

BOARD MEETING DATE: January 10, 2025

AGENDA NO. 9

PROPOSAL: Adopt Resolution per AB 2522 (Carrillo) to Increase Governing Board Member Compensation, Appropriate Funds from Undesignated Fund Balance, and Transfer funds Between Major Objects

SYNOPSIS: AB 2522 (Carrillo) sponsored by South Coast AQMD was chaptered into state law to increase local air district board per diem. These actions are to: 1) adopt a resolution per AB 2522 (Carrillo) to increase Governing Board Member compensation from \$100 to up to \$200 for each day, or portion thereof, but not to exceed \$2,000 per month for specified business on behalf of South Coast AQMD retroactively effective on January 1, 2025; 2) appropriate \$78,000 from Undesignated (Unassigned) Fund Balance for the increase in Governing Board Member compensation; and 3) transfer \$87,173 between Major Objects in the Governing Board FY 2024-25 Budget to realign expenditures for San Bernardino County Board Consultants/Assistants contracts.

COMMITTEE: Administrative, December 13, 2024; Recommended for Approval

RECOMMENDED ACTIONS:

1. Adopt the attached Resolution to implement Assembly Bill 2522 which increases South Coast AQMD Board Member compensation.
2. Appropriate \$78,000 from the General Fund Undesignated (Unassigned) Fund Balance to the Governing Board's FY 2024-25 Budget, Services & Supplies Major Object for the increase in South Coast AQMD Board Member compensation; and
3. Transfer \$87,173 from Salaries and Employee Benefits Major Object to the Services and Supplies Major Object in the Governing Board FY 2024-25 Budget (Org. 02) for San Bernardino County Board Consultants/Assistants contracts.

Wayne Natri
Executive Officer

Background

Compensation for local air district Board Members was established over three decades ago for most agencies and did not include adjustments for inflation. The per diem for South Coast AQMD Board Members (Board) was set in 1987 at \$100 per day. This level of financial compensation is not commensurate with the level of work and time needed to serve on a local air agency Board. Inadequate compensation for Board Members may also serve as a barrier to a diverse pool of candidates.

South Coast AQMD sponsored AB 2522 (Carillo) to increase the per diem for boards of local air districts including our agency, San Diego County Air Pollution Control District, Bay Area Air Quality Management District, Sacramento Metropolitan Air Quality Management District, and unified district's governing boards. The increase in per diem will take effect on January 1, 2025, and requires that the air district board approves a resolution for the increase.

The bill also included an annual increase to account for inflation as determined by the California Consumer Price Index. For the 2026 annual increase and each year thereafter, a separate resolution with the annual increase will be brought to the Board for their consideration.

On September 22, 2024, AB 2522 was enacted into state law, Chapter 406, Statutes of 2024.¹ The law requires a local air district board to pass a resolution to increase the per diem rate and to allow for annual cost-of-living adjustments. Attachment B is a copy of AB 2522 (Chapter 406, Statutes of 2024).

The San Bernardino County Board Member consultants/assistants are employees of the county, and the county is reimbursed for the cost of their services through a contract.

Proposal

This action is to adopt a resolution authorizing the increase in Governing Board Member per diem from \$100 to \$200 per day, or portion thereof, but not to exceed \$2,000 per month, while attending meetings of the South Coast AQMD Board or any committee or advisory group thereof or, upon authorization of the South Coast AQMD Board, while on official business of South Coast AQMD, and the actual and necessary expenses incurred in performing the Board Member's official duties. Per the resolution, the per diem increase would take effect January 1, 2025.

¹ AB 2522 (Chapter 406, Statutes of 2024), Amended Health & Safety Code relevant to South Coast AQMD: 40426 and 40982, https://leginfo.ca.gov/faces/billTextClient.xhtml?bill_id=202320240AB2522

In addition, staff is recommending to appropriate \$78,000 from the General Fund Undesignated (Unassigned) Fund Balance to the Governing Board's FY 2024-25 Budget, Services & Supplies Major Object for the increase in South Coast AQMD Board Member compensation per AB 2522 (Chapter 406, Statutes of 2024).

A transfer of \$87,173 from Salaries and Employee Benefits Major Object to the Services and Supplies Major Object in the Governing Board FY 2024-25 Budget is needed to reimburse San Bernardino County for the San Bernardino County Board Consultants/Assistants contracts.

Resource Impacts

Sufficient funding is available in the General Fund Undesignated (Unassigned) Fund Balance. Funding for future Fiscal Years will be requested in the annual budget. In addition, sufficient funds are available in the Governing Board FY 2024-25 salaries and employee benefits budget for the transfer of funds for the San Bernardino County Board Consultants/Assistants contracts.

Attachments

- A. Resolution
- B. AB2522

Attachment A

RESOLUTION NO. 25 -

A Resolution of the South Coast Air Quality Management District Governing Board to approve an increase in Board per diem to \$200 per day, or portion thereof, not to exceed \$2,000 per month while attending meetings of the south coast district board or any committee thereof or, upon authorization of the South Coast AQMD, while on official business of the South Coast AQMD, and the actual and necessary expenses incurred in performing the member's official duties.

WHEREAS, South Coast AQMD Governing Board per diem has not been adjusted since 1987 which does not reflect financial compensation for the work and commitment required to serve;

WHEREAS, the lack of financial compensation could pose as a barrier to diverse candidates who might serve;

WHEREAS, AB 2522 was chaptered into law (Chapter 406, Statutes of 2024) authorizing the South Coast AQMD Governing Board to increase per diem as of January 1, 2025, and to provide for an annual cost-of-living increase as of January 1, 2026;

NOW THEREFORE, BE IT RESOLVED, that South Coast AQMD Board hereby approves an increase of Governing Board per diem to \$200 per day, or a portion thereof, not to exceed \$2,000 per month in accordance with AB 2522 (Chapter 406, Statutes of 2024);

BE IT RESOLVED FURTHER, that the Clerk of the Boards of South Coast AQMD, by the signature of such Clerk of the Boards, be, and the same hereby is, authorized to attest to the execution by South Coast AQMD of the documents signed pursuant to this resolution, and to certify adoption of this resolution.

BET IT FURTHER RESOLVED that the Executive Officer and Chief Financial Officer are authorized and directed to take all steps necessary to carry out this Resolution.

DATE: _____

CLERK OF THE BOARD

Attachment B

Assembly Bill No. 2522

CHAPTER 406

An act to amend Sections 40100.6, 40154, 40227, 40426, and 40982 of the Health and Safety Code, relating to air districts.

[Approved by Governor September 22, 2024. Filed with
Secretary of State September 22, 2024.]

legislative counsel's digest

AB 2522, Wendy Carrillo. Air districts: governing boards: compensation.

Existing law provides for the creation of the South Coast Air Quality Management District in those portions of the Counties of Los Angeles, Orange, Riverside, and San Bernardino included within the area of the South Coast Air Basin, as specified. Existing law provides that the south coast district is governed by a district board consisting of 13 members and that each member of the board shall receive compensation of \$100 for each day, or portion thereof, but not to exceed \$1,000 per month, while attending meetings of the board or any committee thereof or, upon authorization of the board, while on official business of the district, and the actual and necessary expenses incurred in performing the member's official duties.

This bill would raise the limits of the above-described compensation each member of the board receives to up to \$200 for each day, or portion thereof, but not to exceed \$2,000 per month, as specified. The bill would provide that the compensation of each member of the board may be increased beyond this amount by the board at an open regular meeting, as specified.

Existing law provides for the San Diego County Air Pollution Control District to have a governing board of 11 members, including 3 public members that receive compensation of \$100 for each day, or a portion thereof, but not to exceed \$1,000 per month, while attending meetings of the district governing board or any committee of the district governing board or, upon authorization of the district governing board, while on official business of the San Diego County Air Pollution Control District, and the actual and necessary expenses incurred in performing the member's official duties.

This bill would raise the limits of the above-described compensation to up to \$200 for each day, or a portion thereof, not to exceed \$2,000 per month, as specified, and would require that each member of the governing board receive the compensation. The bill would provide that the compensation of each member of the district governing board may be increased beyond this amount by the district governing board at an open regular meeting, as specified.

Existing law provides that the bay district board is the governing body of the Bay Area Air Quality Management District. Existing law requires

that each member of the bay district board receive actual and necessary expenses incurred in the performance of board duties. Existing law authorizes each member to receive compensation, to be determined by the bay district board, not to exceed \$100 for each meeting and not to exceed \$200 per day for attending a meeting of, or any committee meeting of, the bay district board, or, upon authorization of the bay district board, attending a meeting while on official business of the bay district. Existing law prohibits the compensation from exceeding \$6,000 in any one year.

This bill would provide that each member of the bay district board is entitled to reimbursement of actual and necessary expenses incurred in the performance of board duties. The bill would raise the limits of the above-described compensation to not exceed \$200 per day, not exceed \$2,000 per month, and not exceed \$24,000 in any one year. The bill would authorize the compensation of each member of the bay district board to be increased beyond this amount by the bay district board at an open regular meeting, as specified.

Existing law requires that the Sacramento Metropolitan Air Quality Management District, at a minimum, be governed by a district board composed of the Board of Supervisors of the County of Sacramento. Existing law requires each member of the Sacramento district board to receive actual and necessary expenses incurred in the performance of board duties, and authorizes compensation, to be determined by the Sacramento district board, not to exceed \$100 for each day attending the meetings of the district board and committee meetings thereof, or upon authorization of the district board, while on official business of the Sacramento district. Existing law prohibits the compensation from exceeding \$6,000 in any one year.

This bill would authorize members to receive compensation for their service, as determined by the district board at an open regular meeting, not to exceed \$200 per day of attending board and committee meetings, or for conducting official business as authorized by the board. The bill would prohibit the compensation from exceeding \$12,000 in any one year. The bill would authorize the district board, by resolution adopted at an open regular meeting, to increase the amount of compensation provided not more than once every 12 months, as specified.

Existing law authorizes the board of supervisors of any county, by a vote of its members, to form a unified air pollution control district with other counties, upon ratification by the boards of supervisors, with membership from each county, as specified. Existing law requires each member of the unified district board, upon adoption of a resolution, to receive the actual and necessary expenses incurred in the performance of their duties, plus a compensation of \$100 for each day attending the meetings of the unified district board or any committee of the unified district board or, upon authorization by the unified district board, while engaged in official business of the unified district. Existing law prohibits the compensation from exceeding \$3,600 in any one year.

This bill would require the resolution be adopted at an open regular meeting and would raise the above-described compensation limits to up to

\$200 for each day. The bill would prohibit the compensation from exceeding \$7,200 in any one year. The bill would authorize the compensation of each member of a unified district board to be increased beyond this amount by the unified district board at an open regular meeting, as specified.

This bill would prohibit the above-described district boards from providing for automatic future increases in compensation for their members.

This bill would make legislative findings and declarations as to the necessity of a special statute for the boards.

The people of the State of California do enact as follows:

SECTION 1. Section 40100.6 of the Health and Safety Code is amended to read:

40100.6. (a) The 11 members of the San Diego County Air Pollution Control District governing board shall be appointed as follows:

(1) (A) Two members representing the board of supervisors as appointed by a majority of the board of supervisors.

(B) One of the two members representing the board of supervisors pursuant to subparagraph (A) shall be the member of the board of supervisors who is currently serving as the San Diego County Air Pollution Control District's member on the state board, as required pursuant to paragraph (4) of subdivision (d) of Section 39510. That member of the board of supervisors shall continue to serve as one of the two members of the San Diego Air Pollution Control District pursuant to subparagraph (A) until that member is no longer the San Diego County Air Pollution Control District's member on the state board.

(2) The mayor or a city council member at large from the City of San Diego.

(3) (A) One city council member from each of the five supervisorial districts. Those five members shall be selected by city selection committees representing the cities of that supervisorial district.

(B) A city shall not have more than two members.

(4) Three public members shall be appointed by the members appointed pursuant to paragraphs (1) to (3), inclusive, at a public hearing. The public members shall be appointed according to the following:

(A) One public member shall be a physician or public health professional actively practicing within the boundaries of the San Diego County Air Pollution Control District. The member's specialty shall be in the health effects of air pollution on vulnerable populations.

(B) One public member shall be a person representing environmental justice interests and who works directly with communities within the boundaries of the San Diego County Air Pollution Control District that are most significantly burdened by, and vulnerable to, high levels of pollution, including communities with diverse racial and ethnic populations and communities with low-income populations. This member may be a resident of that community and have a demonstrated record of community leadership.

(C) One public member shall be a person with a scientific or technical background in air pollution, such as an environmental engineer, chemist, meteorologist, or air pollution specialist.

(b) All members shall be appointed on the basis of their demonstrated interest and proven ability in the field of air pollution control and their understanding of the needs of the general public in connection with the air pollution problems of the San Diego Air Basin.

(c) All members shall reside within the boundaries of the San Diego County Air Pollution Control District.

(d) Each member of the San Diego County Air Pollution Control District shall serve a four-year term and until that member's successor is appointed.

(e) (1) Each member of the San Diego County Air Pollution Control District governing board shall receive compensation of up to two hundred dollars (\$200) for each day, or a portion thereof, but not to exceed two thousand dollars (\$2,000) per month, while attending meetings of the district governing board or any committee of the district governing board or, upon authorization of the district governing board, while on official business of the San Diego County Air Pollution Control District, and the actual and necessary expenses incurred in performing the member's official duties. An increase in compensation to an amount greater than one hundred dollars (\$100) for each day or one thousand dollars (\$1,000) per month shall be approved by the district governing board at an open regular meeting.

(2) The compensation of each member of this district governing board may be increased beyond the amount provided in paragraph (1) by the district governing board at an open regular meeting by an amount not to exceed the greater of either of the following:

(A) An amount equal to 5 percent for each calendar year from the operative date of the last adjustment of the compensation.

(B) Beginning January 1, 2025, an amount not to exceed 10 percent for each calendar year that is equal to the annual change in inflation as determined by the California Consumer Price Index.

(3) The district governing board shall not provide for automatic future increases in compensation for its members.

(f) (1) A vacancy on the San Diego County Air Pollution Control District governing board shall be filled by appointment in the same manner as the vacating member was appointed.

(2) A member of the San Diego County Air Pollution Control District governing board may be removed at any time in the same manner as the member was appointed.

(g) (1) The San Diego County Air Pollution Control District governing board shall consult with the United States Navy, the United States Marine Corps, and the United States Coast Guard on all permitting, rules, regulations, and planning issues that have the potential to impact the mission of the United States Navy, the United States Marine Corps, and the United States Coast Guard.

(2) The San Diego County Air Pollution Control District governing board shall designate one member appointed pursuant to paragraph (1) of

subdivision (a) to serve as the liaison to the United States Navy, the United States Marine Corps, and the United States Coast Guard. The liaison shall report to the San Diego County Air Pollution Control District governing board as necessary to inform the governing board of any issues with the activities described in paragraph (1) and of any potential resolution to those issues.

SEC. 2. Section 40154 of the Health and Safety Code is amended to read:

40154. (a) Each member of the unified district board shall, upon the adoption of a resolution by the unified district board at an open regular meeting, receive the actual and necessary expenses incurred in the performance of their duties, plus a compensation of up to two hundred dollars (\$200) for each day attending the meetings of the unified district board or any committee of the unified district board or basin control council or, upon authorization by the unified district board, while engaged in official business of the unified district, but that compensation shall not exceed seven thousand two hundred dollars (\$7,200) in any one year.

(b) The compensation of each member of the unified district board may be increased beyond the amount provided in this section by the unified district board at an open regular meeting, but the amount of the increase shall not exceed the greater of either of the following:

(1) An amount equal to 5 percent for each calendar year from the operative date of the last adjustment of the compensation.

(2) Beginning January 1, 2025, an amount not to exceed 10 percent for each calendar year that is equal to the annual change in inflation as determined by the California Consumer Price Index.

(c) The unified district board shall not provide for automatic future increases in compensation for its members.

SEC. 3. Section 40227 of the Health and Safety Code is amended to read:

40227. (a) Each member of the bay district board is entitled to reimbursement for actual and necessary expenses incurred in the performance of board duties.

(b) Each member of the bay district board may receive compensation, to be determined by the bay district board subject to subdivision (c), for any of the following:

(1) Attending a meeting of the bay district board or a committee of the bay district board.

(2) Attending a meeting, upon authorization of the bay district board, or a committee of the bay district board with delegated authority to provide authorization on behalf of the bay district board, while on official business of the bay district.

(3) Active transportation travel to a meeting described in paragraph (1) or (2).

(c) (1) The compensation provided for attending meetings pursuant to paragraph (1) or (2) of subdivision (b) shall not exceed two hundred dollars (\$200) per day and shall not exceed two thousand dollars (\$2,000) per month.

(2) The compensation provided for active transportation travel pursuant to paragraph (3) of subdivision (b) may be calculated on a per mile basis or at a fixed daily, weekly, monthly, or annual rate, and may consider benefits to using active transportation travel, including, but not limited to, reduced traffic, improved health outcomes, and reduced air pollution.

(3) The compensation provided pursuant to subdivision (b) shall not exceed twenty-four thousand dollars (\$24,000) in any one year.

(4) The compensation of each member of the bay district board may be increased above the amounts provided in this section by the bay district board at an open regular meeting, but the amount of the increase shall not exceed the greater of either of the following:

(A) An amount equal to 5 percent for each year that has passed since the operative date of the last adjustment of the compensation.

(B) Beginning January 1, 2025, an amount not to exceed 10 percent for each calendar year that is equal to the annual change in inflation as determined by the California Consumer Price Index.

(5) The bay district board or any ordinance shall not provide for automatic future increases in compensation for its members.

(d) Compensation pursuant to this section shall be fixed by ordinance. Any change to this ordinance shall be adopted at an open regular meeting of the bay district board.

(e) For the purposes of this section, "active transportation travel" means walking, bicycling, and other forms of transportation that the bay district board has found reduce traffic, improve health outcomes, and reduce air pollution.

SEC. 4. Section 40426 of the Health and Safety Code is amended to read:

40426. (a) Each member of the south coast district board shall receive compensation of up to two hundred dollars (\$200) for each day, or portion thereof, but not to exceed two thousand dollars (\$2,000) per month, while attending meetings of the south coast district board or any committee thereof or, upon authorization of the south coast district board, while on official business of the south coast district, and the actual and necessary expenses incurred in performing the member's official duties. An increase in compensation to an amount greater than one hundred dollars (\$100) for each day or one thousand dollars (\$1,000) per month shall be approved by the south coast district board at an open regular meeting.

(b) The compensation of each member of the south coast district board may be increased beyond the amount provided in this section by the south coast district board at an open regular meeting, but the amount of the increase shall not exceed the greater of either of the following:

(1) An amount equal to 5 percent for each calendar year from the operative date of the last adjustment of the compensation.

(2) Beginning January 1, 2025, an amount not exceeding 10 percent for each calendar year that is equal to the annual change in inflation as determined by the California Consumer Price Index.

(c) The south coast district board shall not provide for automatic future increases in compensation for its members.

SEC. 5. Section 40982 of the Health and Safety Code is amended to read:

40982. (a) Each member of the Sacramento district board shall receive actual and necessary expenses incurred while performing board duties. In addition, members may receive compensation for their service, as determined by the Sacramento district board at an open regular meeting. The compensation shall not exceed two hundred dollars (\$200) per day of attending board and committee meetings, or for conducting official business as authorized by the board. However, the compensation shall not exceed twelve thousand dollars (\$12,000) in any one year.

(b) The Sacramento district board may, by resolution adopted at an open regular meeting, increase the amount of compensation provided by this section not more than once every 12 months. An increase in compensation shall be in an amount equal to the percent change in the California Consumer Price Index for the most recent calendar year, rounded to the nearest one-tenth of 1 percent, except that if that change is greater than 10 percent, the increase in compensation shall be no more than 10 percent.

(c) The Sacramento district board shall not provide for automatic future increases in compensation for its members.

SEC. 6. The Legislature finds and declares that a special statute is necessary and that a general statute cannot be made applicable within the meaning of Section 16 of Article IV of the California Constitution because of the need to modernize the decades old nominal compensation structure unique to the Bay Area Air Quality Management District board, the Sacramento Metropolitan Air Quality Management District board, the San Diego Air Pollution Control District board, the South Coast Air Quality Management District board, and unified district governing boards to ensure board members are adequately compensated for the important public service they perform.