

SENATE JUDICIARY COMMITTEE
Senator Thomas Umberg, Chair
2025-2026 Regular Session

SB 1166 (Arreguín)
Version: February 18, 2026
Hearing Date: April 7, 2026
Fiscal: Yes
Urgency: No
ID

SUBJECT

Alameda-Contra Costa Transit District: employee relations

DIGEST

This bill permits the exclusive representative of a bargaining unit of employees of the Alameda-Contra Costa Transit District to select for the Public Employment Relations Board to have jurisdiction over unfair practices claims, and provides a process for the appeal and enforcement of the board's decision on such claims.

EXECUTIVE SUMMARY

The Alameda-Contra Costa Transit District (AC Transit) provides and operates public transit in Alameda and Contra Costa counties as the largest bus-only transit system in the state. AC Transit was established as a transit district in 1956 pursuant to its own enabling statute, the Transit District Law (SB 987 (Breed, Ch. 1036, Stats. 1955)). As a transit district, AC Transit is an independent special district separate from the county and any city government, with its own elected governing board. Its enabling statute specifies its operation and governance, and also includes its own labor relations provisions. However, these provisions do not include provisions regarding the disposition of unfair labor practice claims. As a consequence, any unfair labor practice claims made regarding the collective bargaining process or representation of AC Transit's employees must primarily go through the courts. SB 1166 would permit an exclusive representative of a bargaining unit of AC Transit employees to select for unfair labor practice charges to be adjudicated by the Public Employment Relations Board (PERB), and would provide a process by which PERB's decision could be appealed and enforced.

SB 1166 is sponsored by AFSCME, AFSCME District Council 57, and AFSCME Local 3916, and the Committee has received no timely opposition. It passed the Senate Labor, Public Employment and Retirement Committee by a vote of 4 to 1.

PROPOSED CHANGES TO THE LAW

Existing law:

- 1) Creates the Transit District Law to authorize the establishment of a transit district within the counties of Alameda and Contra Costa, and provides for the operation and management of such a transit district, including by the election and of a board of directors. (Pub. Utilities Code §§ 24501 et seq.)
- 2) Establishes PERB, a quasi-judicial administrative agency charged with administering certain statutory frameworks governing employer-employee relations, resolving disputes, and enforcing the statutory duties and rights of public agency employers and employee organizations. (Gov. Code § 3541.)
- 3) Establishes, within PERB, the California State Mediation and Conciliation Service to investigate and mediate labor disputes, including of impasses and strikes, and provides requirements for any dispute between a local agency, including a transit district, and their employees, in public transportation labor disputes, including that the State Mediation and Conciliation Service will mediate the dispute if requested by either party. (Gov. Code §§ 3610 et seq.)
- 4) Provides several statutory frameworks under California law to provide public employees collective bargaining rights, govern public employer-employee relations, and limit labor strife and economic disruption in the public sector through a reasonable method of resolving disputes regarding wages, hours, and other terms and conditions of employment between public employers and recognized public employee organizations or their exclusive representatives. These include the Meyers-Milias-Brown Act (MMBA), which provides for public employer-employee relations between local government employers and their employees, including some, but not all, public transit districts. (Gov. Code §§ 3500 et seq.)
- 5) Provides PERB with authority to resolve disputes and claims of unfair practices between local government employers and their employees. (Gov. Code § 3509.)
- 6) Permits a party aggrieved by a decision of PERB in an unfair practice claim between a local government employer and their employees to appeal the decision to the district court of appeal within 30 days, and includes provisions for PERB to enforce its decisions that are not appealed. (Gov. Code § 3509.5.)
- 7) Contains various employer-employee relations statutes for most public transit districts in the state in each district's enabling statute in the Public Utilities Code, including for AC Transit. Provides provisions governing labor relations between AC Transit and its employees that provide for labor organization and representation, bargaining unit determination, collective bargaining, and various provisions relating

to the incorporation of employee representatives and pensions for employees of acquired facilities or public utilities. (Pub. Util. Code §§ 25051 et seq.)

- 8) Provides that, if a majority of employees employed by AC Transit in an appropriate unit for collective bargaining indicate a desire to be represented by a labor organization, AC Transit must bargain with the representative of those employees, and requires that both parties bargain in good faith and make all reasonable efforts to reach an agreement regarding wages, salaries, hours, working conditions, and grievance procedures. Permits the board of the transit district and the employee representative to submit a dispute regarding wages, salaries, hours, working conditions, and grievance procedures to an arbitration board upon agreement of both parties, as specified. (Pub. Util. Code § 25051.)
- 9) Specifies that, if there is a question regarding whether a labor organization represents a majority of the employees of a bargaining unit, or whether the bargaining unit is not appropriate, the matter must be submitted to the State Conciliation Service for resolution. Requires the State Conciliation Service to promptly hold a public hearing on the dispute, and authorizes it to establish the boundaries of any collective bargaining unit and provide for an election. (Pub. Utilities Code § 25052.)

This bill:

- 1) States that the primary purpose of labor-related provisions of the Transit District Law is to promote the improvement of personnel management and employer-employee relations within the district by providing a uniform basis for recognizing the right of employees to join employee organizations of their own choice, to be represented, to select one employee organization as their exclusive representative, and to afford employees a voice at work.
- 2) Specifies that the labor-related provisions of the Transit District Law do not displace or supplant the provisions related to the public transportation labor disputes and the State Mediation and Conciliation Service, as described in (9), above.
- 3) Permits an exclusive representative for employees of AC Transit to select or move one or more of its represented bargaining units to the jurisdiction of PERB for unfair practices charges, and specifies that such a selection is irrevocable. To make such a selection, it requires the exclusive representative to file notification of such selection with the general counsel of PERB, or their designee, and to serve AC Transit, as specified.
- 4) Provides PERB with the exclusive jurisdiction over the initial determination of whether an unfair practice charge is justified, and if so the appropriate remedy, if a selection is made to provide PERB with jurisdiction over unfair practice charges.

Prohibits PERB from, in an action to recover damages due to an unlawful strike, awarding strike-preparation expenses as damages or awarding damages for costs, expenses, or revenue losses incurred during or as a consequence of an unlawful strike.

- 5) Requires AC Transit to give reasonable written notice to an exclusive representative of its intent to make any changes to matters within the scope of representation of employees represented by the exclusive representative, for the purposes of providing the exclusive representative a reasonable amount of time to negotiate with the district regarding the changes.
- 6) Specifies that PERB shall have jurisdiction to enforce the labor provisions of the Transit District Law, and that the regulations of PERB apply to those provisions. Requires PERB to perform its duties consistent with its regulations, and may make additional regulations to carry out those provisions as emergency regulations.
- 7) Permits a charging party aggrieved by a final decision of PERB regarding an unfair practice charge pursuant to the bill's provisions, except where PERB decides not issue a complaint, to petition for a writ of extraordinary relief from the decision with the district court of appeal with jurisdiction over any county in which the district operates. Requires this petition to be filed within 30 days of the issuance of PERB's decision.
- 8) Requires the court, upon the filing of such a petition appealing PERB's decision, to serve notice of the appeal upon PERB, and requires PERB to file with the court the record of its proceeding within 10 days after receiving notice from the court, unless the court extends this time for good cause. Provides the court with jurisdiction to grant any temporary relief or restraining order it deems proper, and to enforce, modify, modify and enforce, or set aside in whole or in part, PERB's decision. Specifies that the findings of PERB regarding questions of fact shall be conclusive if they are supported by substantial evidence on the record considered as a whole.
- 9) Specifies that, if the time to appeal PERB's decision has passed, PERB may seek enforcement of any final decision or order in a district court of appeal or superior court with jurisdiction over the county where the events giving rise to the decision occurred. Requires PERB to respond within 10 days to any inquiry from a party to the action as to why PERB has not sought court enforcement. Requires that, if PERB's response does not indicate that there has been compliance with the decision or order, it must seek enforcement upon request of the party.
- 10) Requires PERB, in a court proceeding to enforce its decision, to file the record of the proceeding certified by PERB and appropriate evidence disclosing the failure to comply with its decision. Requires the court, if it determines after a hearing that PERB's decision was issued pursuant to the procedures established by PERB and

that the person or entity refuses to comply with the decision, to enforce the decision by writ of mandamus or other proper process. Prohibits the court in such a proceeding from reviewing the merits of PERB's decision.

COMMENTS

1. Author's statement

According to the author:

Like many transit agency employees across California, Alameda-Contra Costa Transit (AC Transit) employees deserve the same impartiality at the Public Employees Relations Board (PERB) in resolving labor disputes. AC Transit remains one of the few public transit districts whose unionized employees do not have access to PERB's expertise on labor law. Instead, unfair labor practice claims must proceed through the superior court, which can be costly and time-consuming for the employees and the agency. AB 1166 simply provides parity and consistency in labor matters for both parties.

2. Labor relations for public employees and their employers

California has multiple laws that provide public employees with collective bargaining rights and govern public employer-employee relations. One of these laws is the Meyers-Milias-Brown Act (MMBA), which governs employer-employee relations between local government employers and their employees. (Gov. Code §§ 3500 et seq.) The MMBA provides employees of these public employers with the right to form and join unions, and specifies how matters of a union's representation of the public employees are to be resolved. Additionally, the MMBA provides the Public Employment Relations Board (PERB) with authority to resolve disputes and claims of unfair practices (practices that constitute a violation of various employer-employee relations provisions or an employee's right to collectively bargain) between local government employers and their employees. (Gov. Code § 3509.)

PERB is a quasi-judicial administrative agency of the state that administers various employer-employee relations statutes that cover various public entities including public schools and colleges, the state, local public agencies, trial courts, the Judicial Council, and specified transportation agencies. PERB resolves disputes between employee organizations and their public employer, certifies union elections, adjudicates unfair labor practice claims, and enforces various statutory duties and rights of public employers and employee organizations. The MMBA permits a party aggrieved by a decision of PERB in an unfair practice claim to appeal the decision to the district court of appeal within 30 days, and includes provisions for PERB to enforce its decisions that are not appealed. (Gov. Code § 3509.5.)

While the MMBA covers many local government employers, it covers only specified transit authorities. This is in part because every regional transit authority is established through its own enabling statute.¹ Thus, the employer-employee relations of most transit authorities are governed by specific labor relations provisions included in the transit authority's enabling statute.

3. The Alameda-Contra Costa Transit District

The Alameda-Contra Costa Transit District (AC Transit) provides and operates public transit in Alameda and Contra Costa counties, including 14 transbay bus lines to the San Francisco peninsula.² As the largest bus-only transit system in the state, it serves more than 40 million riders annually.³ While AC Transit can trace its roots back to 1869, it was formally established as a transit district in 1956 pursuant to its own enabling statute, the Transit District Law (Stats. 1955, Ch. 1036), that permitted the cities and unincorporated areas of Alameda and Contra Costa counties to create a transit district.

As a transit district, AC Transit is an independent special district separate from the county and any city government. It has its own governing board and holds elections for board members. Its enabling statute specifies its operation and governance, and also includes its own labor relations provisions. These provisions require AC Transit's board to determine whether a union is selected by a majority of employees in an appropriate unit to be their labor representative, and requires the AC Transit board to bargain in good faith with that union as the employee's representative if so. (Pub. Util. Code § 25051.) Any question regarding whether the union represents a majority of the employees or whether the bargaining unit is appropriate must be resolved by the State Conciliation Service. (Pub. Util. Code § 25052.) The labor provisions of AC Transit's enabling statute also include a variety of provisions relating to when the district acquires additional facilities with employees with union representation and existing pensions, as well as provisions permitting the AC Transit board to make deductions from employees' paychecks for union dues and benefit contributions. (Pub. Utilities Code §§ 25053-25057.)

4. SB 1166 would provide AC Transit employees with the ability to have their Unfair labor practices adjudicated by PERB

The AC Transit's enabling statute does not address unfair labor practices nor provide a process for such unfair labor practices claims to be adjudicated. Moreover, AC Transit is

¹ See, *Rae v. Bay Area Rapid Transit Supervisory and Professional Association* (1980) 114 Cal. App. 3d 147 (ruling that the MMBA did not apply to the Bay Area Rapid Transit District because it was governed by its own statute that existed before the enactment of the MMBA, and the MMBA did not intend to supplant such existing statutes).

² AC Transit, "About AC Transit," (accessed Mar. 19, 2026), <https://www.actransit.org/about>.

³ AC Transit, "Ridership, Buses, and Service," (Accessed Mar. 19, 2026), <https://www.actransit.org/ridership>.

not governed by the MMBA, as it was established before the enactment of the MMBA. Thus, the MMBA's provisions that otherwise address unfair labor practices and provide PERB with authority to adjudicate unfair labor practice claims do not apply to AC Transit. Because of this, employees of AC Transit have limited options when AC Transit violates the labor provisions of AC Transit's enabling statute or interferes with employees' labor rights. Instead of adjudicating their claim before PERB, they must attempt to resolve it through contractual grievance procedures, arbitration under AC Transit's enabling statute provisions, or through a petition before the superior court. The author asserts that pursuing these claims in court rather than before PERB is costly and can take time, and denies AC Transit employees access to PERB's expertise in public employee-employer relations law.

To correct this, SB 1166 creates provisions in AC Transit's enabling statute that provide PERB with jurisdiction over unfair labor practice charges, if selected by the labor representative of a bargaining unit of AC Transit employees. Once a bargaining unit has elected to have their unfair labor practices adjudicated by PERB, PERB would have the exclusive jurisdiction over the initial determinations of whether the charge is justified and of the appropriate remedy. AB 1166 provides PERB with the authority to enforce AC Transit's labor provisions of its enabling statute, requires PERB to do so consistent with its regulations, and permits PERB to make additional regulations. In an action to recover damages due to an unlawful strike, PERB would be prohibited from awarding damages for costs, expenses, or revenue losses incurred by AC Transit during, or as a consequence of, that unlawful strike. In addition, SB 1166 requires AC Transit to give a labor representative reasonable written notice of its intent to make any change to matters within the scope of the representative's representation of its employees, so that the labor representative has a reasonable amount of time to negotiate with AC Transit regarding the changes.

SB 1166 also provides a process by which an aggrieved party can appeal a final decision of PERB on an unfair labor practice. It permits the aggrieved party, except in the case where PERB decides not to issue a complaint for an unfair labor practice charge, to petition to the district court of appeal with jurisdiction over any county in which AC Transit operates. The aggrieved party must do so within 30 days of the issuance of the decision in order to be able to appeal. SB 1166 requires the court to serve the appeal upon PERB, and requires PERB to file with the court the record of the PERB proceeding within 10 days of receiving notice of the appeal. The court would then have authority to grant temporary relief from PERB's decision, and to enforce, modify, or modify and enforce, or set aside all or any part of PERB's decision. However, the court would have to determine PERB's factual findings are conclusive, if they are supported by substantial evidence.

If no party appeals PERB's final decision, PERB would be empowered to enforce its decision in court. If a party makes an inquiry to PERB as to why it has not taken action to enforce its decision, SB 1166 would require PERB to respond within 10 days, and

would require PERB to enforce the decision upon request of the party if the liable party has not complied with the decision.

5. Other transit districts have enacted similar provisions

SB 1166's provisions are substantially similar to the provisions related to unfair labor practices and appeals of PERB decisions in the MMBA. In addition, they are identical to the provisions added to the enabling statutes of various other transit districts over the years, including for the Santa Clara Valley Transportation Authority (AB 2524 (Kalra) Ch. 789, Stats. 2022; AB 1510 (Committee on Public Employment and Retirement) Ch. 454, Stats. 2025; Pub. Util. Code §§ 100300 et seq.), the Sacramento Regional Transit District (SB 598 (Pan) Ch. 492, Stats. 2021; Pub. Util. Code §§ 102398 et seq.), and the San Francisco Bay Area Rapid Transit District (AB 2850 (Low) Ch. 293, Stats. 2020; Pub. Util. Code §§ 28848 et seq.).

SUPPORT

American Federation of State, County, and Municipal Employees, AFL-CIO (AFSCME) (co-sponsor)

American Federation of State, County, and Municipal Employees, AFL-CIO (AFSCME) District Council 57 (co-sponsor)

American Federation of State, County, and Municipal Employees, AFL-CIO (AFSCME) Local 3916 (co-sponsor)

OPPOSITION

None received

RELATED LEGISLATION

Pending Legislation: None.

Prior Legislation:

AB 1510 (Committee on Public Employment and Retirement, Ch. 454, Stats. 2025) permitted an aggrieved party of a decision or order of PERB relating to an unfair labor practice involving the Santa Clara Valley Transportation Authority to appeal the decision or order to a district court of appeal, and provided provisions for the enforcement of a final decision or order of the board that is not appealed.

AB 2524 (Kalra, Ch. 789, Stats. 2022) authorized PERB jurisdiction over disputes relating to employer-employee relations of the Santa Clara Valley Transportation Authority for those exclusive representatives that have elected to move one or more of its bargaining units to the jurisdiction of the PERB for unfair practice charges.

SB 957 (Laird, Ch. 240, Stats. 2022) transferred jurisdiction over unfair labor practice charges involving the Santa Cruz Metropolitan Transit District from the judicial system to PERB.

SB 598 (Pan, Ch. 492, Stats. 2021) provided exclusive employee organizations with the option of transferring jurisdiction over unfair labor practice charges for their represented bargaining units within Sacramento Regional Transit from the judicial system to PERB.

AB 2850 (Low, Ch. 293, Stats. 2020) gave PERB jurisdiction over unfair labor practices involving employees of the Bay Area Rapid Transit District.

SB 987 (Breed, Ch. 1036, Stats. 1955) created the Transit District Law that permitted the cities and unincorporated areas of Alameda and Contra Costa counties to create a transit district, and specified the operation and management of such a transit district, including with regard to labor relations with its employees.

PRIOR VOTES:

Senate Labor, Public Employment and Retirement Committee (4 Ayes, 1 Noes)
