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

Bill No:	AB 1423	**Hearing Date:**	7/7/2025
Author:	Irwin		
Version:	6/26/2025 Amended		
Urgency:	No	**Fiscal:**	Yes
Consultant:	Sarah Smith		

SUBJECT: Transportation electrification: electric vehicle charging stations: payment methods: uptime: regulations: violations

DIGEST: This bill repeals existing requirements for electric vehicle (EV) chargers to accept credit card payments, expands the scope of chargers subject to the California Energy Commission's (CEC's) EV charger recordkeeping and reporting requirements, and authorizes the CEC to establish civil money penalties and refer cases to the Attorney General when the owners of an EV charger violates the CEC's recordkeeping and reporting rules.

ANALYSIS:

Existing law:

1) Requires the CEC to conduct a statewide assessment every two years of EV charging infrastructure needed to support the levels of EV adoption required for the state to meet its goals of putting at least five million zero-emission vehicles (ZEVs) on California roads by 2030, and of reducing emissions of greenhouse gases (GHG) to 40% below 1990 levels by 2030. (Public Resources Code §25229)

2) Requires the CEC to define "uptime" for the purposes of calculating the time when an EV charger is functioning and available for use and requires the CEC to develop uptime recordkeeping and reporting standards for EV chargers and charging stations by January 1, 2024. These recordkeeping and reporting requirements may only apply to EV chargers and stations installed on or after January 1, 2024, and they must apply for a minimum of six years unless the CEC specifies a longer time span is necessary. (Public Resources Code §25231.5)

3) Requires the CEC to assess the uptime of charging station infrastructure every two years, starting on January 1, 2025. (Public Resources Code §25231.5)

4) Excludes chargers at residential properties with four or fewer units from the recordkeeping and reporting requirements and authorizes the CEC to consider other reliability metrics. (Public Resources Code §25231.5)

5) Defines "network roaming" as the act of a member of one EV changing station billing network using a charging station that is outside of the member's billing network with the member's billing network account. (Health and Safety Code §44268)

6) Establishes payment and billing standards for EV chargers. Provides the CEC with the authority to implement and adopt EV charger payment and billing standards, starting on July 10, 2023. Existing law specifies that the California Air Resources Board (CARB) has the authority to enforce EV charger payment and billing standards until the CEC adopts new payment and billing standards. Existing law specifies that any standards adopted by the CEC will supersede any regulations adopted by CARB. (Health and Safety Code §44268.2)

7) Prohibits an EV charger owner-operator from requiring consumers to pay a subscription fee or obtain membership in a club, association, or organization as a condition of using the station. (Health and Safety Code §44268.2)

8) Requires public disclosure of the total actual charges for using an EV charging station at the point of sale, including any additional network roaming charges for non-members. (Health and Safety Code §44268.2)

9) Requires chargers that require payment to facilitate payment with major credit cards using a contactless payment method. For the purposes of this requirement "contactless payment method" means a secure method for consumers to purchase services using a debit card, credit card, smartcard, or another payment device, by using radio frequency identification (RFID) technology and near-field communication (NFC). Chargers must also provide a toll free phone or text system to allow the customer to initiate and pay for charging. Under existing law, the CEC may modify payment methodologies in light of changing technologies through regulations. These regulations may not take effect sooner than January 1, 2028. (Health and Safety Code §44268.2)

10) Requires publicly accessible direct current fast chargers (DCFCs) installed on or after July 10, 2023, to offer plug and charge payment capabilities. (Health and Safety Code §44268.2)

11) Establishes the Clean Transportation Program (CTP), which is administered by the CEC to fund the development of ZEV technologies and fuels, including the deployment of EV chargers. (Health and Safety Code §44272 et. seq.)

12) Requires the CEC to set standards by January 1, 2025, to establish requirements for how EV charging stations that receive CTP grants or ratepayer funds will notify customers about the availability and accessibility of publicly available charging infrastructure. Existing law specifies that this requirement does not impact the CEC's existing authority to include reporting or reliability requirements as a condition of obtaining grant funds. (Public Resources Code §25231.5)

13) Requires the CEC to complete an assessment of major energy trends and report those trends in the Integrated Energy Policy Report (IEPR) every two years. Existing law authorizes the CEC to establish a data collection system to support assessments needed in the IEPR. Under existing law, the CEC may assess financial penalties on persons who fail to submit data as required. Existing law allows the CEC to assess a penalty between $500 and $2000 for each category of data the person did not provide and for each day the violation occurred. (Public Resources Code §§25320-25321)

This bill:

1) Repeals existing law that requires EV chargers installed after July 10, 2023, to accept credit card payment, including contactless credit card payment options.

2) Allows DCFCs to offer charging services on a subscription or member-only basis if the DCFC allows non-subscribers or non-members to use the DCFC through plug-and-charge systems or a payment system adopted by the CEC.

3) Allows Level 1 and Level 2 EV chargers to offer charging services on a subscription or member-only basis if the charger also allows non-subscribers or non-members to pay for charging using via text message.

4) Authorizes the CEC to adopt regulations modifying this bill's payment requirements while specifying that the CEC may not adopt these regulations sooner than January 1, 2028.

5) Expands the scope of chargers subject to the CEC's existing recordkeeping and reporting regulations for chargers installed after January 1, 2024, to apply these standards to chargers installed pursuant to consent decrees between the CARB, Volkswagen AG, and the United States Department of Justice (DOJ).

6) Recasts existing law requiring the CEC to refrain from updating its recordkeeping and reporting requirements for EV chargers installed after January 1, 2024, for at least six years unless the CEC determines that the rules should be maintained for a longer period of time.

7) Requires the CEC to adopt additional recordkeeping and reporting requirements by January 1, 2027, for EV chargers installed between January 1, 2021, and January 1, 2024. Specifies that the CEC's new recordkeeping and reporting requirements must apply to chargers that received an incentive from a state agency, an incentive funded through a charge on ratepayers, and those installed pursuant to consent decrees between the California Air Resources Board, Volkswagen AG, and the United States DOJ. Specifies that any standards adopted for chargers installed between 2021 and 2024 must apply for a minimum of six years and may not require EV charger owners to submit retroactive data.

8) Requires the CEC to consider the following factors when adopting recordkeeping reporting requirements for chargers installed between 2021 and 2024:

   a) The technological capability of the charging station.
   b) The potential for the standards to result in charging station closure.
   c) The likelihood of near-term charging station replacement.
   d) The cost of implementing the uptime recordkeeping and reporting standards.
   e) Other factors the commission considers appropriate.

9) Exempts commercial fleet charging stations that are not publicly available parking spaces from the CEC's recordkeeping and reporting requirements in addition the existing exemption provided for private residences of four or fewer units.

10) Establishes financial penalties for violating the CEC's recordkeeping and reporting requirements. Specifically, this bill does the following:

   a) Authorizes the CEC to use its IEPR data collection penalty structure to ensure compliance with recordkeeping and reporting requirements.
   b) Authorizes the CEC to assess a civil money penalty structure for chargers that fail to meet the CEC's uptime requirements, as specified. A penalty may not exceed $2,500 for each violation. Under this bill, the CEC's Executive Director may increase the civil money penalty specified in this

bill based on increases to the Consumer Price Index without adopting regulations pursuant to the Administrative Procedure Act.

11) Requires the CEC to forbear from assessing financial penalties in circumstances where adequate notice about regulatory requirements has not occurred. This bill expressly exempts any chargers installed pursuant to the CARB, Volkswagen, federal DOJ consent decree from receiving this forbearance.

12) Specifies that penalty revenues must be deposited into the General Fund.

13) Authorizes the CEC to seek an injunction or pursue a civil action against a party in the event that the CEC finds that the party violates the recordkeeping and reporting regulations or may be in the process of violating the CEC's regulations.

Background

Instant replay: Legislature has passed multiple measures in recent years aimed at addressing EV charger reliability. Charger reliability concerns are a subset of larger consumer concerns about charger availability. EV drivers' range anxiety is exacerbated by the lack of ubiquitously available EV charging. While many EV homeowners charge at home, renters and EV owners in multifamily dwellings are more likely to lack opportunities to charge at home. Additionally, EV drivers with longer commutes may experience a scarcity of charging opportunities in certain areas, increasing their reliance on a small number of publicly available chargers.

Several reports show that publicly accessible chargers that have received state funds are not functioning as reported. A 2022 report by researchers at the University of California at Berkeley indicated that charger outages and malfunctions reduce charger availability significantly. The report studied all publicly accessible DCFCs in the greater Bay Area and found that only 72.5% of the chargers had functional electric vehicle service equipment.

To address these concerns, the Legislature passed AB 2061 (Ting, Chapter 345, Statutes of 2022), which required the CEC to define uptime for EV chargers, set uptime recordkeeping and reporting, and assess EV charger uptime every two years. In 2023, the Legislature passed AB 126 (Reyes, Chapter 319, Statutes of 2023), which extended the operation of the CTP and required the CEC to set standards for how stations receiving CTP grants and ratepayer funding will notify customers about the availability and accessibility of public chargers.

Status of the CEC's regulations. Despite the passage of multiple pieces of legislation aimed at addressing the reliability of publicly accessible chargers, the CEC has not yet adopted regulations. In April 2024, the CEC issued a draft staff report with proposed recordkeeping and reporting regulations. However, these regulations have since been revised. On June 27, 2025, the CEC issued revised proposed EV charger reliability regulations. According to the CEC's regulatory notice, these rules will do the following:

- Create an inventory reporting requirements to track the number and location of EV charging ports installed in-state.
- Establish reliability recordkeeping and reporting to track the reliability of publicly or ratepayer funded DCFC ports.
- Establish a 97% uptime standard for publicly or ratepayer funded DCFC ports.
- Create requirements for data sharing on the real-time availability and accessibility of publicly available charging ports for publicly or ratepayer funded charging ports.

The CEC's regulatory notice notes that these regulations are currently posted for public comment until August 12, 2025. While the CEC's proposed uptime standards would impact chargers funded by ratepayer and state programs installed on or after January 1, 2024, this bill would expand the scope of chargers subject to the CEC's reliability regulatory authority to encompass those chargers funded by ratepayer or state programs installed on or after January 1, 2021. However, this bill implies that the CEC should establish two separate reliability standards: one for chargers installed between January 1, 2021, and January 1, 2024, and one for chargers installed after January 1, 2024. To the extent that this bill requires the CEC to revise its regulations again, this bill may further delay the CEC's adoption of reliability rules.

Bill largely repeals the EV Charger Open Access Act, which may negatively impact EV drivers. In earlier stages of EV charger deployment, few rules governing drivers' ability to pay for charging existed. Many early stage EV charging networks established a membership structure that required EV drivers to join a membership in order to pay for EV charging. In some cases, the charging networks required consumers to pay a fee for membership. While some networks allowed non-members to pay for charging using other methods, EV drivers needing to reliably use a variety of companies' chargers were forced to become members of many network clubs. To address EV adoption barriers associated with the EV charger "club card" and membership programs, the Legislature passed SB 454 (Corbett, Chapter 418, Statutes of 2013), also known as the EV Charging Stations Open Access Act. The bill prohibited EV charging networks from

requiring consumers to join memberships in order to pay for EV charging and required EV chargers that require payment for charging to facilitate payment through credit card, mobile technology, or both. The bill also authorized CARB to adopt regulations regarding EV charger payment systems. Since the enactment of SB 454, the statute regarding EV charger payment systems has been revised several times. Simultaneously, CARB adopted regulations requiring EV chargers to transact payment using credit card readers. Many EV charging networks expressed concerns that traditional credit card readers were costly and more likely to experience malfunctions in outdoor public chargers. In 2023, budget legislation reassigned the authority to regulate EV charger payment systems from CARB to the CEC, required EV chargers to offer a contactless payment option for using major credit cards to pay for charging, and prevented the CEC from revising this requirement until January 1, 2028.

The transfer of charger payment system regulatory authority from CARB to the CEC has created a system of fractured regulatory compliance for charger payment systems. Under existing law, chargers installed prior to July 10, 2023, may be subject to CARB's rules, which required most public chargers to have a credit card payment system with a chip reader installed on the machine. Chargers installed after July 10, 2023, may use a contactless credit card payment system like a tap-and-pay system or near field communication. However, some charging providers, like Tesla, have also been caught in a legal gray area where it is unclear whether they meet any of these definitions because Tesla only recently started entering into arrangements to open its charging network to vehicles from other manufacturers. While regulatory changes are needed to address these inconsistencies and update payment systems to reflect market trends and technologies, existing law prevents the CEC from making changes until January 1, 2028.

This bill repeals portions of the EV Charger Open Access Act that require chargers to facilitate payment using a credit card. Specifically, this bill specifies that the only payment method required for level 1 and 2 chargers is payment via text message. For DCFCs, this bill only requires the charger to offer plug-and-charge transactions. Plug-and-charge technology is facilitated through communications protocols between the charger and a car, enabling the car to transact the charge without use of a separate payment system. Manufacturers are increasingly including plug-and-charge capabilities in EVs, including Ford's Mustang Mach-E and F-150 Lightning. However, not all EV models have plug-and-charge capabilities. This bill specifies that if chargers include the mandatory text message or plug-and-charge capabilities, the chargers may require drivers to enroll in memberships and subscriptions in order to transact a charge. While EV charging companies have financial incentives to ensure that chargers can complete as many transactions as possible to increase revenue from the charging, this bill's changes

to the EV Charger Open Access Act may facilitate the re-creation of the patchwork of membership requirements that discouraged EV adoption more than a decade earlier. This bill also limits the CEC's ability to update its payment system requirements before January 1, 2028, which may create additional confusion about payment system compliance.

Bill's civil money penalties potentially may apply to a large variety of entities and may disincentives charger deployment. The landscape for EV charging networks has rapidly changed since the Trump Administration took office and rescinded a variety of clean transportation incentives and funding. In addition to the decline in federal funding, the growth of EV adoption in California plateaued recently, limiting the growth of new customers using public chargers. Against the backdrop of this uncertainty, this bill would establish multiple financial penalties for EV charger owners that violate the CEC's recordkeeping and reporting rules. Additionally, this bill would allow the CEC to refer potential violators to the Attorney General for civil actions. As currently written in this bill, it is not clear who bears the liability for ensuring compliance with the CEC's rules and who would pay the penalties. The regulations proposed by the CEC on June 27th adopt different rules for recordkeeping and reporting based on whether a charger is "networked" or "non-networked." While networked chargers can be monitored by EV charging networks, non-networked chargers may only be managed by the site host who owns the property on which the charger is installed. The CEC's regulations acknowledge that many site hosts may not understand that they are responsible for the maintenance of the charger and regulatory compliance. The CEC's regulatory staff report states: "Site hosts that operate charging ports and do not have maintenance contracts with third parties may not understand that they are responsible for maintaining the charging ports or lack the resources or expertise to do so." For site hosts who currently own EV chargers that may not comply with the CEC's reliability standards, this bill could result in those hosts incurring substantial financial liabilities. The Legislature has passed multiple measures requiring state agencies and utilities to make EV charger investments at a variety of site hosts who may face unique challenges to fixing or upgrading chargers that do not meet the CEC's standards. These sites include, but are not limited to, state parks, K-12 schools, libraries, low-income and disadvantaged multifamily housing facilities, and other locations where the site host is a non-profit or local public agency.

While this bill caps civil money penalties assessed on violators at $2500 per violation, this bill does not define what constitutes a "violation." For example, if a charger has multiple ports and fails to comply with the CEC's standards for multiple days, it is unclear whether this bill would result in the CEC assessing up to $2500 per port for every day that the violation occurred. Since this bill's

financial penalties apply to chargers funded by any amount of state or ratepayer incentive, the financial penalties assessed under this bill may exceed the incentives provided by utilities and the state. While this bill requires the CEC to forbear from assessing financial penalties in certain circumstances and offers violators an opportunity to correct violations, site hosts may not have the resources to replace, upgrade or change malfunctioning chargers. In circumstances where a site host facing fines is unable to make changes to the facility, the site host may simply choose to remove the charger and decline to replace it. The CEC has updated many of its grant contracts for EV charger funding to require chargers to meet recordkeeping and reporting requirements. Under existing law, state agencies may include clawback provisions in their contracts enabling them to pull back funds from grant recipients who do not comply with the contract terms.

Need for amendments. As currently written, this bill's financial penalty requirements and repeal of law requiring EV chargers to facilitate credit card transactions may deter EV adoption and EV charger deployment. Additionally, this bill's provisions expanding CEC's reliability rulemaking to chargers installed between 2021 and 2023 may further delay the adoption of the CEC's proposed regulations. *As a result, the author and committee may wish to amend this bill to do the following:*

- *Remove provisions of the bill retroactively expanding the scope of the CEC's EV charger rulemakings.*
- *Remove the provisions of the bill establishing financial, civil action, and civil money penalties for regulatory violations.*
- *Modify the bill's provisions regarding EV charger payment systems to restore requirements prohibiting chargers from requiring memberships and subscriptions for EV charger and restore the requirement for EV chargers to facilitate credit card transactions.*
- *Remove provisions in existing law and this bill that prevent the CEC from updating payment systems requirements before January 1, 2028, and require the CEC to consider cost impacts of different payment systems in addition to evolving technology when adopting payment system requirements.*
- *Require the CEC to do the following by January 1, 2027:*
    - *Identify best practices for incentivizing compliance with uptime requirements through contracts for state grant awards.*
    - *Adopt recommended best practices into CEC awards for EV charger grants.*
    - *Work with the CPUC and CARB to ensure that uptime standards are incorporated into grants and contracts for EV chargers funded by ratepayer investments and other state grants.*

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

Prior/Related Legislation

AB 2697 (Irwin, Chapter 735, Statutes of 2024) clarified the CEC's authority to adopt roaming standards for EV charging networks. The bill specified that any roaming standards adopted by the CEC shall only apply to major EV charging network operators, and the standards must enable network managers to choose between different mechanisms to establish roaming agreements.

AB 1349 (Irwin) of 2023, would have required EV charger owners and operators that accept state grants to provide certain data about their chargers and charging network to third-party software developers for free, as specified. The bill died in the Senate Committee on Energy, Utilities and Communications.

AB 126 (Reyes, Chapter 319, Statutes of 2023) modified and extended the operation of the CTP until January 1, 2035. The bill also required the CEC to set standards by January 1, 2025, regarding how EV charging stations receiving CTP or ratepayer funds will notify customers about the availability and accessibility of chargers.

SB 123 (Committee on Budget and Fiscal Review, Chapter 52, Statutes of 2023) made various changes to law regarding energy resources. The bill also reassigned duties to implement and enforce EV payment and billing standards from CARB to the CEC. The bill specified that chargers installed after the bill's enactment must offer a contactless method for accepting major credit and debit cards. For the purposes of this requirement "contactless payment method" means a secure method for consumers to purchase services using a debit card, credit card, smartcard, or another payment device, by using RFID technology and NFC.

AB 2061 (Ting, Chapter 345, Statutes of 2022) required the CEC to define uptime for EV chargers, set uptime recordkeeping and reporting, and assess EV charger uptime every two years.

AB 1424 (Berman) of 2019, would have modified credit card payment requirements for EV chargers and delayed additional rulemaking on EV chargers. The bill was held in the Senate Appropriations Committee.

AB 2127 (Ting, Chapter 365, Statutes of 2018) required the CEC to conduct a statewide assessment every two years of EV charging infrastructure needed to support the levels of EV adoption required for the state to meet its goals of putting

at least five million ZEVs on California roads by 2030, and of reducing emissions of GHG to 40 percent below 1990 levels by 2030.

SB 454 (Corbett, Chapter 418, Statutes of 2013) established the EV Charging Stations Open Access Act, which prohibited EV charger owner-operators from requiring individuals to join clubs or pay subscription fees to use a charger. The bill required chargers to accept credit card payment and authorized CARB to establish interoperable billing standards for EV chargers if a national organization has not adopted such standards by 2015.

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

SUPPORT:

AAA Northern California, Nevada & Utah
Automobile Club of Southern California
Center for Sustainable Energy
Electric Era Technologies, Inc.
Plug in America, if amended
Union of Concerned Scientists

OPPOSITION:

California Electric Transportation Coalition, unless amended
ChargePoint, Inc
Electric Vehicle Charging Association
Electrify America, LLC

ARGUMENTS IN SUPPORT: According to the author:

> California has set ambitious climate and greenhouse gas reduction goals for the transportation sector. Governor Newsom's Executive Order N-79-20 establishes a goal to transition California away from gas-powered vehicles by 2035. This massive undertaking is lagging behind and will require a rapid and large-scale transition to electric vehicles and a significant investment in charging infrastructure. California has spent over $1.7 billion on electric vehicle charging infrastructure. To date, only 150,000 of the estimated 2.1 million chargers needed have been deployed. Of publicly available chargers, J.D. Power has found that they are not functioning 20 to 30 percent of the time. Without consumer confidence in public charging infrastructure, California jeopardizes its investment and commitment to transition away from gas-powered vehicles. The California Energy Committee is finalizing regulations to improve charger

uptime and the driver experience for chargers installed with state grants after 2024. AB 1423 applies these standards to all public chargers so that drivers can feel confident in their choice to switch to an electric vehicle

ARGUMENTS IN OPPOSITION: Opponents argue that the retroactivity requirements in this bill are unnecessary and detract from efforts to deploy more chargers. Opponents also claim that this bill's fines would deter EV charger investment and deployment. In opposition, the Electric Vehicle Charging Association states:

> For many chargers that are sold to the property owner, such as a local grocery store, the chargers are often considered an amenity, not a revenue generator. AB 1423 would fine and punish these property owners, who are ultimately the ones who will have to shoulder the cost of replacing less reliable chargers. Those property owners would subsequently be forced to choose between either ripping chargers out of the ground to avoid new fines or passing the cost onto consumers by raising prices in order to pay for replacements. It is important to note that neither the federal government nor any of the other 49 states, have established fines for failing to meet a minimum uptime. Every fine assessed against a charging company because of less reliable, first-generation chargers is one less dollar invested in deploying new, more resilient and more reliable chargers that are needed to meet California's climate goals.

-- END --