#### SENATE COMMITTEE ON ENERGY, UTILITIES AND COMMUNICATIONS Senator Josh Becker, Chair 2025 - 2026 Regular

Bill No:	AB 1532		Hearing Date:	7/1/2025	
Author:	Committee on Communications and Conveyance				
Version:	6/5/2025	Amended			
Urgency:	Yes		Fiscal:	Yes	
<b>Consultant:</b>	Sarah Smith				

**SUBJECT:** Public Utilities Commission

**DIGEST:** This bill re-establishes the surcharge funding the Deaf and Disabled Telephone Program (DDTP), extends the Access for All (AFA) program, and requires the California Public Utilities Commission (CPUC) to establish rules regarding CPUC commissioners' attendance at CPUC hearings. This bill also requires a CPUC commissioner to appear at a legislative hearing at the request of the Chair of a legislative committee with jurisdiction over budget and policy issues relevant to the CPUC.

#### **ANALYSIS:**

Existing law:

- 1) Establishes the CPUC to fix rates, establish rules, examine records, issue subpoenas, administer oaths, take testimony, punish for contempt, and prescribe a uniform system of accounts for all public utilities subject to its jurisdiction. Under existing law, the CPUC consists of five members appointed by the Governor and confirmed by the Senate. The Legislature may remove a CPUC commissioner for incompetence, neglect of duty, or corruption with a 2/3 vote in each house. Existing law authorizes the CPUC to establish its own procedures, subject to statute and due process. Any commissioner as designated by the CPUC may hold a hearing or investigation or issue an order subject to CPUC approval. (Article 12 of the California Constitution)
- 2) Establishes requirements for CPUC hearings. Under existing law all hearings, investigations, and proceedings must comply with rules of practice and procedure adopted by the CPUC. Existing law requires the CPUC to determine whether a proceeding is a quasi-legislative, adjudication, ratesetting, or catastrophic wildfire proceeding. Existing law specifies requirements for each type of proceeding. Existing law generally requires an Administrative Law Judge (ALJ) to preside over, or assist a commissioner in presiding over, any evidentiary or adjudication hearing. (Public Utilities Code §§1701,1701.1)

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- 3) Existing law requires the CPUC to establish a procedure for any party to request the presence of a CPUC commissioner at a ratesetting hearing, and existing law requires the assigned commissioner to be present at any closing arguments in a rate case. Existing law requires the principal hearing officer to present a proposed decision in a ratesetting case to the full commission in a public meeting. This presentation must contain a record of the number of days of the hearing, the number of days that each commissioner was present, and whether the CPUC completed the decision in time. (Public Utilities Code §1701.3)
- 4) Requires the CPUC president to assign a CPUC commissioner to act as the presiding officer in a catastrophic wildfire proceeding following the submission of an application by an electrical corporation regarding covered wildfire costs. (Public Utilities Code §1701.8)
- Requires the CPUC to prepare an annual report on its activities and performance and requires the president of the CPUC to appear annually before the appropriate policy committees of the Legislature to present the report. (Public Utilities Code §§910 and 321.6)
- 6) Establishes the DDTP, which provides devices and services, including the California Relay Service, for individuals with hearing disabilities. Existing law authorized the CPUC to collect a surcharge on in-state telecommunications access lines to fund the DDTP until January 1, 2025. (Public Utilities Code §2881)
- 7) Establishes the AFA program by directing the CPUC to set a per-trip fee on transportation network company (TNC) rides to fund on-demand accessible transportation programs or partnerships to meet the needs of persons with disabilities in geographic areas of the state designated by the CPUC. Under existing law, the AFA program sunsets on January 1, 2026. (Public Utilities Code §5440.5)

This bill:

- 1) Extends the DDTP surcharge from January 1, 2025, to January 1, 2031.
- 2) Extends the TNC AFA program from January 1, 2026, to January 1, 2032.
- 3) Requires the CPUC to adopt rules governing commissioner attendance at hearings.

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4) Requires a CPUC commissioner to appear at a legislative hearing at the request of the chair of a Senate or Assembly committee with jurisdiction over budget or policy matters related to the CPUC.

#### Background

Bill re-establishes the DDTP surcharge, extending funding for telecommunications support to Californians with certain disabilities. Existing law establishes the DDTP to provide telecommunications devices to individuals with hearing disabilities. The DDTP is overseen by the CPUC and funded through a surcharge on in-state telecommunications access lines. The DDTP includes several different programs: the California Relay Service (CRS), the Equipment Distribution Program, and Augmentative and Alternative Communication (AAC). The CRS enables individuals who have hearing and speech limitations to communicate with other telephone users through trained communications assistants that relay discussions. The Equipment Distribution Program provides specialized telecommunication devices and equipment that help individuals who have certain disabilities. The AAC program is a collaboration with the Department of Rehabilitation, which uses funding from the DDTP to provide speech generating devices to eligible Californians. The DDTP surcharge has been extended numerous times. However, legislation did not extend the surcharge last year. As a result, the DDTP surcharge effectively sunset on January 1, 2025. Despite the lapse in surcharge collection, the DDTP maintained a limited surplus in funding. The DDTP continues to operate in the absence of the surcharge extension by spending down this limited surplus. However, maintaining the operation of the DDTP through the next fiscal year will require new moneys. This bill's extension of the DDTP surcharge would ensure the continued operation of the DDTP once the existing surplus is exhausted. The Governor has also proposed extending the DDTP's funding as part of budget legislation. Should a budget trailer bill include a DDTP extension, this bill may need amendments to prevent chaptering issues.

# Bill extends the AFA program, which helps fund on-demand accessible transportation to individuals with disabilities. Prior legislation (SB 1376, Hill,

Chapter 701, Statutes of 2018) required the CPUC to establish the TNC AFA Fund to provide competitive grants to transportation access providers for the purposes of supporting on-demand transportation options for individuals with disabilities, including Californians who require a wheelchair accessible vehicle (WAV) for transportation. Under existing law, this fund is supported by a surcharge of at least \$0.05 on each TNC ride. TNCs must submit revenues from this surcharge to the TNC AFA Fund on a quarterly basis. Grants provide by the AFA program are intended to address the extent to which many vehicles operated by TNC drivers are not accessible for individuals with certain disabilities, which limits the extent to

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which on-demand transportation options are available for these Californians. Frequently, WAV on-demand services are unavailable in many communities and are operated by a limited number of transportation providers that specialize in services for individuals for disabilities. Even in areas where on-demand WAV services exist, the cost for these services is substantial – far exceeding other ondemand transportation options like TNC rides and taxis. Grants from the AFA program fund WAV rides through two mechanisms: funding to TNCs to help offset the costs for making rides with WAV drivers more accessible and local access fund administrators (LAFAs) that provide subsidized accessible transportation services through programs at the local level. TNCs must meet certain benchmarks to obtain incentives through the AFA program.

Data submitted to the CPUC by participating TNCs indicates that costs for ondemand WAV rides through TNCs remain higher, with longer wait times than rides that do not require WAVs; however, data also indicates that costs for WAV rides in TNCs has declined over the course of the program while the volume of riders requesting rides has increased. While the CPUC's reports on the data reported by TNCs indicates that more work is needed to make services more timely and less costly, the data also shows that the program is substantially expanding access to on-demand WAV rides. For grants provided to local transportation programs, the CPUC's data also shows that the volume of Californians with disabilities accessing WAVs through the program is increasing. The CPUC's February 2025 report on the program's benchmarks for 2023 an 2024 states: "Newly available data from LAFAs this year shows demand for WAVs in the thousands of ride requests each quarter, averaging 9,097 ride requests per quarter from Q3 2023 to Q2 2024." The CPUC continues to provide funding cycles for counties' LAFAs to obtain grants. The CPUC's February 2025 report notes:

To date, CPUC has awarded a total of \$35.7M Access Funds to Local Access Fund Administrators. Of the \$35.7M, \$12.4M was awarded in Cycle 4 for funding year 2024-2025. On April 1, 2024, the CPUC received 12 LAFA applications for Cycle 4, including four MPOs, two RTPAs, four CTCs, and two Public Transit Agencies.

Existing law sunsets the AFA program on January 1, 2026. This bill would extend the program's operation until January 1, 2032. This bill extension would allow the CPUC to continue to fund programs that scale up and lower the cost of on-demand WAV transportation.

Bill aims to address issues in the Assembly regarding commissioners' availability for Legislative oversight hearings. This bill requires a CPUC commissioner to appear before a legislative committee with relevant jurisdiction at the request of that committee's chair. According to the author's office, this requirement is intended to address concerns about specific commissioners' availability to appear at legislative oversight hearings. The author's office has indicated that on two occasions, legislative committees in the Assembly have experienced difficulty obtaining the attendance of a CPUC commissioner at oversight hearings. On February 12, 2025, the Assembly Communications and Conveyance Committee held an oversight hearing attended by CPUC Commissioner John Reynolds. At the hearing, several members of the Assembly commented on challenges the committee faced in securing the attendance of a commissioner. Information provided by the author's office to the Senate Energy, Utilities and Communications Committee shows that the following events led to this discussion during the oversight hearing:

- February 3, 2025: The Assembly Communications and Conveyance Committee sent an email to the CPUC requesting the attendance of a specific CPUC commissioner at the committee's February 12<sup>th</sup> oversight hearing.
- February 3, 2025: The CPUC indicates that they are unable to send the specific commissioner requested and instead say that staff best positioned to answer program questions will attend the hearing.
- February 5, 2025: Assembly Communications and Conveyance Committee request the CPUC to reconsider sending a commissioner to attend the hearing.
- February 5, 2025: The CPUC responds, informing the committee that the CPUC is not reconsidering the attendance of a commissioner.
- February 10, 2025: Seven of the Assembly Members sitting on the Assembly Communications and Conveyance Committee signed a letter sent to the CPUC imploring the CPUC to send a commissioner to attend the oversight hearing.
- February 12, 2025: Commissioner John Reynolds attends the oversight hearing and CPUC President Alice Reynolds sends a signed letter to the Assembly Communications and Conveyance Committee apologizing for the miscommunication regarding scheduling conflicts and the attendance of a commissioner at the hearing. President Reynolds expresses a commitment to better coordinating communication to ensure commissioner attendance at hearings.

Are statutory changes needed to compel commissioners to attend legislative hearings? While it is clear that CPUC commissioner attendance was not effectively coordinated for the Assembly committee's February 12<sup>th</sup> hearing, it is less clear that these issues are pervasive throughout the Legislature and that statutory changes are needed. With notable exceptions, existing law does not

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generally require the attendance of a specific commissioner at legislative hearings. Existing law requires the President of the CPUC to annually appear before the relevant policy committees in the Legislature to present information included in the CPUC's annual report. As a result, the President of the CPUC annually testifies before the Assembly Utilities and Energy Committee and the Senate Energy, Utilities and Communications Committee. In addition to attending the annual CPUC oversight hearings required by statute, the CPUC president has consistently testified at other oversight hearings.

This bill requires a CPUC commissioner to attend a legislative hearing at the request of a chair of a policy or budget committee with relevant jurisdiction. This bill does not specify which committees have relevant jurisdiction over CPUC issues, and it does not clarify whether the CPUC may meet this obligation with the attendance of any CPUC commissioner if a specific commissioner is unavailable for the hearing date. Statute already addresses circumstances in which a committee requires the testimony of a specific individual who refuses to appear at a hearing. Existing law (Government Code §37104) establishes the Legislature's subpoena power. This law specifies the Legislature's power to compel individuals to attend hearings or produce records and testimony at hearings. Existing law states: "The legislative body may issue subpoenas requiring attendance of witnesses or production of books or other documents for evidence or testimony in any action or proceeding pending before it." In 1999, the Assembly Rules Committee adopted a legislative subpoena policy. This policy was intended to set forth the requirements for seeking a legislative subpoena in those circumstances in which an individual refuses a request to appear before the committee. The Assembly's policy requires a committee chair to obtain approval from the Assembly Rules Committee before issuing a subpoena, and it requires the committee to submit a subpoena request at least 14 days before the hearing date. Under the Assembly's policy, the committee must seek a potential witness's voluntary attendance in writing. The Assembly Rules Committee may only consider a committee's request for a subpoena after a witness has refused to voluntarily attend. In addition to the Assembly's policy on legislative subpoenas, existing Senate hearing guidelines and the Joint Legislative Rules establish procedures for committee hearings and subpoena requests. By establishing a requirement to compel the attendance of a specific CPUC commissioner outside existing Senate and Assembly hearing guidelines and subpoena policies, this bill may imply that certain legislative committees have greater authority than others to compel commissioner attendance.

*Bill's provisions regarding commissioner attendance at CPUC hearings may not be beneficial.* In addition to requiring commissioners to appear at legislative hearings, this bill also requires the CPUC to adopt rules regarding commissioner attendance at CPUC hearings. According to the author's office, this requirement is

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intended to address concerns that CPUC commissioners are not attending a sufficient amount of the total hearings held by the CPUC. The author's office cites annual report regarding the status of CPUC proceedings, which also provides information about commissioner attendance at all the hearings conducted for these proceedings. Below is a table summarizing data from the most recent annual report on the status of CPUC proceedings showing the number hearing days attended by a CPUC commissioner or presided over by a CPUC commissioner.

	Total	Attended by a Commissioner	Commissioner Presiding
Number of	273	65	0
<b>Hearing Days</b>			
Percentage of	100%	23.8%	0%
<b>Hearing Days</b>			

While this report may indicate that CPUC commissioners rarely preside over hearing days and attend a small portion of hearings administered by the CPUC, the overwhelming majority of these hearings are prehearing conferences, oral arguments, and other evidentiary hearings that are intended to build the record of the proceeding. With notable exemptions, existing law generally requires ALJs to preside over these hearings. Exemptions in existing law include requiring a designated commissioner to preside over covered wildfire proceedings. While the CPUC's report does not provide greater detail about the hearings attended by commissioners, it is likely that many of these hearing days are en banc or public participation hearings, which are more public-facing events intended to engage directly with members of the public who are not intervenors regularly appearing before the CPUC. Requiring the attendance of a commissioner at more hearings may slow down the hearing process in order to align hearing dates to commissioner schedules, which could unnecessarily delay CPUC decisions. Additionally, a commissioner attending specific hearing days may only obtain an understanding of the evidence presented on those days, which may not reflect the entire evidentiary record considered at voting meetings.

*Need for Amendments*. As currently written, this bill may require the CPUC to adopt rules regarding commissioner attendance at CPUC hearings that could unnecessarily slow CPUC proceedings and prevent all evidence in a proceeding's record from receiving equal consideration. This bill also contains an extension of the DDTP that is already included in legislation for the 2025-26 Budget Act. *As a result the author and committee may wish to amend this bill to delete Sections 1 and 3 of this bill.* 

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This bill's provisions regarding commissioners' attendance at legislative hearings may create conflicts and inconsistencies for legislative policies and committee procedures. Additionally, existing law and legislative policies already set for a subpoena process to address circumstances in which any individual refuses to respond to a committee chair's request to appear at a hearing. *To ensure that the Assembly Communications and Conveyance Committee has oversight opportunities similar to those provided in existing law for this committee and the Assembly Utilities and Energy Committee, the author and committee may wish to amend this bill to do the following:* 

- Delete subdivision (b) in Section 2 of this bill and
- Clarify that in addition to annually appearing before the Senate and Assembly energy committees, the CPUC's President must also annually appear before the Assembly Communications and Conveyance Committee to report on relevant activities included in its annual report to the Legislature.

*Dual Referral*. Should this bill be approved by this committee, it will be re-referred to the Senate Transportation Committee.

## **Prior/Related Legislation**

SB 544 (Laird) of 2025, 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. The bill is currently pending in the Assembly.

AB 497 (Santiago, Chapter 287, Statutes of 2019) extended the operation of the DDTP until January 1, 2025.

AB 1514 (Patterson, Chapter 291, Statutes of 2019) authorized nurse practitioners to certify an individual as having a qualifying disability for the purpose of DDTP eligibility.

SB 1376 (Hill, Chapter 701, Statutes of 2018) established the AFA program by directing the CPUC to set a per-trip fee on TNC rides to fund on-demand accessible transportation programs or partnerships to meet the needs of persons with disabilities in geographic areas of the state designated by the CPUC. Under existing law, the AFA program sunsets on January 1, 2026.

FISCAL EFFECT: Appropriation: Yes Fiscal Com.: Yes Local: Yes

### **SUPPORT:**

City and County of San Francisco Marin Center for Independent Living

#### **OPPOSITION:**

None received

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

The content of this bill covers a scope of issues directly pertaining to the jurisdiction and experience of the Communications & Conveyance committee. Specifically, it extends the state's ability to fund two programs administered by the CPUC that provide critical assistance to disabled Californians. The bill also includes new accountability measures for the CPUC based on this committee's experience in engaging in oversight of the CPUC's programs during a committee oversight hearing, wherein the committee discovered concerning trends about CPUC Commissioner attendance at hearings.

-- END --