# Washington State House of Representatives Office of Program Research

BILL ANALYSIS

## **Local Government Committee**

## **HB 2606**

**Brief Description:** Increasing public utility district commissioner salaries.

**Sponsors:** Representatives Simpson, Grant, Linville, VanDeWege, Crouse, Appleton, Hudgins, Kretz, Haler, Chase and Ericks.

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

- Increases the salary of public utility commissioners in districts with annual total gross revenue of over \$15 million by \$400 to \$1,400 per month.
- Allows the board of commissioners to pass a resolution to increase the maximum rate of salary by \$500 to \$1,800 per month for districts with annual total gross revenue of over \$15 million.
- Increases the salary of public utility commissioners in districts with annual total gross revenue between \$2 million and \$15 million by \$300 to \$1,000 per month.
- Allows the board of commissioners to pass a resolution to increase the maximum rate of salary by \$400 to \$1,300 per month for districts with annual total gross revenue between \$2 million and \$15 million.
- Allows commissioners of other districts who serve without pay to pass a resolution to receive and increase compensation by \$200 to \$600 per month.

**Hearing Date:** 1/24/08

**Staff:** Lyset Cadena (786-7291).

### **Background:**

The public utility districts (PUDs) were created to provide water, electricity, and to conserve water and power resources. Currently, there are 28 PUDs: 23 provide electricity services; 19 provide water or water and wastewater service; and 13 offer wholesale broadband

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telecommunications service. The powers of a PUD are executed by a board of three elected commissioners.

Commissioners of a public utility district are eligible to receive salaries as follows:

The commissioners of public utility districts that operate utility properties with total gross revenue of over \$15 million shall receive \$1,000 per month. The board of commissioners may pass a resolution to increase the maximum rate of salary to \$1,300 per month.

The commissioners of public utility districts that operate utility properties with total gross revenue between \$2 million and \$15 million shall receive \$700 per month. The board of commissioners may pass a resolution to increase the maximum rate of salary to \$900 per month.

The commissioners of other districts serve without salary, but the board of commissioners may pass a resolution providing for salaries of up to \$400 per month.

In addition, commissioners may receive per diem compensation at a rate of \$90 per day and compensation paid during the year may not exceed \$12,600. Commissioners may also choose to waive all or any portion of their compensation.

#### **Summary of Bill:**

The commissioners of public utility districts that operate utility properties with total gross revenue of over \$15 million shall receive \$1,400 per month. The board of commissioners may pass a resolution to increase the maximum rate of salary to \$1,800 per month.

The commissioners of public utility districts that operate utility properties with total gross revenue between \$2 million and \$15 million shall receive \$1,000 per month. The board of commissioners may pass a resolution to increase the maximum rate of salary to \$1,300 per month.

The commissioners of other districts serve without salary, but the board of commissioners may pass a resolution providing for salaries up to \$600 per month.

**Appropriation:** None.

**Fiscal Note:** Available.

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