SENATE BILL REPORT SB 5505

As Reported by Senate Committee On: Government Operations, Tribal Relations & Elections, February 21, 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: Government Operations, Tribal Relations & Elections: 2/15/11, 2/21/11 [DPS].

SENATE COMMITTEE ON GOVERNMENT OPERATIONS, TRIBAL RELATIONS & ELECTIONS

Majority Report: That Substitute Senate Bill No. 5505 be substituted therefor, and the substitute bill do pass.

Signed by Senators Pridemore, Chair; Prentice, Vice Chair; Swecker, Ranking Minority Member; Chase, Nelson and Roach.

Staff: Sharon Swanson (786-7447)

Background: Annexations and Population Determinations. Annexations by cities, towns, and 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 OFM. For a city to have its population adjusted for an annexation for purposes of state-shared revenue distributions,

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This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

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 OFM approves the annexation certificate submitted to it by the city.

<u>Federal Census Blocks.</u> The United States Census counts every resident in the United States. It is mandated by Article I, section 2 of the U.S. Constitution, takes place every ten 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 Bill (Recommended Substitute): The use of census data is limited to within 12 months, rather than 18 months, of the release of the data. Whenever an actual enumeration is used, it must be made in accordance with the practices and policies of, and subject to, the approval of the OFM. OFM may require the enumeration of whole census blocks within the annexed territory when OFM confirms the existence of known census errors in those blocks. The resident population of the annexed territory may be determined by, or under the direction of, the mayor of a code city.

EFFECT OF CHANGES MADE BY GOVERNMENT OPERATIONS, TRIBAL RELATIONS & ELECTIONS COMMITTEE (Recommended Substitute): Limits the use of census data to within 12 months, rather than 18 months, of the release of the data. Whenever an actual enumeration is used, it must be made in accordance with the practices and policies of, and subject to, the approval of the OFM. OFM may require the enumeration of whole census blocks within the annexed territory when OFM confirms the existence of known census errors in those blocks. The resident population of the annexed territory may be determined by, or under the direction of, the mayor of a code city.

Appropriation: None.

Fiscal Note: Not requested.

Committee/Commission/Task Force Created: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony on Original Bill: PRO: This bill will save cities money and create efficiencies in a time of financial need. Annexation is an expensive process and cities, like the state, can not afford to spend money duplicating the same data already available through a census. In one municipality alone this bill will save \$225,000 by

not requiring that the city enumerate the population of the territory to be annexed. Allowing the use of federal census data released within a short period of time before annexation is reasonable. This is good government, a common sense bill.

OTHER: Population determinations effect statewide resource distributions. OFM takes these numbers very seriously but tries to balance costs to annexing jurisdictions with a need for accuracy. The current federal census data is not accurate. The federal process estimates where OFM uses actual enumeration. The bill needs to cite the correct federal census report.

Persons Testifying: PRO: Senator Hill, prime sponsor; Doreen Marchione, Councilmember, City of Kirkland.

OTHER: Marc Baldwin, OFM.