

BILL NUMBER: [AB 1619](#) (Valencia) as amended April 23, 2026

SUMMARY

Among other changes, AB 1619 amends Education Code section 22223 to increase per diem compensation for specific Teachers' Retirement Board members from \$100 to \$320.

RECOMMENDATION

Neutral. The board's policy is to adopt a neutral position on bills that do not significantly or adversely impact the benefits or services provided through the funds administered by CalSTRS or the administration of the retirement plans.

REASON FOR THE BILL

According to the author, this bill will modernize board stipends to fairly compensate trustees for performing their fiduciary responsibilities of overseeing public pension administration and managing complex investments.

ANALYSIS

Existing Law:

Education Code section 22223 provides that members of the Teachers' Retirement Board who are not active members of the Defined Benefit (DB) Program or active participants of the Cash Balance (CB) Benefit Program and are appointed by the Governor are entitled to receive \$100 for every day of actual attendance at meetings of the board or any meeting of any committee of the board of which they are a member, and that is conducted for the purpose of carrying out the powers and duties of the board, together with their necessary traveling expenses.

This Bill:

AB 1619 increases the per diem compensation described above to \$320.

Discussion

The per diem compensation is payable to five board members, and over the last five fiscal years, the amount paid totaled \$28,600.

The board carries significant fiduciary responsibilities, including investment oversight, actuarial review, governance policy development, and compliance with complex state and federal laws and regulations. This per diem compensation ensures that board members appointed by the Governor are compensated for their time, expertise and dedication. Increasing the stipend to an adequate level to offset the financial cost to board members who take time off of their chosen vocation could help ensure a broader range of individuals is able to participate fully in these important governance roles.

The per diem compensation for appointed board members has not been increased since 1983. According to the U.S. Bureau of Labor Statistics, \$1.00 in 1983 has the same purchasing power as about \$3.32 in 2026. The bill proposes an increase that is slightly less than this inflation rate and does not include language to further index this per diem amount to future inflation.

PROGRAM BACKGROUND

Education Code section 22200 lays out the composition of the Teachers' Retirement Board to include the following members:

- The Superintendent of Public Instruction.
- The Controller.
- The Treasurer.
- The Director of Finance.
- Three persons who are active members of CalSTRS' DB Program or active participants of the CB Benefit Program and elected by the members and participants of the system, as specified.
- Five persons appointed by the Governor, subject to confirmation by the Senate, as follows:
 - One person who is a member of the governing board of a school district or community college district.
 - One person who is a retired member of the DB Program or a retired participant of the CB Benefit Program.
 - Three persons representing the public.

Education Code section 22223 (formerly section 22229) originally established a \$50 per diem amount and covered travelling expenses for board appointees. This section was first enacted by SB 2020 (Schrade, Chapter 818, Statutes of 1976) as a means of addressing the costs to these members for leaving their own business or profession and ensuring their responsiveness to system member problems and internal controls. SB 1314 (Foran, Chapter 701, Statutes of 1982) increased the amount to \$100, citing the need for active participation of qualified board members carrying out their duties and CalPERS having received a similar increase in the year prior.

Board members who hold the position by virtue of their office or who are active members or participants are not eligible to claim the per diem compensation adjusted by this bill. Instead, Education Code section 22224 requires that employers grant board members who are DB members or CB participants time away from their regular duties to serve on the board without loss of compensation or other benefits to which they would otherwise be entitled. Education Code section 22225 prohibits employers from reducing these board members' compensation for any absence caused by attendance upon the business of the board. Any costs incurred by employers for employing a replacement are reimbursed by the Teachers' Retirement Fund.

FISCAL IMPACT

Program Cost – None known.

Administrative Costs/Savings – For 2026-27, there are six scheduled board meetings totaling 14 days. Currently three members, and up to five members, of the board would be eligible for this increase in per diem compensation, which is \$220 above the existing amount. This would be an approximate increase of \$15,400 per year to CalSTRS' operating budget, paid from the Teachers' Retirement Fund, which would be adjusted based on the number of meeting days and board composition at the time.

SUPPORT

Orange County Employees Retirement System (sponsor)
Contra Costa County Employment Retirement Association

Orange County Employees Association

OPPOSITION

None known.

ARGUMENTS

Pro: Potentially reduces financial burden on CalSTRS' trustees performing fiduciary duties.

Con: Incurs minor additional costs to be paid from the Teachers' Retirement Fund.