SENATE BILL REPORT HB 2449

As Reported by Senate Committee On: Local Government, February 27, 2020

Title: An act relating to water-sewer district commissioner compensation.

Brief Description: Concerning water-sewer district commissioner compensation.

Sponsors: Representatives Griffey and Gregerson.

Brief History: Passed House: 2/12/20, 95-0.

Committee Activity: Local Government: 2/27/20, 2/27/20 [DPA].

Brief Summary of Amended Bill

• Changes the date the Office of Financial Management must begin adjusting the compensation threshold for inflation for various special purpose district commissioners, board members, supervisors, and directors.

SENATE COMMITTEE ON LOCAL GOVERNMENT

Majority Report: Do pass as amended.

Signed by Senators Salomon, Vice Chair; Short, Ranking Member; Honeyford and Lovelett.

Staff: Greg Vogel (786-7413)

Background: The governing body of a water-sewer district consists of three, five, or seven commissioners. The number of commissioners can be increased through a ballot measure, or by resolution if the district serves a sufficient number of customers. The number of commissioners can also be decreased through a ballot measure.

Commissioners may be reimbursed for reasonable expenses incurred in connection with district business, and are compensated for days spent in district meetings or performing other duties on behalf of the district. This compensation is capped in statute at \$90 per day and \$8,640 per year, however, every five years, beginning on July 1, 2008, the Office of Financial Management (OFM) must adjust the threshold amounts for inflation based on the consumer

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price index for wage earners and clerical workers, as compiled by the United States Bureau of Labor Statistics. As of July 1, 2018, the new thresholds for commissioners are \$128 per day and \$12,288 per year.

Commissioners may waive any or all of the compensation they would be paid by filing a written waiver with the district.

Summary of Amended Bill: OFM must begin adjusting the compensation threshold for inflation for various special purpose district commissioners, board members, supervisors, and directors on January 1, 2024, instead of July 1, 2008.

EFFECT OF LOCAL GOVERNMENT COMMITTEE AMENDMENT(S): Makes the same change of date for adjusting commissioner compensation thresholds for inflation for metropolitan park districts; cemetery districts; public hospital districts; diking districts; drainage districts; diking, drainage, and sewerage improvement districts; diking and drainage districts in two or more counties; consolidated diking, drainage, diking improvement, and drainage improvement districts; flood control districts; flood control zone districts; irrigation districts; port districts; public utility districts; and public transportation benefit authorities.

Appropriation: None.

Fiscal Note: Available.

Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony on House Bill: *The committee recommended a different version of the bill than what was heard*. PRO: This bill is similar to the Senate bill. When the adjustment was initially established, we missed the fact that districts usually budget on a calendar year, so this helps align with how budgets are adopted. Water-sewer districts are supportive of both the Senate and House bills.

Persons Testifying: PRO: Representative Dan Griffey, Prime Sponsor; Joe Daniels, Washington Association of Water and Sewer Districts.

Persons Signed In To Testify But Not Testifying: No one.