
Local Government Committee

HB 2183

Brief Description: Modifying provisions relating to the compensation of port district employees.

Sponsors: Representatives Hudgins, Schual-Berke, Upthegrove, Hasegawa, Dickerson, Cody and McDermott.

Brief Summary of Bill

- Requires that specified procedural, public notice, and legislative reporting requirements be met before any existing or prospective port district employee receive compensation exceeding that of the Governor of the State of Washington.
- Prohibits a port commission from increasing the value of the compensation provided to any employee following that employee's formal or constructive notice of his or her intended retirement or resignation.

Hearing Date: 4/19/07

Staff: Thamas Osborn (786-7129).

Background:

General Powers and Authority of Port Districts

Port districts are authorized for the purpose of acquisition, construction, maintenance, operation, development, and regulation of harbor improvements, rail or motor vehicle transfer and terminal facilities, water and air transfer and terminal facilities, or any combination of these facilities.

Compensation of Port District Employees

A port commission is granted very broad authority to create and fill positions and to determine the compensation provided to port employees. The compensation a port commission is authorized to provide to an employee includes the following:

- wages and salaries;
- vacation pay;
- retirement and pension benefits;
- health insurance benefits; and

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- life, accident, and disability insurance.

Summary of Bill:

Introduction

The act requires a port commission to comply with specified procedural, public notice, and legislative reporting requirements before any existing or prospective port district employee may receive compensation exceeding that of the Governor of the State of Washington.

Public Notice Requirements

The public notice provisions require that a port commission provide notice at least three months prior to the start of the proposed compensation. Such notice must be provided through a variety of means reasonably calculated to provide the general public with actual notice of, and access to, detailed information regarding the compensation being offered and the circumstances leading to the offer. The means by which notice must be provided by a port commission include:

- written notice to local and regional newspapers, television stations and radio stations;
- publication of a formal legal notice in each local or regional newspaper; and
- conspicuous posting of the required information on the port district's official website.

Public Meeting Requirements

A port commission is required to hold at least three public meetings regarding the compensation offer and must provide the public with a meaningful opportunity to be heard. The public must be provided with at least three weeks advance notice of each meeting and such notice must include the substantive information specified under the act.

Legislative Reporting Requirements

A port commission must provide a written report to the Washington Legislature no later than December 31 of the year in which the compensation was first offered or provided. This report must include:

- a detailed description of the compensation package being offered and the circumstances leading to the offer;
- a description of the criteria used in evaluating the qualifications and experience of the current or prospective employee;
- a description of the criteria used in determining the employee's compensation;
- a comprehensive explanation of why the compensation is warranted; and
- a description of the performance measures that have been, or will be, utilized in evaluating the performance of the current or prospective employee.

Definition of "Compensation"

The term "compensation" is to be broadly construed and includes:

- wages and salaries;
- vacations or vacation pay;
- retirement and pension benefits;
- medical and other health or insurance-related benefits; and
- any other benefit offered or provided to the current or prospective port employee.

Compensation for Employees Resigning or Retiring

A port commission is prohibited from increasing the value of the compensation provided to an employee following that employee's formal or constructive notice of his or her intended retirement or resignation.

Appropriation: None.

Fiscal Note: Requested on April 16, 2007.

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