

# HOUSE BILL REPORT

## ESSB 6174

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### As Passed House:

March 4, 1998

**Title:** An act relating to special purpose district commissioner per diem compensation.

**Brief Description:** Changing compensation for special district commissioners.

**Sponsors:** Senate Committee on Government Operations (originally sponsored by Senator McCaslin).

### Brief History:

#### Committee Activity:

Government Administration: 2/27/98 [DP].

#### Floor Activity:

Passed House: 3/4/98, 97-1.

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## HOUSE COMMITTEE ON GOVERNMENT ADMINISTRATION

**Majority Report:** Do pass. Signed by 13 members: Representatives D. Schmidt, Chairman; D. Sommers, Vice Chairman; Scott, Ranking Minority Member; Gardner, Assistant Ranking Minority Member; Doumit; Dunn; Dunshee; Murray; Reams; Smith; L. Thomas; Wensman and Wolfe.

**Staff:** Steve Lundin (786-7127).

**Background:** Compensation provided for members of special district governing bodies varies widely. The state constitution prohibits elected officials who set their own salaries from increasing their salaries during their current terms of office.

Commissioners of metropolitan park districts and cemetery districts serve without compensation.

The governing body of a public transit benefit area (PTBA) consists of county and city officials selected by the governing bodies of the component cities and counties. Members of the governing body of a PTBA receive per diem compensation at a rate of \$45 per day for no more than 75 days in a year.

Commissioners of fire protection districts, water-sewer districts, and public hospital districts, as well as the directors of irrigation districts, diking districts, drainage districts,

diking improvement districts, drainage improvement districts, and flood control districts are paid per diem compensation at a rate of \$50 per day, or portion thereof, for each day or portion of a day devoted to business of the district, not to exceed \$4,800 per year. Any commissioner or director may waive this compensation.

Commissioners of port districts receive both per diem compensation and salaries. These commissioners receive per diem compensation at a rate of \$50 per day, or portion thereof, for actually attending board meetings and performing other services on behalf of the district, not to exceed \$4,800 per year if the port district had a gross operating income of \$25 million in the preceding calendar year or not to exceed \$6,000 per year if the port district had a gross operating income of \$25 million or more in the preceding calendar year. In addition, port district commissioners receive salaries as follows: (a) \$500 per month if the port district had a gross operating income of \$25 million or more in the preceding calendar year; (b) \$200 per month, if the port district had a gross operating income of from \$1 million to less than \$25 million in the preceding calendar year; or (c) the commission of any port district may adopt a resolution setting compensation at any level to be paid to commissioners. Any commissioner may waive this compensation.

Commissioners of public utility districts (PUD's) receive both per diem compensation and salaries. These commissioners receive per diem compensation at a rate of \$50 per day not to exceed \$7000 per year. In addition, PUD commissioners receive salaries as follows: (a) \$1000 per month if the PUD operates a utility and had gross revenues of more than \$15 million in the last fiscal year, but the board may adopt a resolution increasing the compensation to \$1300 per month; (b) \$700 per month if the PUD operates a utility and had gross revenues of from \$1 million to \$15 million in the last fiscal year, but the board may adopt a resolution increasing the compensation to \$900 per month; or (c) the board of any other PUD may adopt a resolution providing for compensation of not to exceed \$400 per month.

**Summary of Bill:** Per diem compensation rates are altered for the members of the governing bodies of various special districts. No changes are made to salary compensation that members of the governing bodies of some special districts may receive.

The board of commissioners of a cemetery district or metropolitan park district may adopt a resolution providing for commissioners to receive per diem compensation at a rate of \$70 per day, or portion thereof, for each day or portion of a day devoted to business of the district, not to exceed \$6,720 per year. A commissioner may waive all or a portion of this compensation.

The per diem rate of compensation paid to commissioners or directors of any of the following special districts is increased from \$50 to \$70: diking districts, drainage districts, diking improvement districts, drainage improvement districts, flood control

districts, fire protection districts, irrigation districts, port district, PUD's, public hospital districts, and water-sewer districts. The per diem rate of compensation for members of the governing body of a PTBA is increased from \$45 to \$70 per day.

The annual ceiling on per diem compensation is raised from \$4,800 to \$6,720 for members of the governing bodies of the following special districts: diking districts, drainage districts, diking improvement districts, drainage improvement districts, flood control districts, fire protection districts, irrigation districts, public hospital districts, and water-sewer districts.

The annual ceiling on per diem compensation for PUD commissioners is increased from \$7000 to \$9,800.

The annual ceiling on per diem compensation for port commissioners is increased as follows: (a) From \$4,800 to \$6720 in any port district with gross operating income of less than \$25 million in the last calender year; and (b) from \$6000 to \$8,400 in any port district with gross operating income of \$25 million or more in the last calender year.

**Appropriation:** None.

**Fiscal Note:** Not requested.

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

**Testimony For:** The last time many of these rates were set was in 1985. Inflation has occurred in this 13-year period. This is a reflection of their job.

**Testimony Against:** Fire District 16 in Pierce County pays this compensation for questionable "work." Don't enact until a comprehensive code of ethics has been enacted.

**Testified:** Scott Taylor, Washington Public Ports Association (pro); Roger Ferris, Washington Fire Commissioners Association (pro); and Allen Yanity, Pierce County resident.