

HOUSE BILL REPORT

HB 1039

As Reported by House Committee On:
Local Government

Title: An act relating to per diem compensation for flood control zone district supervisors.

Brief Description: Concerning per diem compensation for flood control zone district supervisors.

Sponsors: Representative Takko.

Brief History:

Committee Activity:

Local Government: 1/15/13, 1/24/13 [DP].

Brief Summary of Bill

- Modifies the dollar threshold for elected flood control zone district supervisors' per diem compensation.
- Requires the Office of Financial Management to adjust the established dollar thresholds for per diem compensation every five years.
- Establishes the method of calculating adjustments for inflation to the dollar thresholds for elected flood control zone districts supervisors' per diem compensation.

HOUSE COMMITTEE ON LOCAL GOVERNMENT

Majority Report: Do pass. Signed by 8 members: Representatives Takko, Chair; Fitzgibbon, Vice Chair; Taylor, Ranking Minority Member; Kochmar, Assistant Ranking Minority Member; Buys, Liias, Springer and Upthegrove.

Staff: Michaela Murdock (786-7289).

Background:

Special Purpose Districts.

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.

In Washington, a special purpose district (SPD) is a limited purpose local government separate from a city, town, or county government. Most powers of SPDs are vested in a board of district commissioners, board of district trustees, or board of district directors. Per diem compensation is available for select SPD positions for performance of services on behalf of the district, such as attendance at meetings or time spent devoted to the business of the district.

Under Washington law, a number of SPDs are required to make periodic adjustments for inflation to dollar thresholds for per diem compensation paid to their commissioners or directors. These SPDs use the consumer price index for wage earners and clerical workers (CPI-W) for the State of Washington. The SPDs that are required to make such adjustments and use the CPI-W for calculating the new dollar thresholds include metropolitan park districts, port districts, public utility districts, water sewer districts, public hospital districts, diking districts, drainage districts, irrigation districts, and flood control districts.

Flood Control Zone Districts.

Flood control zone districts, as opposed to flood control districts, are a type of SPD that operate as quasi-municipal corporations. Their purpose is to pursue flood control activities that benefit specified areas of the whole county. The affairs of the flood control zone districts are administered by supervisors. The county commissioners of each county are, by virtue of their office, supervisors of the zones created in each county; however, in zones with more than 2,000 residents, supervisors other than the county commissioners may be elected.

In flood control zone districts with supervisors other than county commissioners, supervisors are compensated for attendance at official meetings and time spent actually performing necessary services in connection with their duties. Supervisors are also entitled to compensation for reasonable expenses incurred in the performance of those duties, including lodging and mileage.

Per diem compensation for elected flood control zone district supervisors is currently set at \$70.00 per day with a maximum of \$6,720.00 per calendar year. The law does not require or provide for adjustments for inflation to per diem compensation for supervisors.

Consumer Price Index.

The consumer price index for wage earners and clerical workers (CPI-W) is an index prepared and published by the Bureau of Labor Statistics of the United States Department of Labor, which measures the average change in prices of goods and services. It is used to illustrate the extent that prices have risen or the amount of inflation that has taken place.

Summary of Bill:

The dollar threshold for flood control zone district supervisors' per diem compensation is increased to \$104 per day with a maximum of \$9,984 per calendar year, beginning January 1, 2013.

A method and schedule for determining increases for inflation to elected flood control zone district supervisors' per diem compensation is established. The schedule provides that the dollar thresholds must be adjusted for inflation by the Office of Financial Management (OFM) every five years, beginning July 1, 2013. The new threshold must be adjusted using the consumer price index for wage earners and clerical workers (CPI-W) for the State of Washington. The OFM must calculate and transmit the new dollar threshold to the Office of the Code Reviser for publication at least one month before it is to take effect.

Appropriation: None.

Fiscal Note: Available.

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

Staff Summary of Public Testimony:

(In support) The bill makes changes to the statute governing per diem compensation for elected supervisors of flood control zone districts. A number of years ago, the Legislature amended a handful of statutes governing special purpose districts' (SPD) per diem compensation for commissioners. The Legislature provided for periodic adjustments to the per diem compensation dollar thresholds for inflation. At the time, flood control zone districts were not included in the group of SPDs receiving such amendments. The bill will provide for flood control zone district supervisors, who are not also county commissioners, to receive the same periodic adjustments to their per diem compensation as other SPD commissioners.

(Opposed) None.

Persons Testifying: Representative Takko, prime sponsor.

Persons Signed In To Testify But Not Testifying: None.