

ASSEMBLY THIRD READING
AB 2568 (Johnson)
As Amended April 27, 2026
Majority vote

SUMMARY

Authorizes specified water districts to compensate its board members for up to 15, instead of 10, days a month.

Major Provisions

- 1) Authorizes specified water districts that have at least 90,000 residents within their jurisdiction to allow for board members to be compensated for up to a total of 15 days in any calendar month.
- 2) Provides that, if a water district compensates its members for more than 10 days in a calendar month, the members of the governing board of the water district shall annually adopt a written policy describing, based on a finding supported by substantial evidence, why providing compensation for more than 10 days per calendar month is necessary for the effective operation of the water district.
- 3) Specifies that the above provisions shall remain in effect only until January 1, 2032, and as of that date are repealed.

COMMENTS

Water District Board Compensation. Special district board member compensation is traditionally dictated by the enabling act of that type of special district. Due to the differing enabling acts, the amount that each type of special district can compensate its board members varies. The most common compensation for special districts' board members are stipends. Many districts pay stipends to their board members for attending a meeting or performing a day's work, following statutory schedules. Most types of special districts can compensate board members \$100 or more per meeting, while others are prohibited from providing any compensation.

A local agency may generally compensate members of its legislative body for attending the following specified events [AB 1234 (Salinas), Chapter 700, Statutes of 2005]:

- a) A meeting of the legislative body.
- b) A meeting of an advisory body.
- c) A conference or educational activity that complies with the Ralph M. Brown Act, including ethics training.
- d) Other events, but only if the governing body has adopted a written policy specifying those other occasions.

Districts that are allowed to provide compensation are usually limited to doing so for a maximum number of meetings per calendar month. Most special districts that perform some type of water service, whether it be flood control, drinking water, or irrigation, can compensate their board

members up to \$100 per day for a maximum of 10 days per calendar month [AB 653 (Jones), Chapter 111, Statutes of 1989]. In addition, water districts may also increase the daily rate for attending meetings by 5% per year by annually adopting an ordinance that provides for such an increase.

Committee staff is aware of one water district, the Santa Clara Valley Water District (Valley Water), that can compensate its board members for up to 15 days per month [AB 1889 (Caballero), Chapter 251, Statutes of 2018, and AB 939 (Pellerin), Chapter 170, Statutes of 2023.]

According to the Author

According to the author, "AB 2568 updates the outdated statutory cap on water board member compensation to reflect the complex regulatory and operational realities modern water districts face. By providing permissive authority to increase the monthly meeting cap from 10 to 15 days, this bill ensures directors are fairly compensated for the actual time required for essential governance and regional coordination."

Arguments in Support

According to the West Valley Water District, the sponsors of this bill, "A statutory cap of 10 meeting days, originally established in the early 1980s, no longer reflects the operational realities and governance demands faced by modern water agencies. West Valley board members frequently reach the 10-day limit by the middle of the month, particularly during legislative sessions and periods of increased community engagement. "

"Although most water districts hold one or two regular board meetings per month, directors are expected to participate in a wide array of additional governance activities that are critical to the effective oversight of water systems. These responsibilities include, but are not limited to:

- Standing committees (e.g., finance, engineering, operations, personnel)
- Ad hoc or advisory committees (formed for specific projects or negotiations)
- Joint powers authorities (JPAs) or regional partnerships
- Intra and Interagency coordination (with cities, counties, or other special districts)
- Industry Conferences "

"These additional obligations can easily exceed the statutory cap on compensated meetings. As a result, board members often attend essential governance meetings without compensation, even when their participation is necessary for responsible oversight of district operations."

"Modern water districts also face increasingly complex regulatory, financial, and environmental challenges. Issues such as drought planning, recycled water development, groundwater sustainability under the Sustainable Groundwater Management Act (SGMA), emergency preparedness, and compliance with state and federal mandates require significant board engagement. Addressing these challenges frequently involves technical briefings, stakeholder consultations, coordination across multiple agencies, and special meetings during emergencies such as droughts, wildfires, or system failures."

"In addition, the current compensation structure may inadvertently limit who is able to serve on water district boards. A recent study from University of California, Davis found that women hold approximately 27% of water board positions, Latinos hold about 15%, and other people of color occupy roughly 5% of seats statewide. Allowing board members to receive compensation for additional meeting days is expected to lead to greater diversity, thereby improving community representation and broader participation in water governance."

Arguments in Opposition

None on file.

FISCAL COMMENTS

None.

VOTES**ASM LOCAL GOVERNMENT: 10-0-0**

YES: Carrillo, Ta, Johnson, Pacheco, Ramos, Ransom, Blanca Rubio, Stefani, Ward, Wilson

UPDATED

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