# Washington State House of Representatives Office of Program Research

BILL ANALYSIS

## Local Government Committee

### **HB 1368**

**Brief Description:** Concerning special purpose district commissioner per diem compensation.

**Sponsors:** Representatives Simpson, Hinkle, Armstrong and Linville.

#### **Brief Summary of Bill**

- Increases various special purpose district commissioners' per diem compensation.
- Requires the Office of Financial Management to adjust the established dollar thresholds for per diem compensation every 10 years according to the consumer price index.

**Hearing Date:** 1/25/07

Staff: Jessica Nowakowski (786-7291).

#### **Background:**

#### Special Purpose Districts

In Washington, a special purpose district (SPD) is a limited purpose local government separate from a city, town, or county government. SPDs 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, 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.

#### Consumer Price Index

The consumer price index (CPI) 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 Bill:**

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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.

The maximum per diem compensation for 15 SPDs is increased on a daily and/or annual basis. The Office of Financial Management is directed to adjust the "dollar thresholds" for per diem compensations according to the SPD every 10 years beginning July 1, 2008.

#### Various SPD Commissioners

The following SPD commissioner/director maximum per diem compensations are increased from \$70 per day to \$90 per day and from \$6,720 per year to \$8,640 per year:

- Metropolitan Park Commissioners
- Board of Fire Commissioners
- Water-Sewer District Commissioners
- Cemetery District Commissioners
- Public Hospital Districts Commissioners
- Board of Diking Commissioners
- Board of Drainage Commissioners
- Diking, Drainage, and Sewerage Improvement District Commissioners
- Drainage and Diking District Board Members
- Flood Control Board of Directors
- Irrigation District Directors
- Special District Government Body Commissioners

#### Port District Commissioners

The maximum per diem compensation for commissioners of a port district with an annual income of less than \$25 million is increased from \$70 per day to \$90 per day and from \$6,720 per year to \$8,640 per year.

Commissioners of a port district with an annual income of more than \$25 million may receive a maximum per diem compensation that is increased from \$70 per day to \$90 per day and from \$8,400 per year to \$10,800 per year.

#### <u>Public Utility District Commissioners & Public Transportation Benefit Authorities Board</u> Members

The maximum per diem compensation for public utility district commissioners and public transportation benefit authority board members is increased from \$70 per day to \$90 per day.

**Appropriation:** None.

**Fiscal Note:** Requested on 1/17/2007.

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