

HOUSE BILL REPORT

HB 2809

*As Reported By House Committee on:
Local Government*

Title: An act relating to local government.

Brief Description: Revising reimbursement provisions for local government officials.

Sponsor(s): Representatives Zellinsky, Wynne, Haugen, Roland, Nelson, Franklin, Bray, Horn, Wood, Edmondson, Paris and Rayburn.

Brief History:

Reported by House Committee on:
Local Government, January 31, 1992, DPS.

**HOUSE COMMITTEE ON
LOCAL GOVERNMENT**

Majority Report: *The substitute bill be substituted therefor and the substitute bill do pass.* Signed by 15 members: Representatives Haugen, Chair; Cooper, Vice Chair; Ferguson, Ranking Minority Member; Mitchell, Assistant Ranking Minority Member; Bray; Edmondson; Franklin; Horn; Nealey; Nelson; Rayburn; Roland; Wood; Wynne; and Zellinsky.

Staff: Bill Lynch (786-7092).

Background:

Most members of local government legislative bodies are entitled to be reimbursed for travel expenses connected to their official duties. Although there is a chapter of law that applies to these reimbursements, the statutes of individual units of government differ from this chapter and between each other. It is unclear which laws apply to the process by which local governments reimburse their governing body members for travel expenses.

Although most units of local government are specifically authorized to reimburse their governing body members for travel expenses, cities, sewer districts, city planning commissions, city libraries, metropolitan park districts, weed districts, and intercounty weed districts are not specifically authorized to provide reimbursement for travel expenses.

Several units of local government may provide insurance coverage to their governing body members. School districts, fire districts, and irrigation districts require the governing body members to pay the premiums. Port districts, public utility districts, and sewer districts and water districts with 5,000 or more customers may pay the premiums for their governing body members. Some of these local governments are not prohibited from providing greater coverage to their governing body members than to their employees. Questions also have been raised concerning whether insurance benefits for local government governing board members constitute "compensation" within the meaning of the Washington Constitution.

City council members of a newly incorporated code city are paid at a salary level established in statute until a salary ordinance can be adopted and take effect. The salary varies with the size of the code city. There is no comparable statute for newly incorporated noncode cities. Since the constitution prohibits an elected official from receiving any pay increase that he or she votes upon during that term of office, the first city council in a newly incorporated noncode city must serve without any salary.

Members of local governing bodies are generally authorized to waive a portion or all of their compensation. There are no provisions that expressly authorize city council members to waive their compensation.

A conflict exists between two statutes pertaining to first-class cities. One statute provides that compensation shall be fixed in the city charter, the other statute states that compensation shall be fixed by ordinance irrespective of any charter provision. It is unclear how these statutes should be reconciled.

Candidates for a board of airport commissioners or for a county noxious weed control board must submit a nominating petition signed by 10 registered voters. Candidates for public office generally are not required to file nominating petitions.

Summary of Substitute Bill:

The provisions for reimbursing members of local government legislative bodies for travel expenses are standardized. Members are entitled to reimbursement for reasonable expenses actually incurred in connection with official business, including subsistence and lodging while away from their residence. Members may also receive mileage for use of a privately-owned vehicle.

Cities, sewer districts, city planning commissions, city libraries, metropolitan park districts, weed districts, and intercounty weed districts are specifically authorized to reimburse their governing body members for travel expenses.

Units of local government are prohibited from providing greater insurance coverage to their governing body members than to their employees except for liability insurance. Insurance coverage provided to governing body members does not constitute "compensation" as the term is used in the Washington Constitution.

A salary schedule is adopted for city council members in newly incorporated noncode cities. The salaries listed in this schedule apply only until a salary ordinance can be enacted and take effect. The salaries are set as follows:

- Cities of 20,000 or more receive \$400 per month;
- Cities of 10,000 to 20,000 receive \$150 per month;
- Cities of 1,500 to 10,000 receive \$75 per month;
- Cities of less than 1,500 receive \$20 per meeting, no more than two meetings per month;
- The mayor receives an additional 25 percent of a member's salary.

City council members can waive a portion or all of their compensation by filing a written waiver with the council. The waiver must be filed before the date on which the compensation would otherwise be paid, and must specify the time period for which it applies.

The conflict in the first class-city statutes pertaining to compensation is eliminated. Compensation in first class-cities is fixed by ordinance.

Candidates for a board of airport commissioners or for a county noxious weed control board no longer have to submit nominating petitions.

Substitute Bill Compared to Original Bill: Language is added to clarify that more liability insurance coverage may be provided to governing board members than to employees. All insurance benefits received by local governing board members are declared not to constitute "compensation" as that term is used in the Washington Constitution.

Fiscal Note: Not requested.

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

Testimony For: This will help address some problems identified by the state auditor's office. There will be more consistency in the laws governing local government compensation and benefits.

Testimony Against: None.

Witnesses: Joe Daniels, Washington State Association of Water/Wastewater Districts; and Randy Finden, state auditor's office.