

Date of Hearing: April 8, 2026

ASSEMBLY COMMITTEE ON UTILITIES AND ENERGY

Cottie Petrie-Norris, Chair

AB 2618 (Connolly) – As Amended March 16, 2026

**SUBJECT:** Public Utilities Commission: commissioners: employment

**SUMMARY:** Prohibits a commissioner at the California Public Utilities Commission (CPUC) from being employed for at least 5 years following the conclusion of their term of office by any entity subject to regulation by the CPUC.

**EXISTING LAW:**

- 1) Prohibits a commissioner at the California Energy Commission (CEC) from being employed for at least 2 years following the conclusion of their term of office by specified energy businesses. (Public Resources Code § 25205)
- 2) Establishes the CPUC, consisting of five members appointed by the Governor and confirmed by the Senate for staggered 6-year terms. (California Constitution, Article XII, Section 1)
- 3) Prohibits any CPUC commissioner from holding an official relation to or financial interest in any person or corporation subject to regulation by the CPUC. Further prohibits public utility executives from CPUC appointments for a period of 2 years following employment with the utility. (Public Utilities Code § 303)
- 4) Establishes revolving door policies for Members of the Legislature, elected state officers, and designated executive branch employees, prohibiting employment that influences their former body for 1 year after leaving office. (Government Code § 87406)

**FISCAL EFFECT:** Unknown. This bill is keyed fiscal and will be referred to the Committee on Appropriations for its review.

**BACKGROUND:**

California law establishes several revolving-door restrictions designed to prevent conflicts of interest when public officials leave government service. Under existing law, CEC commissioners must wait at least two years after their term ends before accepting employment with certain energy businesses. Similarly, CPUC commissioners are prohibited from having any official relationship with or financial interest in the utilities they regulate, and utility executives cannot be appointed to the CPUC until two years after leaving the industry. More broadly, state legislators, elected officers, and designated executive branch employees are barred for one year from taking jobs where they would attempt to influence their former government body.

**COMMENTS:**

- 1) *Author's Statement.* According to the author, "AB 2618 helps ensure that utility rates are not being influenced by private utility companies. This bill strengthens California's

revolving-door policies by prohibiting California Public Utilities Commission Commissioners from lobbying for private utility companies for 5 years after the end of their term. As California residents continue to face out-of-control rate hikes, weak ethics rules have allowed utility corporations to gather more influence over our regulatory system by recruiting former commissioners. This bill is a common-sense measure to ensure transparency within our regulatory rate-making process by closing the revolving-door.”

- 2) *Purpose of Bill.* The bill would create a post-employment cooling-off period for CPUC commissioners for five years. A commissioner leaving the CPUC could not accept employment with any entity subject to CPUC regulation for at least five years following the conclusion of their service.
- 3) *Revolving Door Clauses.* Revolving door clauses reflect a good governance principle and exist for members of the Legislature as well as some executive branch positions. However, the degree of the prohibition put forward by this measure is significant. By comparison, statute imposes a 1-year post-employment lobbying restriction on members of the Legislature and a 2-year post-employment restriction on CEC Commissioners. This bill puts a 5-year freeze on any CPUC commissioner from employment with any entity subject to its regulation. While the principle behind such a prohibition may be laudable – namely, ensuring independence between the regulated and regulator – in practice, it may have a chilling effect on the make-up of this body. While the Legislature is made up of elected officials ranging in background, education, former employment, and experience – as well as specialties and areas of focus while in office – leadership at the CPUC is often career specialists in energy and utilities. Such expertise is crucial in properly evaluating regulations and ratemaking. This would leave these career specialists unable to return to their area of expertise for 5 years following the conclusion of their service. Such a prohibition may pose a significant barrier to getting a diverse pool of candidates for these appointments. Another unintended consequence may be rendering only out-of-state experts interested in CPUC appointments, as more businesses in their home state are unlikely to be subject to regulation by the CPUC, enabling them to more easily return to their careers following their service. Additionally, no justification has been provided for why a 5-year prohibition period is the appropriate duration. In the absence of such justification, a shorter period may be more defensible. A two-year prohibition for CPUC commissioners would be consistent with the existing standard for CEC commissioners while still serving the good governance objectives underlying this bill. *The Committee recommends amending the bill to reduce the post-employment prohibition from a period of five years to two years.*

- 4) *Related Legislation.*

HR 7214 (Harder) would amend the Public Utility Regulatory Policies Act of 1978 to establish a federal standard requiring state utility regulatory authorities to consider adopting a two-year post-employment lobbying ban for former commissioners. Status: In Committee – House Committee on Energy and Commerce.

5) *Prior Legislation.*

AB 2054 (Bauer-Kahan, 2024) would have, among other things, prohibited a CPUC commissioner from being employed by an entity subject to regulation by the CPUC for a period of one year after the end of the commissioner's term of office. Status: Senate - Died – Appropriations.

**REGISTERED SUPPORT / OPPOSITION:**

**Support**

Teamsters California  
The Utility Reform Network (TURN)

**Opposition**

None on file.

**Analysis Prepared by:** Suman Tatapudy / U. & E. / (916) 319-2083