
Local Government Committee

HB 1088

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

Sponsors: Representative Takko.

Brief Summary of Bill

- Increases the maximum amounts that flood control zone district supervisors may receive in compensation for attending official meetings and performing official services and duties from \$70 to \$114 per day, and from \$6,720 to \$10,944 per calendar year.
- Provides that the per diem compensation rate for supervisors in office on January 1, 2015, is \$114.
- Requires the Office of Financial Management to adjust for inflation the dollar threshold amounts every five years.

Hearing Date: 1/15/15

Staff: Michaela Murdock (786-7289).

Background:

Special Purpose Districts.

Special purpose districts (SPD) are local governments separate from a city, town, or county government that are created to provide a limited number of public facilities or services. Members of a SPD governing body may be elected or appointed to office, or serve in *ex officio* capacities as the result of holding other offices.

For SPD supervisors or directors elected to office, various statutes allow them to receive compensation, not to exceed certain dollar threshold amounts, for each day or portion of a day spent in actual attendance at official meetings or in performance of their duties. Different SPD statutes, including for example those governing port, water, sewer, diking, drainage, irrigation,

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and flood control districts, require periodic adjustments for inflation to the dollar thresholds, generally by using the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W) for Washington.

Flood Control Zone Districts.

Flood control zone districts (zones) are a type of SPD created for the purpose of undertaking, operating, or maintaining flood control or storm water control projects, or groups of projects, that are of special benefit to specified areas of the county. Zones are governed by a board of supervisors. Supervisor positions are *ex officio*, but may be elected. In general, the county commissioners in a county where a zone is created serve by virtue of their offices as the zone's board of supervisors. However, for zones containing more than 2,000 residents, an election of supervisors other than the county commissioners may be held.

In zones with elected supervisors, statute allows supervisors to receive up to \$70 for attendance at official meetings and for each day or major part of a day performing necessary services in connection with their duties. The county commissioners fix the amount of compensation, if any, paid to initial supervisors during their initial terms of office, and thereafter, supervisors fix the amount of compensation. A supervisor may choose to waive any or all of their compensation by written waiver.

Statute sets the maximum amount of supervisors' compensation that may be fixed by the county commissioners or supervisors: (1) per diem compensation for attendance of meetings and performance of official duties may not exceed \$70 per day; and (2) total compensation in one calendar year may not exceed \$6,720. These statutory dollar amounts were adopted in 2005 (Chapter 127, Laws of 2005, Senate Bill 5354). Statute does not require or authorize adjustments for inflation to these amounts.

In addition to compensation, supervisors are entitled to reimbursement for reasonable expenses incurred in the performance of their duties as a supervisor, including reimbursements for food, lodging, and mileage on private vehicles.

Consumer Price Index.

The Consumer Price Index (CPI) measures the change in prices of all goods and services purchased for consumption by urban households. It is used to illustrate the extent that prices have risen or the amount of inflation that has taken place. The CPI reflects spending patterns for each of two population groups: all urban consumers (CPI-U); and urban wage earners and clerical workers (CPI-W). The CPI is prepared and published by the Bureau of Labor Statistics, United States Department of Labor.

Summary of Bill:

The maximum statutory dollar amounts for supervisors' compensation are increased. Compensation for supervisors, as fixed by the county commissioners or the supervisors, may not exceed \$114 per day and \$10,944 per calendar year. Statute also establishes that the per diem compensation rate for supervisors in office on January 1, 2015, is \$114.

The Office of Financial Management is required to adjust for inflation the statutory dollar thresholds for supervisor compensation every five years, beginning July 1, 2020. Adjustments

for inflation must be based upon the CPI-W for Washington, and must be calculated and transmitted for publication to the Office of the Code Reviser at least one month before the new threshold is to take effect.

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.