
SENATE COMMITTEE ON LOCAL GOVERNMENT

Senator María Elena Durazo, Chair

2025 - 2026 Regular

Bill No: AB 2568

Hearing Date: 6/17/26

Author: Johnson

Fiscal: No

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Consultant: Vargas

WATER DISTRICT DIRECTORS: COMPENSATION

Authorizes, until January 1, 2032, certain water districts to compensate board members for up to 15 days a month.

Background

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 significantly. 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.

Board member meetings. A local agency may compensate members of its legislative body for attending specified events (AB 1234, Salinas, 2005):

- A meeting of the legislative body;
- A meeting of an advisory body;
- A conference or educational activity that complies with the Brown Act, including ethics training; and
- 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. In addition, many, but not all, districts may also increase the daily rate for attending meetings by five percent per year by annually adopting an ordinance that provides for such an increase.

Many special districts can also reimburse the members of their legislative bodies for their actual and necessary expenses to attend meetings. Local officials must fill out expense reports and provide receipts to receive reimbursement. At their next regular meeting after the meeting for which reimbursement was provided, officials must also give brief reports about the meetings they attended at the agency's expense.

In 2018, the Legislature allowed one water district, Santa Clara Valley Water District (SCVWD), to compensate its board members up to 15 days per month until December 31, 2023 (AB 1889,

Caballero). The Legislature later repealed the sunset date in 2023 to allow SCVWD to indefinitely compensate its members 15 meeting days a month (AB 939, Pellerin).

West Valley Water District. The West Valley Water District serves residents primarily in San Bernardino County with a small service area extending into Riverside County. First formed as the West San Bernardino County Water District in 1952, the district now operates five treatment plants, 360 miles of pipeline, 25 reservoirs, 17 wells, and serves roughly 20,000 service connections, providing drinking water to 100,000 residents. WVWD’s five-member board of directors governs the district, with voters electing directors to four-year terms. WVWD’s board approved a policy that allows for a variety of meetings, events, and conferences to be eligible for compensation. This includes regular board meetings, conferences, community meetings, and any other activity the board preapproves. Currently, WVWD board of directors receive compensation for up to 10 days per month like other water districts. Although state law sets the base stipend at \$100 per meeting, the WVWD board has frequently exercised its ability to increase that rate by 5% annually, putting the current stipend amount at \$227 per meeting, for a total of \$27,240 per year.

WVWD states its board members frequently reach the 10-day limit by the middle of the month by participating in a wide range of governance activities. WVWD wants the Legislature to increase the number of days the board can compensate its board members.

Proposed Law

Assembly Bill 2568, until January 1, 2032, allows a water district with at least 90,000 residents within its jurisdiction to compensate its board members for up to 15 days in any calendar month. If a water district compensates its board members for more than 10 days in a month, the governing board must annually adopt a written policy describing why providing additional compensation is necessary for the effective operation of the water district.

Comments

1. **Purpose of the bill.** 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.”

2. **Raise your glass.** Local agencies compensate their board members for the time and expenses associated with serving on behalf of the district. This compensation generally takes the form of a per-meeting payment, up to a maximum number of meetings per year. Limiting the number of meetings for which a public agency can compensate its members with taxpayer funds builds in a safeguard by ensuring that board members don’t claim more compensation than they need to perform their duties. AB 2568 relaxes this limitation by increasing the number of meetings for which board members may be compensated, potentially eroding the public’s trust in the motivations of their elected officials. By expanding the number of days board members get compensated, it may create an incentive for board members to schedule meetings across different days in order to increase their compensation, regardless of whether those meetings are necessary. Although board compensation is intended to support effective governance and facilitate participation in district oversight, questions from the public may arise as to whether the proposed increased in compensated days is necessary to achieve those objectives.

Assembly Actions

Assembly Local Government Committee: 10-0
Assembly Floor: 70-0

Support and Opposition (6/12/2026)

Support: West Valley Water District (Sponsor)
Association of California Water Agencies (ACWA)
California Special Districts Association
Desert Water Agency
Water Replenishment District

Opposition: None Submitted

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