

STATE BOARD OF LAND COMMISSIONERS
December 16, 2008
Regular Agenda

SUBJECT

Proposed legislation re: compensation of the Endowment Fund Investment Board

BACKGROUND

The statutes governing the Investment Board set compensation of its members at \$50 per day, but members can only be paid for attending board meetings. No other state board or commission limits compensation of members to only meetings. The statutes for almost all other boards and commissions simply identify the rate of compensation without specifying the compensable activities.

From time to time, Investment Board members are asked by the Investment Board to serve on interagency task forces or perform other official board duties outside of board meetings. However, the current statute prohibits compensation for these activities, which is inconsistent with the flexibility given other agencies.

DISCUSSION

The attached legislation was drafted to make the compensation policy for members of the Endowment Fund Investment Board consistent with other state boards and commissions. The statute creating the Investment Board reads, "There is hereby established in the state board of land commissioners an endowment fund investment board," so the Land Board is the logical supervising authority to endorse this legislation. This legislation has already been submitted to the Division of Financial Management for review and was approved by them for submission to the legislature.

RECOMMENDATION

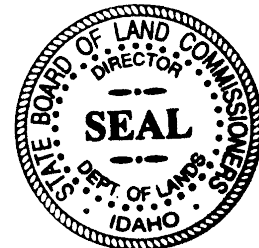
Endorse the proposed legislation on Investment Board compensation for enactment by the legislature in the upcoming session.

BOARD ACTION

A motion was made by Controller Jones that the Land Board endorse the proposed legislation on Investment Board compensation for enactment by the Legislature in the upcoming session. Secretary of State Yursa seconded the motion. Prior to a vote being taken, Controller Jones offered an amended motion that approval is subject to clarification by the Division of Financial Management by the end of the day [December 16, 2008] to confirm that no benefits are being paid or affected. Secretary of State Yursa seconded the amended motion. The amended motion carried on a vote of 5-0.

ATTACHMENT

1. Proposed legislation





LEGISLATURE OF THE STATE OF IDAHO



Sixtieth Legislature

First Regular Session - 2009

IN THE _____

BILL NO. _____

BY _____

AN ACT

RELATING TO THE ENDOWMENT FUND INVESTMENT BOARD; AMENDING SECTION 57-719, IDAHO CODE, TO REVISE A PROVISION RELATED TO THE COMPENSATION OF BOARD MEMBERS.

Be It Enacted by the Legislature of the State of Idaho:

SECTION 1. That Section 57-719, Idaho Code, be, and the same is hereby amended to read as follows:

57-719. BOARD - APPOINTMENT OF MEMBERS - TERM - REMOVAL - VACANCIES - ORGANIZATION - QUORUM - MEETINGS - COMPENSATION. The members of the board appointed by the governor shall serve for terms of four (4) years, provided that for the first term the governor shall appoint three (3) members who shall serve for a term of two (2) years, two (2) members who shall serve for a term of three (3) years, and two (2) members who shall serve for a term of four (4) years. Members of the board shall serve until their successors have been selected and qualified.

A member of the board appointed by the governor shall not hold an office, position, or employment in a political party, with the exception of those members from the house of representatives and the senate. An appointed member may be removed from the board for cause by a two-thirds (2/3) vote of the full board.

A vacancy in the appointive membership of the board during a term thereof shall be filled by appointment by the governor for the unexpired term.

There shall be a chairman of the board elected by a majority of the members of the board. A majority of the members of the board shall constitute a quorum for the transaction of business.

The meetings of the board shall be held at least quarterly and at other times upon the call of the chairman or a majority of the board. The board members appointed hereunder shall be compensated as provided by section 59-509(h), Idaho Code, ~~for attending meetings of the board.~~

STATEMENT OF PURPOSE

RS 18205

The proposed legislation will modify the statute specifying compensation of Endowment Fund Investment Board members to make it consistent with other Idaho boards.

From time to time, Board members are asked by the Board to serve on committees and interagency task forces or to perform other official Board duties outside of Board meetings. The language of Section 57-719, Idaho Code, which governs the Endowment Fund Investment Board, authorizes compensation only for the attendance at Board meetings. This limitation is inconsistent with the statutory flexibility provided to other Idaho boards and commissions. Consistency is achieved by striking the words "for attending meetings of the board" from the last sentence of Section 57-719.

FISCAL NOTE

Compensation to board members is paid from dedicated endowment funds, so there will be no general fund impact. The amount of additional compensation from dedicated funds is expected to be less than \$600 per year for all board members as a whole.

CONTACT

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