
Local Government & Housing Committee

HB 2707

Brief Description: Concerning the method of calculating public utility district commissioner compensation.

Sponsors: Representatives Simpson, Angel, Finn and Kretz.

Brief Summary of Bill

- Changes the statutorily established monthly salaries for public utility district (PUD) commissioners to statutory amounts equal to the maximum amount currently authorized by a combination of the previous statutory amount and a resolution of the commission.
- Removes provisions authorizing PUD commissioners to increase monthly compensation through resolution.
- Includes provisions for inflation adjustments for salaries and per diem compensation of PUD commissioners as determined by the Office of Financial Management.

Hearing Date: 1/20/10

Staff: Becca Kenna-Schenk (786-7291) and Ethan Moreno (786-7386).

Background:

Special Purpose Districts.

Special purpose districts (SPDs) are limited purpose local governments separate from a city, town, or county that provide an array of services and facilities that are otherwise not available from city or county governments. Most powers of SPDs are vested in a board of district commissioners.

In 2007, the Legislature increased the maximum annual and per diem compensation for several SPD commissioners, such as commissioners of public port districts, metropolitan park districts, water-sewer districts, public hospital districts, and cemetery districts. The maximum per diem

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compensation for public utility district commissioners was increased from \$70 per day to \$90 per day.

Public Utility Districts.

Public utility districts (PUDs) are SPDs authorized to generate and distribute electrical energy, provide potable water, and provide sewer and telecommunications services. PUDs are governed by an elected board of commissioners composed of either three or five members.

Commissioners receive per diem compensation for each day spent devoted to the business of the PUD at a rate not exceeding \$90 per day and \$12,600 in any year.

In addition, PUD commissioners receive salaries as follows:

- In PUDs receiving total gross revenue of more than \$15 million in the previous fiscal year, commissioners receive a salary of \$1,400 per month. The board of commissioners may pass a resolution to increase monthly salary to \$1,800;
- In PUDs receiving total gross revenue of from \$2 million to \$15 million in the previous fiscal year, commissioners receive a salary of \$1,000 per month. The board of commissioners may pass a resolution to increase monthly salary to \$1,300; and
- The commissioners of any other PUD serve without salary. The board of commissioners may pass a resolution to provide for monthly salary not exceeding \$600 for each commissioner.

PUD commissioners may choose to waive all or any portion of their compensation.

Summary of Bill:

Provisions authorizing PUD commissioners to increase monthly compensation through resolution are removed. The statutorily established salaries of PUD commissioners are changed to equal the maximum amounts that may currently be authorized by a combination of the previous statutory amounts and a resolution of the commission. The salaries are set as follows:

- \$1,800 in PUDs receiving total gross revenues of more than \$15 million in the previous fiscal year;
- \$1,300 In PUDs receiving total gross revenues of \$2 million to \$15 million in the previous fiscal year; and
- \$600 for any other PUD.

In addition, PUDs are required to provide per diem compensation of \$90 to each commissioner. The salaries and per diem compensation of PUD commissioners must be periodically adjusted for inflation by the Office of Financial Management.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.