

Date of Hearing: April 23, 2025

ASSEMBLY COMMITTEE ON LOCAL GOVERNMENT

Juan Carrillo, Chair

AB 1070 (Ward) – As Amended April 3, 2025

SUBJECT: Transit districts: governing boards: compensation: nonvoting members.

SUMMARY: Requires transit district board members to use the transit system in order to receive compensation, and adds two nonvoting members and four alternate nonvoting members to each transit district board. Specifically, **this bill**:

- 1) Prohibits a transit district from providing compensation to a member of the governing board of the district unless the member demonstrates, through evidence or attestation recorded by the clerk of the board, personal use of the transit system for at least one hour or for four trips during the month for which the member seeks compensation.
- 2) Provides that the governing board of a district shall include two nonvoting members and four alternate nonvoting members, as follows:
 - a) The first nonvoting member shall be a user of mass transit services provided by the transit district and shall be recommended for appointment by a transit advisory council representing transit users. There shall be two nonvoting alternates to the first nonvoting member as follows:
 - i) The first nonvoting alternate to the nonvoting member described in a), above, shall be a user of mass transit services provided by the transit district and shall be recommended for appointment by a commuter council associated with a major transit service in the state.
 - ii) The second nonvoting alternate to the nonvoting member described in a), above, shall be a user of mass transit services provided by the transit district and shall be recommended for appointment by a commuter council associated with a transit service, other than the transit service described in i), above, that is under the transit district's jurisdiction.
 - b) The second nonvoting member shall be recommended for appointment by the labor organization that represents a plurality of represented employees within the transit district. There shall be two nonvoting alternates to the second nonvoting member, both of which shall be recommended for appointment by the labor organization that represents a plurality of represented employees within the transit district.
 - c) Nonvoting members and alternate nonvoting members shall be appointed according to the following procedures:
 - i) The chair of the governing board shall appoint the nonvoting members and alternate nonvoting members from the recommendations provided by the respective organizations within 31 days of receiving the recommendations.

- ii) If the chair does not receive recommendations within 31 days of a request or vacancy, the governing board may appoint qualified individuals to these positions by majority vote.
- iii) If the chair determines that a recommended individual does not meet the qualifications specified in this bill, the chair shall request a new recommendation from the respective organization.
- d) The nonvoting members and alternate nonvoting members shall have the following rights and protections:
 - i) The right to attend and participate in all public meetings of the governing board, except as provided in e), below.
 - ii) The right to receive all meeting materials provided to voting members of the governing board.
 - iii) The right to place items on the agenda related to transit service and labor matters, subject to the same procedures applicable to voting members.
 - iv) Protection from retaliation for their participation and statements made during board meetings.
- e) The chair of the governing board of a transit district shall exclude a nonvoting member and any corresponding alternate nonvoting member from any portion of a meeting of the governing board or a committee if the portion of the meeting discusses any of the following:
 - i) Negotiations with labor organizations.
 - ii) Personnel matters specifically related to individual employees.
 - iii) Confidential legal matters where attorney-client privilege applies.
- f) When a nonvoting member is excluded from a meeting pursuant to e), above, any corresponding alternate nonvoting member shall also be excluded.
- 3) Specifies that if the Commission on State Mandates determines that this bill contains costs mandated by the state, reimbursement to local agencies and school districts for those costs shall be made.

EXISTING LAW:

- 1) Creates specific transit districts and provides for their governance and powers [Public Utilities Code §§ (PUC) 24501-107025].
- 2) Provides that a transit district may provide compensation to a member of the governing board of the district only for attendance at a meeting of the board or for each day the member is engaged in other district business within or without the district. A member who engages in district business other than attendance at board meetings shall first obtain authorization of the

board for reimbursement of travel expenses or other compensation before engaging in that business and shall submit a report thereof to the board for all expenditures PUC § 99156.

FISCAL EFFECT: This bill is keyed fiscal and contains a state-mandated local program.

COMMENTS:

- 1) **Bill Summary.** This bill prohibits a transit district board member from receiving compensation unless the member demonstrates personal use of the transit system for at least one hour or for four trips in a month. This bill would also require transit district governing boards to include two nonvoting members and four alternate nonvoting members. One of these nonvoting members, and the two related alternates, must be recommended for appointment by the labor organization that represents the most represented employees of the district. This bill enumerates the rights and protections of the nonvoting board members. It also specifies that nonvoting board members must be excluded from portions of a meeting for only these circumstances:
 - a) Negotiations with labor organizations.
 - b) Personnel matters specifically related to individual employees.
 - c) Confidential legal matters where attorney-client privilege applies.

The California Conference of the Amalgamated Transit Union is the sponsor of this bill.

- 2) **Author's Statement.** According to the author, "AB 1070 strengthens local transit governance by ensuring meaningful labor and rider representation on transit boards. By creating a pathway for these critical voices to participate in board decision-making, the bill promotes more inclusive, transparent, and accountable transit policies. Workers and riders are on the front lines of our transit systems, and their input is essential to building responsive, equitable, and effective public transportation. AB 1070 helps ensure that those most impacted by transit decisions have a say in shaping them."
- 3) **Transit Districts.** Cities and counties provide transit services in a variety of ways, including as transit districts, as municipal operators, and as county transportation commissions. Current law specifically creates at least 18 distinct transit districts to provide transit within a prescribed area of a jurisdiction such as the Bay Area Regional Transit District (BART) and the Gold Coast Transit District, among others. Each of these 18 transit districts has a separate set of provisions that dictate who can serve on a governing board and the powers they have, including how a board member is compensated for serving on the board.

The governing boards of these transit districts vary significantly. BART and the Alameda Contra Costa Transit District (AC Transit) have independently elected board members that serve fixed terms. However, it is more common for these transit district boards to be made up primarily of city and county representatives who are appointed. For example, the Santa Cruz Metropolitan Transit District is governed by seven board members: one member appointed by Santa Cruz County and six appointed to represent the city councils within Santa Cruz County. Additionally, the Yolo County Transportation District's board is required to include two nonvoting ex officio members appointed by the University of California at Davis and the Department of Transportation, respectively.

The compensation that these transit district board members receive for their service also varies among the different districts. For instance, AC Transit may compensate its board members with a set monthly stipend and the San Joaquin Regional Transit District may compensate its board members \$100 per meeting, but the compensation may not exceed \$500 in a calendar month. AB 1714 (Lockyer), Chapter 1160, Statutes of 1988, specified that a transit district may only provide compensation to a member of its board for attendance at a meeting or for each day the board member is engaged in other district business. Any board member that conducts district business other than attending a board meeting must first obtain approval of the board for reimbursement of travel expenses or other compensation before engaging in that business. The board member is also required to submit a report to the board of all expenditures.

4) **Policy Considerations.** The Committee may wish to consider the following:

- a) **Striking the Right Balance.** The addition of nonvoting members to transportation agency boards is not entirely unique. As explained above, the Yolo County Transportation District has two nonvoting, ex officio board members. AB 2982 (Gloria), Chapter 222, Statutes of 2018, added a nonvoting board member from the City of San Diego to the North County Transit District Board. However, a number of transit districts have written in opposition to the inclusion of nonvoting members as this bill proposes.

Opponents argue that all transit district are unique and that all transit district boards were created with careful deliberation based upon local conditions. Additionally, a number of transit districts note that they are already required to engage with labor representatives for the purposes of collective bargaining and different community groups that represent riders. For example, the Sacramento Regional Transit District (SacRT) states that its Mobility Advisory Council meets monthly and provides SacRT with input from riders with disabilities. Transit districts are also required to comply with the Ralph M. Brown Act's open meeting requirements that allow for the community to provide public comment.

This bill proposes to add nonvoting members to transit district boards. While this bill may increase the opportunity for labor and transit rider representatives to participate in greater levels of discourse, the board members that are able to vote will ultimately make the decisions on the actions taken by the transit district. In light of the concerns raised by the transit districts, the Committee may wish to consider if existing opportunities for labor organizations and communities to provide input are sufficient, or if additional input is needed to improve transit ridership.

- b) **Decision-Making.** This bill would require a transit district board member to use the transit system they govern a minimum amount each month in order to receive compensation. However, local elected officials likely make frequent decisions on services they do not directly utilize. Additionally, the opposition argues that circumstance may not allow a board member to use public transit and that transit districts currently face challenges in retaining board members due to the time commitment associated with serving on a board. The Committee may wish to consider if the requirement to personally use transit services should be a prerequisite for receiving compensation.

- c) **Fairness.** This bill would allow a labor organization that represents a plurality of represented employees within the transit district to appoint one nonvoting board member and its alternates. According to the American Federation of State, County and Municipal Employees, "...while the amendments made on April 3, 2025, regarding nonvoting member procedures, rights, and limited exclusion from confidential discussions move AB 1070 in a positive direction, the bill's 'plurality' standard for representation remains deeply problematic. This standard would create a permanent monopoly on representation for the largest union, which would foster a divisive workplace hierarchy with detrimental consequences for the collaborative labor environment essential for effective transit systems." The committee may wish to consider if the provisions in the bill allow for an equitable approach to the appointment process for the labor nonvoting seat.
- d) **Is Additional Clarity Needed?** The stated intent of this bill is to ensure meaningful labor and rider representation on transit boards. However, a number of provisions may need to be clarified in order to ensure this bill meets the author's intent:
- i) This bill would allow for each nonvoting seat to have two alternates. However, it is not currently clear whether an alternate can participate in a meeting only in the absence of the primary nonvoting member and, in the case of the second nonvoting alternate, in absence of the first nonvoting alternate.
 - ii) The terms "transit advisory council" and "commuter council" are not defined. While it seems many of the transit districts in the state are associated with a community rider advisory group of some kind, it is not clear if this bill requires the transit district to create a council to appoint the nonvoting members or if existing councils will be given this authority.
 - iii) The first nonvoting alternate for the seat representing mass transit users must be recommended for appointment by a commuter council associated with a major transit service in the state. Should this authority instead be given to a council associated with the transit service to which they would be appointing a nonvoting alternate?
 - iv) As currently written, this bill may allow for both the nonvoting member representing labor organizations and the nonvoting member representing mass transit users to both be members of a labor organization. In order to ensure diverse voices on the board, should there be additional clarification that the mass transit nonvoting member must not be an employee of the transit district?
 - v) This bill specifies that nonvoting members must be given "protection from retaliation for their participation and statements made during board meetings". However, what this entails is not clear. If a nonvoting member, who is also an employee of the transit district, makes disparaging or threatening remarks during a meeting, would this provision protect the employee from potential discipline? If the intent is to protect the nonvoting members from retaliation of a different nature (the public, other board members, etc.), how would this be achieved? And who would be responsible for this protection?
- 5) **Committee Amendments.** In order to respond to the policy consideration above, the Committee may wish to amend the bill as follows.

- a) Reduce the number of alternate nonvoting members from four to two.
 - b) Specify that the nonvoting members and the corresponding alternates shall be recommended for appointment from a list of at least five individuals submitted by the labor organization or a transit advisory council, or another local organization representing transit users, of the transit district, respectively.
 - c) Specify that nonvoting members and alternate nonvoting members shall not serve on the governing board for more than one year unless they are reappointed.
 - d) Remove provision guaranteeing nonvoting and alternate nonvoting members the right to protection from retaliation for their participation and statements made during board meetings.
 - e) Specify that nonvoting members and corresponding alternates shall comply with the Ralph M. Brown Act and California Public Records Act.
 - f) Provide that an alternate nonvoting member may only participate in public meetings of the governing board as a member of the board if the nonvoting member will be absent from a meeting, and shall adhere to any requirements placed on a voting member, if any.
 - g) Specify that the nonvoting member and corresponding alternate nonvoting member representing transit users shall not be an employee of the transit district.
- 6) **Arguments in Support.** According to the sponsor of this bill, the California Conference of the Amalgamated Transit Union, “AB 1070 would add two nonvoting members to transit district governing boards, one from the union that represents a plurality of the workers at the district, and one identified as a user of mass transit in the district. The bill would additionally require district governing board members to demonstrate a minimal use of the transit system services.
- “We believe the addition of worker and rider representative to the board will provide unique and important perspectives to board considerations. Representatives with daily experience with what’s happening on the ground in the transit system know firsthand what is and isn’t working. We believe this will result in better managed transit systems statewide.
- “Lastly, requiring transit governing board members to use the transit system they manage once in a while will provide a better prospective and will surely result in better decision making.”
- 7) **Arguments in Opposition.** According to the California Transit Association, “First, while our Association hopes that our transit district board members regularly use and experience the systems they govern, it is impractical to assume that all of them have convenient access to transit. Some may have personal or family circumstances that preclude them from taking transit or have any other number of reasons as to why utilizing transit is not practical for them. Our transit district board members serve vital roles, but transit districts already face challenges in retaining board members, due to the time commitment associated with board functions, including preparation for, and participation in, committee and board meetings. Adding additional requirements for board service, while also committing transit agencies to additional administrative work, poses significant concerns for our member agencies.

“In addition, AB 1070 seeks to impose a ‘one size fits all’ solution to transit districts which are in fact all generally unique. For instance, unlike city councils, of which the vast majority have an identical or near-identical composition, transit district boards are all created individually in statute in the Public Utilities Code. The composition of these governing boards was given careful consideration when the districts were established, based on a local process in collaboration with their elected state representatives. Many of these district boards oversee local sales tax measures approved by the voters and these voters understood the body that would be making the decisions governing the revenues.”

“...What’s more, this bill ignores that transit districts already routinely solicit input from their riders on agency priorities, capital budgets, and service elements through public outreach activities, advisory committees, and board public comment processes that comply with Brown Act requirements. Transit districts’ engagement with labor representatives is even more rigorous due to the breadth of topics that require management and labor to meet at the collective bargaining table and federal law that requires the parties to jointly develop plans that address the critical topic of transit safety.”

8) **Double-Referral.** This bill is double-referred to the Assembly Committee on Transportation.

REGISTERED SUPPORT / OPPOSITION:

Support

California Conference of the Amalgamated Transit Union [SPONSOR]
 Active San Gabriel Valley
 Bike East Bay
 Bike LA
 California Teamsters Public Affairs Council
 California Walks
 Climate Plan
 Communities for a Better Environment
 Community Coalition
 Courage California
 East Bay Transit Riders Union
 LA Forward
 Los Angeles Walks
 Move LA
 Move Santa Barbara County
 Public Advocates
 Safe Routes Partnership
 San Francisco Bicycle Coalition
 Streets for All
 Sustainable Claremont
 Transbay Coalition
 Transform

Opposition

American Federation of State, County and Municipal Employees, AFL-CIO (unless amended)

California Association for Coordinated Transportation

California Special Districts Association

California Transit Association

City of Thousand Oaks

Golden Gate Bridge, Highway & Transportation District

Long Beach Transit

Los Angeles County Metropolitan Transportation Authority

Monterey-Salinas Transit District

Sacramento Regional Transit District

San Joaquin Regional Transit District

Santa Barbara Metropolitan Transit District

Santa Cruz Metropolitan Transit District

Victor Valley Transit Authority

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