

# FINAL BILL REPORT

## ESB 5505

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Synopsis as Enacted

**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.

**Senate Committee on Government Operations, Tribal Relations & Elections**  
**House Committee on Local Government**

**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, 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.

Federal Census Blocks. 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.

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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.*

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:** 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 must 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.

If an annexing city is using 2010 federal decennial census data, and at least two weeks prior to the date of annexation, the 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.

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.

**Votes on Final Passage:**

Senate	48	0	
House	92	0	(House amended)
Senate	47	0	(Senate concurred)

**Effective:** May 12, 2011.