

# SENATE BILL REPORT

## ESB 5505

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As Amended by House, 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:** Government Operations, Tribal Relations & Elections: 2/15/11, 2/21/11 [DPS].

Passed Senate: 2/25/11, 48-0.

Passed House: 4/01/11, 92-0.

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### 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

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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.

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 Engrossed Bill:** If the annexing city or town has a population of 10,000 or less, the annexed territory consists entirely of one or more partial federal census blocks; or if 2010 federal decennial census data has not been released within 12 months immediately prior to the annexation, the population determination must consist of an actual enumeration.

If the city or town does not use actual enumeration for determining population, the annexed territory includes or consists of one or more complete federal census blocks, and if 2010 federal decennial census data has been released within 12 months prior to the annexation, the population determination must consist of:

- relevant federal 2010 census data pertaining to the complete block or blocks;
- an actual enumeration of any population located within the annexed territory but outside the complete federal census block or blocks; and
- an actual enumeration of one or more of the blocks identified group quarters, mobile homes, missing subdivisions, and apartment buildings that are composed of at least 50 units, etc. if 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 error.

Whenever an actual enumeration is used, it must be made in accordance with the practices and policies, and subject to the approval of OFM.

**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.

**House Amendment(s):** Adds an emergency clause to provide for an immediate effective date.