

(Without Reference to File)

ASSEMBLY THIRD READING
ACA 9 (Boerner)
As Amended April 14, 2026
2/3 vote

SUMMARY

Proposes several amendments to Article XII of the California Constitution, which governs the California Public Utilities Commission (CPUC).

Major Provisions

- 1) Expands the CPUC's membership from 5 to 9, removes Senate confirmation of Governor's appointees, and instead requires the Senate Rules Committee and the Speaker of the Assembly to each appoint 2 additional CPUC commissioners.
- 2) Strikes "telephone and telegraph messages" from the constitutional definition of what counts as a public utility subject to CPUC oversight. Asserts that the Legislature has the authority to assign broadband and telecommunications oversight to agencies other than the CPUC.
- 3) Repeals Section 2 of Article XII related to the CPUC establishing its own procedures, including empowering any commissioner to hold hearings or issue orders subject to approval by the full Commission.
- 4) Requires the CPUC when setting rates to consider affordability.
- 5) States it is the legislative intent to:
 - a) Recodify Article XII, Section 2 as a statutory provision in the Public Utilities Code.
 - b) Establish by January 1, 2028, a broadband agency within state government, separate from the CPUC.
- 6) States it is not the legislative intent to limit or affect the authority of the Legislature to prescribe additional classes of private corporations or other persons as public utilities.

COMMENTS

The California Constitution establishes the CPUC a five-member body, each member appointed by the Governor and approved by the Senate, a majority of the membership concurring, for staggered six-year terms. The constitution charges the CPUC to, among other things, 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. Californians created the CPUC (or rather, its predecessor) over 100 years ago to regulate the railroads and other public utilities while being insulated from the influence of the Legislature, which, at the time, was widely viewed as being under the sway of the railroads.

California's constitutional provisions governing public utility regulation were established under conditions that differ from those facing the state today. Changes in technology, the economy, and

the demands placed on essential services have prompted questions about whether the existing framework remains adequate to address current and emergent challenges. This measure responds to those questions by revisiting foundational structures: how regulatory bodies are composed, what authority is assigned where, and what principles guide decision-making. The underlying premise of this constitutional amendment is that the CPUC's governance structures require periodic reexamination to remain functional and responsive.

According to the Author

According to the author, Californians are paying the highest, and continually rising, utility rates compared to the rest of the nation. Decisions on rate hikes take place at the California Public Utilities Commission (CPUC), an agency whose influence and decisions have reverberating effects on our daily lives. We see the impacts through ever increasing electric bills and mismanagement of our state's public utilities that has resulted in dangerous wildfires, record profits for utility executives, and inefficient programs that cost ratepayers billions. Unfortunately, the Legislature has limited authority to implement structural reforms that our constituents want without amendments to the Constitution. ACA 9 would return the power back to the people's directly elected representatives, instead of only 5 unelected political appointees. The changes in this constitutional amendment open the door for the structural reforms that are needed to get the CPUC focused on the most pressing issues Californians care about like energy affordability, meeting our climate goals, and safer utilities."

Arguments in Support

This constitutional amendment is supported by the California Environmental Voters, the Los Angeles County Office of Education, and SanDiego350. The LA County Office of Education notes "by strengthening governance and oversight of the Commission, ACA 9 helps ensure that public institutions, including schools, are more effectively considered in regulatory decisions that directly impact their fiscal health and operational capacity."

Arguments in Opposition

None on file.

FISCAL COMMENTS

According to the Assembly Committee on Appropriations, this constitutional amendment will result in one-time General Fund costs to the Secretary of State in the hundreds of thousands of dollars for printing and mailing to place the measure on the ballot in a statewide election.

VOTES

ASM UTILITIES AND ENERGY: 18-0-0

YES: Petrie-Norris, Patterson, Boerner, Calderon, Chen, Davies, Mark González, Harabedian, Hart, Irwin, Kalra, Papan, Rogers, Schiavo, Schultz, Ta, Wallis, Zbur

ASM APPROPRIATIONS: 14-0-1

YES: Wicks, Hoover, Aguiar-Curry, Calderon, Caloza, Fong, Mark González, Krell, Pacheco, Pellerin, Sharp-Collins, Solache, Ta, Tangipa

ABS, ABST OR NV: Dixon

UPDATED

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