Conducting an actual enumeration of the population of the territory to be annexed would cost the city approximately \$250,000.

(With concerns) The enumeration process adds value. The OFM worked with the city to add provisions requiring the enumeration, in some circumstances, of missing subdivisions and closures of certain complexes or structures. The bill has other additions to the House version, including limiting eligibility to rely on census data to those cities having a population of greater than 10,000 people and a 12-month window in which an eligible city may use census data. Small area estimates are most likely to be flawed, which is why enumeration is so important.

(Opposed) None.

Persons Testifying: (In support) Marc Baldwin, Office of Financial Management.

(With concerns) Bob Sternoff, City of Kirkland.

Persons Signed In To Testify But Not Testifying: None.