
CONSENT

Bill No: AB 1141
Author: Lee (D)
Introduced: 2/20/25
Vote: 21

SENATE TRANSPORTATION COMMITTEE: 14-0, 6/24/25
AYES: Cortese, Strickland, Archuleta, Arreguín, Blakespear, Cervantes, Dahle,
Gonzalez, Grayson, Limón, Menjivar, Richardson, Seyarto, Umberg
NO VOTE RECORDED: Valladares

SENATE APPROPRIATIONS COMMITTEE: Senate Rule 28.8

ASSEMBLY FLOOR: 71-0, 5/23/25 (Consent) - See last page for vote

SUBJECT: Alameda-Contra Costa Transit District: board of directors: election:
compensation

SOURCE: Alameda-Contra Costa Transit District

DIGEST: This bill makes a number of changes pertaining to the Alameda-Contra Costa Transit District's (AC Transit) board member elections and compensation.

ANALYSIS:

Existing law:

- 1) Creates AC Transit and designates it a rapid transit district.
- 2) Specifies that AC Transit may acquire, construct, own, operate, control or use rights of way, rail lines, bus lines, stations, platforms, switches, yards, terminals, and any and all other facilities necessary or convenient for transit service within or partly without the district, underground, upon, or above the ground and under, upon, or over public streets or other public ways or waterways, together with all physical structures necessary or convenient for the access of persons and vehicles thereto, and may acquire any interest in or

rights to the joint use of any or all of the foregoing; provided, that installations in state freeways shall be subject to the approval of the State Department of Public Works and installations in other state highways shall be subject to existing law.

- 3) Requires elections for AC Transit to be conducted in accordance with the Uniform District Election Law. Any costs incurred by county officials shall be paid by AC Transit.
- 4) Provides that the government of AC Transit is vested in a board of seven directors, one from each ward, and two at large. Requires the directors to be residents and voters of the respective wards from which they are nominated.
- 5) Specifies that the nomination paper for an AC Transit director shall contain the name of the candidate and other information as may be required. The nomination paper shall also meet either of the following requirements: Specifies that the nomination paper shall be signed as follows: for directors elected by wards, by a minimum of 50 voters of the respective ward; and for directors elected at large, by a minimum of 100 voters of the district. Requires the nomination paper to include a filing fee in the amount of one hundred fifty dollars (\$150) in lieu of signatures. Requires all nomination papers to be filed with, and all in-lieu fees shall be paid to, the county elections official in the county or counties in which the candidate is running.
- 6) Provides that nomination papers may be circulated throughout AC Transit for those directors elected at large and throughout each respective ward for those directors elected by wards.
- 7) Specifies that candidates for the office of AC Transit director shall be voted upon and elected one from each ward and two at large.
- 8) Provides that upon receipt of the returns of the canvass by the respective boards of supervisors the AC Transit board shall meet and determine results of the election and declare the candidate or candidates elected.
- 9) Specifies that the secretary of AC Transit shall issue certificates of election, signed by him and duly authenticated, immediately following the determination of the result of the election by the board.
- 10) Provides that the AC Transit directors elected at the formation election shall hold their respective offices only until the first Monday after the first day of

January next following the next general election and until their successors are elected and qualified.

- 11) Specifies that, of the AC Transit directors elected at the first election following the formation election, those three elected by wards and the one elected at large by the highest vote shall hold office for four years, and the other three for two years, and until their successors are elected and qualified. Thereafter, at each biennial general election, a number of directors corresponding to the number whose terms of office expire shall be elected for the term of four years.
- 12) Provides that the AC Transit directors elected at the formation election shall enter upon their official duties immediately upon the filing of the order declaring the result of the election with the Secretary of State, after qualifying according to law. The terms of directors elected after the formation election shall commence on the first Monday after the first day of January next following their election.
- 13) Specifies that the AC Transit board may, by ordinance or resolution, provide that each director shall be paid a sum that shall not exceed \$1,000 for each calendar month that he or she serves as a director. The board may, by ordinance or resolution, provide for an adjustment to the monthly compensation based upon the percentage increase in the California Consumer Price Index (CPI), as calculated by the Department of Finance (DOF), for each calendar year following the operative date of the last adjustment. Specifies that the adjustment shall not become effective until the next regular election of the directors following the adoption of the ordinance or resolution.
- 14) Requires the ordinance or resolution to authorize a monthly stipend, as specified, in lieu of per-meeting compensation, to include a requirement that a director may receive a monthly stipend for a given month only if he or she attends all scheduled and noticed regular board meetings for that month. For those directors meeting this attendance requirement, the amount of one hundred dollars \$100 shall be deducted from the stipend for failure to attend each meeting of a committee on which he or she serves that month. In any month that a director fails to meet these attendance requirements, that director may be compensated at the rate of \$100 per board or committee meeting attended, not to exceed \$500 for that month.

This bill:

- 1) Specifies that the government of AC Transit is vested in a board of seven directors elected from wards, instead of five elected by ward and two elected at large.
- 2) Provides that effective with the November 3, 2026, statewide general election, the terms of directors elected shall commence on December 5, 2026, and shall end at noon on January 6, 2031, upon their successors taking office, following the successors' election in 2030.
- 3) Specifies that effective with the November 7, 2028, statewide general election, the terms of directors elected shall commence on December 1, 2028, and shall end at noon on January 3, 2033, upon their successors taking office, following the successors' election in 2032.
- 4) Provides that on and after January 4, 2033, the terms of directors shall commence on the first Monday after the first day of January following their election.
- 5) Removes obsolete provisions that refer to directors elected at the formation election and the first election following the formation election.
- 6) Specifies that the board may, by ordinance or resolution, provide for an adjustment to the monthly compensation for directors based upon the percentage increase in the CPI, as calculated by DOF, for the previous calendar year instead of for each calendar year following the operative date of the last adjustment.
- 7) Specifies that an adjustment to compensation shall not be effective until the first day of the new fiscal year following the adoption of the ordinance or resolution, instead of the next regular election of the directors.
- 8) Makes numerous technical and conforming changes.
- 9) Provides that if the Commission on State Mandates determines that this act contains costs mandated by the state, reimbursement to local agencies and school districts for those costs shall be made.

Comments

- 1) *Purpose of this bill.* According to the author, “This bill makes common sense updates to AC Transit’s governing statutes. In particular, it facilitates the transit agency board’s transition to having all its board members elected through district elections and makes other minor changes to how the board operates.”
- 2) *AC Transit.* AC Transit was created by voters in 1956 and subsequently approved a \$16.5 million bond issue in 1959 enabling AC Transit to buy out the privately owned Key System Transit Lines. In October 1960, AC Transit’s service began. Serving 13 cities and a number of unincorporated communities in Alameda and Contra Costa counties, AC Transit operates 130 bus lines, carrying more than 100,000 daily riders. In the 2023-2024 Fiscal Year, AC Transit transported over 39 million passengers. The service area is 364 square miles and serves approximately 1.5 million people. According to AC Transit, it is the third largest bus-only transit agency in the United States and operates a fleet of 626 buses. Currently, AC Transit connects to nine other public and private bus systems, 22 Bay Area Rapid Transit District (BART) stations, seven Amtrak stations, and five ferry terminals.
- 3) *AC Transit Board Elections.* AC Transit is governed by a board of seven directors, one from each of the five wards, and two at-large. The AC Transit board is required to fix the boundaries of the wards and must adjust the boundaries following each federal decennial census, and no change in boundaries may be made within 180 days preceding the election of any director.

According to AC Transit, it received a demand letter in the spring of 2023 claiming that its election system, which includes two at large directors, violates the California Voting Rights Act. The board then initiated a process to redistrict to a seven-ward election system in August of 2023, which concluded with the adoption of new ward boundaries in December 2023. Directors currently take office the first Friday in December following their election.

- 4) *AC Transit Director Compensation.* Current law authorizes the board, by ordinance or resolution, to provide that each director must be paid a sum not to exceed \$1,000 per month. However, the board can provide for an adjustment to the monthly compensation based upon a percentage increase in the CPI for each calendar year following the date the last adjustment goes into effect. Current law specifies that this adjustment must not go into effect until the next regular election following the adoption of the adjustment.

An ordinance or resolution to allow for a monthly stipend, instead of per-meeting compensation, must include a requirement that a director may be given a monthly stipend for a given month only if they attend all scheduled and noticed regular board meetings for that month. \$100 must be deducted from the stipend for failure to attend each meeting of a committee on which the director serves. If a director fails to meet these requirements, the director can be compensated \$100 per board or committee meeting attended, not to exceed \$500 for that month. AC Transit states that the current monthly compensation an AC Transit director receives is \$1,546.12.

According to AC Transit, the board does not adopt an ordinance each time their compensation is adjusted. The initial ordinance was adopted in 2009 to reflect what is stated in law and increases are automatic based on CPI. Therefore, the Board cannot receive an increase in non-election years, but receives an increase that was held in abeyance in December after the election and another a few months later once the CPI is published for the prior calendar year.

- 5) *AB 1141 updates AC Transit Board's elections and compensation.* AB 1141 changes the manner in which AC Transit's directors are elected from five by ward and two at large to seven by ward. This bill also provides clarity in transitioning the commencement of board terms of office from the first Friday in December to the first Monday after the first day of January. Additionally, this bill deletes obsolete provisions that refer to directors elected at the district formation election and the first election following the formation election.

To update the board's compensation policies, this bill specifies that the board may provide for an adjustment to the monthly compensation of a director based on the CPI for the previous calendar year instead of for each calendar year following the operative date of the last adjustment. Additionally, this bill provides that an adjustment to compensation shall not be effective until the first day of the new fiscal year instead of the next regular election of the directors. According to AC Transit, the proposed changes would result in CPI adjustments that occur on a regular schedule, at the beginning of the fiscal year, and making it easier to incorporate in the budget.

FISCAL EFFECT: Appropriation: No Fiscal Com.: Yes Local: Yes

SUPPORT: (Verified 7/7/25)

Alameda-Contra Costa Transit District (Source)
California Special Districts Association

OPPOSITION: (Verified 7/7/25)

None received

ARGUMENTS IN SUPPORT: Writing as the sponsors, AC Transit states, “AB 1141 enacts changes that improve district representation, reduce costs, and provide clarity on the commencement of terms for existing and future Board members.”

ASSEMBLY FLOOR: 71-0, 5/23/25

AYES: Addis, Aguiar-Curry, Ahrens, Alanis, Alvarez, Arambula, Ávila Farías, Bains, Bauer-Kahan, Bennett, Berman, Boerner, Bonta, Calderon, Caloza, Carrillo, Castillo, Connolly, Davies, DeMaio, Dixon, Elhawary, Flora, Fong, Gabriel, Gallagher, Garcia, Gipson, Jeff Gonzalez, Mark González, Hadwick, Haney, Harabedian, Hart, Hoover, Irwin, Jackson, Kalra, Krell, Lackey, Lee, Lowenthal, Macedo, McKinnor, Muratsuchi, Ortega, Pacheco, Papan, Patel, Patterson, Pellerin, Petrie-Norris, Quirk-Silva, Ramos, Ransom, Celeste Rodriguez, Michelle Rodriguez, Rogers, Blanca Rubio, Schiavo, Solache, Soria, Stefani, Ta, Tangipa, Valencia, Wallis, Ward, Wilson, Zbur, Rivas

NO VOTE RECORDED: Bryan, Chen, Ellis, Nguyen, Sanchez, Schultz, Sharp-Collins, Wicks

Prepared by: Melissa White / TRANS. / (916) 651-4121
7/9/25 16:03:34

**** **END** ****