

ASSEMBLY THIRD READING
AB 1619 (Valencia)
As Amended April 23, 2026
Majority vote

SUMMARY

Increases the compensation of certain county employee retirement system board members, Public Employees' Retirement System (CalPERS) board members, and State Teachers' Retirement System (CalSTRS) board members from \$100 to \$320 per official meeting, among other provisions.

Major Provisions

- 1) Amend existing law with respect to county employee retirement system boards of retirement or investment to authorize the increase after adoption by majority vote of the county Board of Supervisors (BOS) subject to the matter being publicly noticed by the BOS and not placed on a consent calendar.
- 2) Similarly amend existing separate law applicable to the Los Angeles county employees retirement system to apply the same compensation amount along with the same BOS adoption requirements.
- 3) Amend existing laws applicable to CalPERS and CalSTRS, respectively, to increase the compensation of certain board members from \$100 to \$320 per official meeting.

COMMENTS

Various statutes exist that specify compensation for a variety of local and state boards, commissions, and other similar bodies. The current general compensation rate of \$100 was established multiple decades ago and has not been adjusted to be consistent with inflationary changes since that time. Enacted federal legislation that has adjusted the minimum wage, as well as those of various states, including California, have increased the wages for all lawfully employed individuals during the same period. However, although serving the interests of the public, the compensation for government board members generally has not. This includes pension system board members when considering their legal and statutory mandates exclusively owed to millions of public employees and their beneficiaries throughout California and those who are retired.

Generally, an abundance of various state-level boards or commissions provide compensation for their members that may come from various sources, including the state general fund. In other instances, the source might be from a special fund, or self-funded fund. The compensation specific to this bill is derived from a pension fund source and not a public fund source (e.g., general fund) and the costs of the proposed compensation increase are absorbed by the system, itself. For example, as to CalSTRS, the Teachers' Retirement Fund (TRF) is the source of funds to pay board members covered by Section 22223 of the Educ. Code. During each of the two past consecutive fiscal years, the total amount paid to those board members from the TRF was \$3,700 (2024-25), and \$6,000 (2023-24). As to CalPERS, the Public Employees' Retirement Fund (PERF) is the source of funds to pay board members covered by Section 20091 of the Gov Code. From February 2024 to January 2026, the total amount paid to those board members from the PERF was \$11,200. For some county employees retirement law (CERL) systems, the

compensation may be sourced by the county general treasury, but reimbursed by the CERL system fund.

The proposed increase to \$320 for the respective retirement system segments and the applicable board members recognizes their legal obligations to their members and beneficiaries; the administrative complexity to ensure the provision of retirement and other benefits, and when considering that the current level of \$100 compensation has not changed in multiple decades. Further, by maintaining the current explicit authority of BOS approval of CERL board compensation increases, any potential for ambiguity is removed relating to the ultimate governing body that has authority to increase the compensation.

Please see the policy committee analysis for a full discussion of this bill.

According to the Author

"[This bill] will modernize... stipends for specified pension board members. By adjusting the stipend amount to reflect inflation, we will fairly compensate trustees for their fiduciary responsibilities of overseeing public pension administration, and managing complex investments."

Arguments in Support

Among other things, the Orange County Employees Retirement System (OCERS) states, "[we] appreciate that the bill provides for local adoption through a two-step implementation process: (1) adoption by majority vote of the County [BOS] to make the provision operative, and (2) action by the [BOR] to establish the increased compensation rate up to the \$320 maximum. This approach respects local control while providing the necessary flexibility for each county and retirement board to set appropriate compensation, taking into account the unique circumstances of each system." Further, the OCERS states, "[t]his legislation represents a prudent and long-overdue adjustment for several compelling reasons: (i) inflation adjustment; (ii) workload recognition; (iii) expanding the candidate pool for eligible appointed board member candidates; (iv) consistency with other special districts, and (v) local flexibility."

The Orange County Employees Association states, "[t]hese board members carry significant fiduciary responsibilities, including investment oversight, actuarial review, governance policy development, and compliance with complex state and federal regulations. Despite these substantial duties, the compensation structure for board members has remained capped at \$100 per meeting for decades and no longer reflects the time, expertise, and accountability required to effectively fulfill these responsibilities. [This bill] provides a reasonable and locally controlled update by allowing the compensation rate for certain retirement board members to increase to a maximum of \$320 per meeting. Importantly, the bill preserves local discretion by requiring approval from a county's [BOS] before any increase becomes operative. This ensures that counties maintain control over compensation decisions while giving retirement systems the flexibility needed to attract and retain qualified board members capable of managing complex public pension systems responsibly."

The Contra Costa County Employees' Retirement Association states, among other things, "[our] board is made up of twelve trustees..." in which "seven are currently compensated at \$100 per meeting, including committee meetings authorized by the entire board, pursuant to [existing law]. We note that the work of [CERL] trustees can be extensive" and the "current per-meeting stipend of \$100 does not adequately reflect the substantial time, expertise, and fiduciary

responsibilities trustees undertake. Updated compensation will help CERL systems attract and retain the experienced, qualified trustees that are essential to sound pension governance. Further, paying an adequate stipend could lead to representation from communities that may not be well represented currently, as only some individuals are able to afford the time it takes to serve on a [CERL] board."

Arguments in Opposition

None on file.

FISCAL COMMENTS

According to the Assembly Committee on Appropriations, this bill would result in ongoing cost of an unknown but likely minor amount, potentially in the low tens of thousands of dollars annually, to the Teachers' Retirement Fund (TRF) and Public Employees' Retirement Fund (PERF). According to CalSTRS, the total amount paid to board members in fiscal year 2024-25 was \$3,700, and, according to CalPERS, the total amount paid to board members between February 2024 and January 2026 was \$11,200.

VOTES

ASM PUBLIC EMPLOYMENT AND RETIREMENT: 7-0-0

YES: McKinnor, Lackey, Alanis, Boerner, Garcia, Nguyen, Michelle Rodriguez

ASM APPROPRIATIONS: 15-0-0

YES: Wicks, Hoover, Bauer-Kahan, Calderon, Caloza, Ellis, Fong, Mark González, Krell, Pacheco, Pellerin, Sharp-Collins, Solache, Ta, Tangipa

UPDATED

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