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**SENATE COMMITTEE ON ENERGY, UTILITIES AND  
COMMUNICATIONS**

**Senator Josh Becker, Chair  
2025 - 2026 Regular**

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<b>Bill No:</b>	SB 544	<b>Hearing Date:</b>	3/24/2025
<b>Author:</b>	Laird		
<b>Version:</b>	2/20/2025	Introduced	
<b>Urgency:</b>	No	<b>Fiscal:</b>	Yes
<b>Consultant:</b>	Sarah Smith		

**SUBJECT:** Railroad crossings: permit applications: review

**DIGEST:** This bill allows the California Public Utilities Commission (CPUC) to establish an expedited review and approval process for railroad crossing applications that are uncontested and do not need additional review or evidentiary hearings.

**ANALYSIS:**

Existing law:

- 1) Defines a “public utility” as every common carrier, toll bridge corporation, pipeline corporation, gas corporation, electrical corporation, telephone corporation, telegraph corporation, water corporation, sewer system corporation, and heat corporation. Existing law provides the CPUC with authority to regulate public utilities. (Public Utilities Code §216)
- 2) Specifies that the definition of a “common carrier” includes every railroad corporation, street railroad corporation, and specified car corporation accepting compensation for transportation. (Public Utilities Code §211)
- 3) Requires approval from the CPUC before an applicant can construct a public road, highway, or street across a railroad track. (Public Utilities Code §1201)
- 4) Provides the CPUC with exclusive authority to prescribe standards for railroad crossings, including the location, installation, operation, maintenance, and use of crossings. (Public Utilities Code §1202)
- 5) Requires the CPUC to determine whether each proceeding is a quasi-legislative, an adjudication, a rate-setting, or a catastrophic wildfire proceeding. Existing law establishes procedural requirements, including certain deadlines, for each type of proceeding. Existing law requires a pre-hearing conference and scoping

memo for every CPUC adjudication or ratesetting proceeding. (Public Utilities Code §1701.1)

This bill:

- 1) Clarifies the information an applicant must include in a railroad crossing application submitted to the CPUC. Under this bill, the application must include at least the following information:
  - a) A description of the location of the proposed crossing and plans that show all of the features of the crossing.
  - b) A specified map showing the relation of the proposed crossing to existing roads and railroads in the general vicinity of the proposed crossing.
  - c) A profile showing the ground line and grade line and rate of grades of approach on all highways and railroads affected by the proposed crossing.
  - d) A copy of the franchise or permit that allows the railroad to cross the public road, highway, or street.
  - e) Any applicable safety and regulatory measures required by the CPUC.
- 2) Allows the CPUC to establish an expedited review and approval process for railroad crossing applications that are uncontested and do not need additional review or evidentiary hearings.

## **Background**

*CPUC's authority over railroad crossings.* While most of the authority to regulate railroads now rests with the federal government, the CPUC maintains a role in enforcing railroad safety. The CPUC's Rail Crossings and Engineering Branch evaluates requests for the modification or construction of rail crossings to ensure that these crossings comply with safety requirements. CPUC's General Order 88-B establishes rules for modifying existing public highway-railroad crossings and specifies a process for CPUC staff to approve these modifications. However, the CPUC must receive a formal application for the construction of new rail crossings and modifications to crossings where parties cannot agree to the changes needed for the crossing.

*CPUC reforms expanded proceeding requirements in 2016.* As part of its regulatory duties, the CPUC administers proceedings to obtain evidence and input from staff and stakeholders. The input provided at these hearings helps create a record of the information the CPUC uses to render regulatory decisions. To ensure transparency regarding CPUC decisions and fairness across stakeholder groups appearing before the CPUC, the CPUC adheres to a formal set of rules governing

its practices and procedures. The CPUC adopts these rules in accordance with certain statutory requirements for different types of proceedings.

In 2016, the Legislature passed SB 215 (Leno, Chapter 807, Statutes of 2016) to increase disclosure requirements regarding ex-parte communications and reform CPUC proceeding requirements. This legislation followed concerns about extensive ex-parte communications occurring between utility officers and certain CPUC staff and commissioners at that time. Ex-parte communication occurs when substantive discussions occur between a CPUC decision-maker and a stakeholder that has an interest in a proceeding before the CPUC. In addition to enhancing disclosure of ex-parte communication, SB 215 also specified that every CPUC adjudication or ratesetting proceeding must start with a pre-hearing conference and a scoping memo setting forth the issues that will be considered in the proceeding.

Since the enactment of the pre-hearing conference and scoping memo requirements in SB 215, the length of certain CPUC proceedings have increased – even when an application is uncontested and has no substantive ratepayer or policy impact. Prior to the implementation of the pre-hearing conference and scoping memo requirements in SB 215, the CPUC generally adjudicated uncontested rail crossing applications within six months. Following the addition of the pre-hearing conference and scoping memo requirements, the length of these uncontested proceedings doubled to 12 months. This bill is one of several bills heard by this committee in recent years aimed at striking a balance between the need to ensure transparency and fairness at the CPUC and efficient use of CPUC resources to reach timely decisions for applicants.

### **Prior/Related Legislation**

SB 506 (Laird, Chapter 288, Statutes of 2023) required the CPUC to create a pilot project to test the use of color pavement markings at at-grade highway-railroad crossings, to the extent permitted by federal law.

SB 599 (Hueso, Chapter 703, Statutes of 2022) made various changes to existing law governing ex-parte communications that occur outside the official record of a CPUC proceeding. Specifically, the bill clarified law regarding the quiet period occurring three days before a CPUC voting meeting. The bill made other conforming changes.

SB 605 (Hueso) of 2020 would have modified requirements for “quiet periods” during ratesetting and catastrophic wildfire proceedings. The bill would have also shifted certain pre-hearing conference requirements from mandatory to permissive and allowed remote participation in pre-hearing conferences when practicable. The bill died in the Assembly.

SB 1054 (Holden, Chapter 79, Statutes of 2019) made a number of changes to existing law regarding utility wildfire mitigation and recovery, including defining “catastrophic wildfire proceedings” and requiring the CPUC to establish procedures for these proceedings.

SB 1358 (Hueso, Chapter 519, Statutes of 2018) among other changes, required the assigned commissioner, rather than the full CPUC commission, to determine whether a proceeding requires a hearing.

SB 215 (Leno, Chapter 807, Statutes of 2016) made various modifications to law governing the CPUC’s rules of practice and procedure to expand transparency for proceedings and reform rules for ex-parte communication occurring outside the official record of a proceeding.

**FISCAL EFFECT:** Appropriation: No Fiscal Com.: Yes Local: No

**SUPPORT:**

None received

**OPPOSITION:**

None received

**ARGUMENTS IN SUPPORT:** According to the author:

“Senate Bill 544 creates a more efficient review process for uncontested rail crossing applications, minimizing delays that could jeopardize time-sensitive funding. In 2016, Senate Bill 215 (Leno, Chapter 807) created procedural requirements for any California Public Utilities Commission (CPUC) rate setting or adjudicatory proceeding. While it improved transparency and accountability, it also extended the workload and timeline for the application approvals, including for rail crossing applications that don’t receive any opposition. Many rail projects rely on time-sensitive funding that could be lost if applications are not approved in a timely manner. Senate Bill 544 allows the CPUC to create an expedited review process for uncontested rail crossing applications, increasing efficiency without compromising the review procedure for more complex or contested applications.”

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