

SENATE BILL REPORT

SHB 1093

AS REPORTED BY COMMITTEE ON GOVERNMENT OPERATIONS, APRIL 2, 1993

Brief Description: Revising provisions relating to compensation of local officials.

SPONSORS: House Committee on Local Government (originally sponsored by Representatives Zellinsky, R. Fisher, Bray, Springer, Rayburn, Dunshee, Edmondson, Foreman, Brough, Miller and Forner)

HOUSE COMMITTEE ON LOCAL GOVERNMENT

SENATE COMMITTEE ON GOVERNMENT OPERATIONS

Majority Report: Do pass as amended.

Signed by Senators Haugen, Chairman; Drew, Vice Chairman; Loveland, Oke, Owen, and Winsley.

Staff: Barbara Howard (786-7410)

Hearing Dates: April 1, 1993; April 2, 1993

BACKGROUND:

Levels or amounts of compensation for most local elected officials are established by state statute. Since statehood, city and town governing bodies have been authorized to fix salaries for their own members.

A 1971 constitutional amendment permitted the Legislature to delegate the authority to county legislative authorities to establish compensation for county elected officials. In 1973, county legislative authorities were authorized to establish salaries for their members, but could not reduce these salaries below the amounts that were in effect on January 1, 1973.

In addition to per diem compensation, two different levels of monthly salaries are in effect for commissioners of port districts with gross operating revenues above a certain amount in the preceding year. The port commission of any port district may establish compensation for its members differing from the compensation and monthly salaries established in statute.

Specific salaries are set for the initial councilmembers and mayor of a newly incorporated code city. The initial councilmembers may increase their salaries during their current terms of office, but the action of increasing salaries is not to be construed as fixing their own salaries. However, Article XI, Section 8 of the state Constitution prohibits any local elected governing body that fixes salaries for its

members from increasing the salaries during the current terms of office of these members.

A number of local governments have adopted ordinances or resolutions that tie periodic salary increases to some specific inflation indicator.

SUMMARY:

Compensation established by a city or town governing body for its members, by a county legislative authority for its members, or a port commission for its members, must be stated in terms of a discrete dollar amount and may not provide for periodic increases referenced to anything.

Where an existing ordinance establishes compensation for the members of a county, city, or town governing body using a reference to various factors, and does not describe the compensation in terms of a discrete dollar amount, the compensation shall be limited to the level of compensation as calculated the day immediately preceding the effective date of this law.

County, city, and town governing bodies are authorized to establish compensation, rather than salaries, for their members.

The authority is deleted for councilmembers of a newly incorporated code city to increase the salaries of its members during their current terms of office.

SUMMARY OF PROPOSED SENATE AMENDMENT:

The governing bodies of the local units affected may either set periodic salary increases in discrete dollar amounts, or may adopt ordinances that rely upon an established measure of economic activity that cannot be affected by the governmental unit itself.

Appropriation: none

Revenue: none

Fiscal Note: none requested

TESTIMONY FOR:

Contrary to some reports, most local governing bodies have not pegged their compensation to the levels set by the state Salary Commission. Instead, they have used a portion of some inflation indicator, such as the Consumer Price Index. This has allowed a modest increase to reflect changes in purchasing power. Many of the ordinances contain clauses similar to "no more than the rate of the current CPI and no less than 2 percent."

This is important to those who have to face raising their own salaries, because it avoids the negative type of politics

which focuses on pay, rather than the real qualifications of candidates.

TESTIMONY AGAINST: None

TESTIFIED: Gary Lowe, WSAC (pro); Stan Finkelstein, AWC (pro)