

HOUSE BILL REPORT

HB 2606

As Reported by House Committee On:
Local Government

Title: An act relating to public utility district commissioner salaries.

Brief Description: Increasing public utility district commissioner salaries.

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

Brief History:

Committee Activity:

Local Government: 1/24/08 [DP].

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.

HOUSE COMMITTEE ON LOCAL GOVERNMENT

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.

Majority Report: Do pass. Signed by 7 members: Representatives Simpson, Chair; Takko, Vice Chair; Warnick, Ranking Minority Member; Schindler, Assistant Ranking Minority Member; Eddy, Nelson and Schmick.

Staff: Lyset Cadena (786-7291) and Ethan Moreno (786-7386).

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

Commissioners of a PUD are eligible to receive salaries as follows:

The commissioners of PUDs 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 PUDs 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 PUDs 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 PUDs 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.

Staff Summary of Public Testimony:

(In support) Public utility districts (PUDs) provide over half of Washington's water, wastewater, electricity, and wholesale broadband services to the state's residences. The PUD commissioners have not received a salary increase since 1996. The salary increases are reasonable, accurate, and match Seattle's consumer price index.

(Opposed) None.

Persons Testifying: Vicki Austin, Washington Public Utilities Districts Associations; Bruce Jorgensen, Mason County Public Utilities District #3; and Ned Piper, Cowlitz Public Utilities District.

Persons Signed In To Testify But Not Testifying: None.