

HOUSE BILL REPORT

HB 2157

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: 1/13/14, 1/15/14 [DPS].

Brief Summary of Substitute Bill

- Increases, effective July 1, 2014, the per diem compensation of elected flood control zone district supervisors from \$70 to \$114.
- Requires the Office of Financial Management to adjust for inflation the per diem compensation every five years in accordance to the consumer price index for urban wage earners and clerical workers.

HOUSE COMMITTEE ON LOCAL GOVERNMENT

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 6 members: Representatives Takko, Chair; Gregerson, Vice Chair; Kochmar, Assistant Ranking Minority Member; Fitzgibbon, Pike and Springer.

Minority Report: Do not pass. Signed by 2 members: Representatives Overstreet, Ranking Minority Member; Taylor.

Staff: Amanda Ondrick (786-7296).

Background:

In 2005 elected flood control zone district supervisors were authorized to receive a per diem compensation at a rate of \$70 per day for attending official meetings and conducting

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supervision duties. Compensation may not exceed \$6,720 for one calendar year. This rate has not been adjusted since 2005 and current law does not require or provide for inflation adjustments. Supervisors are also reimbursed for expenses associated with the duties of supervision including subsistence, lodging, and mileage. A supervisor may forfeit the compensation.

Flood Control Zone Districts.

Flood control zone districts (FCZDs) are special purpose districts (SPDs). In Washington, a SPD is a limited purpose local government separate from a city, town, or county government. 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 FCZDs 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.

Consumer Price Index.

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). The CPI-W is an index prepared and published by the Bureau of Labor Statistics of the U.S. 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 Substitute Bill:

Beginning on July 1, 2014, elected FCZD supervisors' per diem compensation is increased from \$70 to \$114 per day for attending official meetings or performing other official services on the district's behalf. Compensation for FCZD supervisors may not exceed \$10,944 per calendar year. Beginning in 2018 the Office of Financial Management (OFM) will adjust per diem compensation every five years due to inflation and the OFM will base the adjustment on the CPI-W.

Substitute Bill Compared to Original Bill:

The amended bill specifies that the per diem increase for elected FCZD supervisors takes effect July 1, 2014.

Appropriation: None.

Fiscal Note: Preliminary fiscal note available.

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

Staff Summary of Public Testimony:

(In support) Over the past few years, changes in compensation were made for other district supervisors, including fire district supervisors. This bill syncs FCZD supervisor compensation with the rest of the various small districts supervisors' compensation. The elected FCZD supervisor is a volunteer position and the per diem is the only compensation supervisors receive, so a small compensation increase seems fair.

(Opposed) None.

Persons Testifying: Representative Takko, prime sponsor.

Persons Signed In To Testify But Not Testifying: None.