



# California Regulatory Notice Register

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The *California Regulatory Notice Register* is an official state publication of the Office of Administrative Law containing notices of proposed regulatory actions by state regulatory agencies to adopt, amend or repeal regulations contained in the California Code of Regulations. The effective period of a notice of proposed regulatory action by a state agency in the *California Regulatory Notice Register* shall not exceed one year [Government Code § 11346.4(b)]. It is suggested, therefore, that issues of the *California Regulatory Notice Register* be retained for a minimum of 18 months.

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**PROPOSED ACTION ON REGULATIONS**

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**TITLE 2. FAIR POLITICAL PRACTICES COMMISSION**

NOTICE IS HEREBY GIVEN that the Fair Political Practices Commission, pursuant to the authority vested in it by Sections 82011, 87303, and 87304 of the Government Code to review proposed conflict-of-interest codes, will review the proposed/amended conflict-of-interest codes of the following:

**CONFLICT-OF-INTEREST CODES**

**AMENDMENT**

**MULTI-COUNTY:** Antelope Valley Community College District  
 Association of CA Water Agencies JPIA  
 California Charter Schools Joint Powers Authority

A written comment period has been established commencing on February 2, 2018, and closing on March 19, 2018. Written comments should be directed to the Fair Political Practices Commission, Attention Cesar Cuevas, 1102 Q Street, Suite 3000, Sacramento, California 95811.

At the end of the 45-day comment period, the proposed conflict-of-interest code(s) will be submitted to the Commission's Executive Director for her review, unless any interested person or his or her duly authorized representative requests, no later than 15 days prior to the close of the written comment period, a public hearing before the full Commission. If a public hearing is requested, the proposed code(s) will be submitted to the Commission for review.

The Executive Director of the Commission will review the above-referenced conflict-of-interest code(s), proposed pursuant to Government Code Section 87300, which designate, pursuant to Government Code Section 87302, employees who must disclose certain investments, interests in real property and income.

The Executive Director of the Commission, upon her or its own motion or at the request of any interested per-

son, will approve, or revise and approve, or return the proposed code(s) to the agency for revision and re-submission within 60 days without further notice.

Any interested person may present statements, arguments or comments, in writing to the Executive Director of the Commission, relative to review of the proposed conflict-of-interest code(s). Any written comments must be received no later than March 18, 2018. If a public hearing is to be held, oral comments may be presented to the Commission at the hearing.

**COST TO LOCAL AGENCIES**

There shall be no reimbursement for any new or increased costs to local government which may result from compliance with these codes because these are not new programs mandated on local agencies by the codes since the requirements described herein were mandated by the Political Reform Act of 1974. Therefore, they are not "costs mandated by the state" as defined in Government Code Section 17514.

**EFFECT ON HOUSING COSTS AND BUSINESSES**

Compliance with the codes has no potential effect on housing costs or on private persons, businesses or small businesses.

**AUTHORITY**

Government Code Sections 82011, 87303 and 87304 provide that the Fair Political Practices Commission as the code-reviewing body for the above conflict-of-interest codes shall approve codes as submitted, revise the proposed code and approve it as revised, or return the proposed code for revision and re-submission.

**REFERENCE**

Government Code Sections 87300 and 87306 provide that agencies shall adopt and promulgate conflict-of-interest codes pursuant to the Political Reform Act and amend their codes when change is necessitated by changed circumstances.

**CONTACT**

Any inquiries concerning the proposed conflict-of-interest code(s) should be made to Cesar Cuevas, Fair Political Practices Commission, 1102 Q Street, Suite 3000, Sacramento, California 95811, telephone (916) 322-5660.

**AVAILABILITY OF PROPOSED  
CONFLICT-OF-INTEREST CODES**

Copies of the proposed conflict-of-interest codes may be obtained from the Commission offices or the respective agency. Requests for copies from the Commission should be made to Cesar Cuevas, Fair Political Practices Commission, 1102 Q Street, Suite 3000, Sacramento, California 95811, telephone (916) 322-5660.

**TITLE 11. DEPARTMENT OF JUSTICE**

The Department of Justice (Department) proposes to adopt Chapter 41, sections 5505 through 5522, to Title 11, Division 5 of the California Code of Regulations. Chapter 41 is titled "Firearms: Identifying Information and the Unique Serial Number Application Process for Self-Manufactured or Self-Assembled Firearms." Commencing July 1, 2018, this new chapter explains the process the Department will use to regulate existing self-manufactured or self-assembled firearms and firearms that an individual intends to manufacture or assemble. This process enables the Department to conduct a firearm eligibility check on an individual prior to issuing a unique serial number for the individual's firearm. By issuing a unique serial number for every self-manufactured or self-assembled firearm, the Department's goal is to ensure that every individual in possession of a firearm is lawfully eligible to possess a firearm, and every self-manufactured or self-assembled firearm made after 1968 is uniquely identified.

**PUBLIC HEARING**

The Department will hold a public hearing to receive public comments on the proposed regulatory action.

The hearing will be held on March 19, 2018, at 10:00 a.m. to 12:00 p.m., at the following location:

Resources Building Auditorium  
1416 9th Street  
Sacramento, California 95814

This auditorium is wheelchair accessible. There is no designated parking lot. Parking will need to be found nearby.

At the hearing, any person may present oral or written comments regarding the proposed regulatory action. The Department requests, but does not require, that persons who make oral comments at the hearing also submit a written copy of their testimony.

**WRITTEN COMMENT PERIOD**

Any interested person, or his or her authorized representative, may submit written comments relevant to the proposed regulatory action. The written comment period closes at 5:00 p.m. on March 19, 2018. Only comments received by the Department by that time will be considered. Written comments shall be submitted to:

Sundeep Thind  
Bureau of Firearms  
Division of Law Enforcement  
Department of Justice  
P.O. Box 160487  
Sacramento, CA 95816-0487  
Phone: 916-227-7622  
Email: [AB857FirearmIDregs@doj.ca.gov](mailto:AB857FirearmIDregs@doj.ca.gov)

**AUTHORITY AND REFERENCE**

The Legislature adopted an entire new chapter, "Chapter 3. Assembly of Firearms," to Division 7 of Title 4 of Part 6 of the California Penal Code, which includes new Penal Code sections 29180, 29181, 29182, 29183, and 29184. Penal Code section 29182(f) states that the "the department shall adopt regulations to administer this chapter." Hence, the Legislature authorized the Department to write and adopt regulations for this entire chapter. The proposed regulations implement, interpret, and made specific Penal Code sections 29180, 29181, 29182, 29183, and 29184.

**INFORMATIVE DIGEST/POLICY STATEMENT  
OVERVIEW**

Prior to adopting California Penal Code sections 29180, 29181, 29182, 29183, and 29184, there were no provisions in existing law that addressed a non-prohibited person from manufacturing a firearm for personal use. Since a person purchasing an unfinished receiver does not have to undergo a background check, any person, even a person prohibited from possessing a firearm, can make a firearm at home. If the Legislature did not enact this law, any person prohibited from owning a firearm could easily circumvent the law by manufacturing or assembling a firearm that could potentially be used in the commission of a crime.

In addition, presently, self-manufactured or self-assembled firearms generally have no serial number and are not tracked by the Department's automated firearm system. New technology makes it very easy to manufacture untraceable firearms which has created a public safety concern. These untraceable firearms are showing up at crime scenes, found in the hands of violent criminals, and criminal organizations are manufacturing these guns for criminal activity and profit.

The Legislature adopted California Penal Code sections 29180, 29181, 29182, 29183, and 29184 to regulate the ownership of self-manufactured or self-assembled firearms. The Legislature delegated authority to the Department to write regulations to interpret, and make specific Penal Code sections 29180, 29181, 29182, 29183, and 29184. These regulations are beneficial as they create a unique serial number application process; one that every individual shall undergo if the individual owns a self-manufactured or self-assembled firearm or intends to manufacture or assemble a firearm. Through this process, the Department can allow those who are lawfully eligible to possess a firearm, to retain their self-manufactured or self-assembled firearm while later disarming prohibited persons who have a self-manufactured or self-assembled firearm in their possession.

These regulations describe the mandatory reporting process the Department is putting into effect for the owner of a self-manufactured or self-assembled firearm, making it easy for such owners to report their firearms to the Department. Once given effect, these regulations will increase public safety by forcing individuals to demonstrate that they are not prohibited from owning firearms while allowing law-abiding individuals to maintain their firearms-building hobbies. Furthermore, these regulations benefit the state as they may enable the Department to seize an unreported self-manufactured or self-assembled firearm that has no engraved serial number, once the period to engrave a serial number and record the ownership of a self-manufactured or self-assembled firearm has expired. As a result, the number of unlawful and untraceable firearms circulating within the state will decrease.

The California Code of Regulations, title 11, division 5, Chapter 41, interprets and details the specifics of these laws as follows:

Section 5505 specifies the scope of the new chapter: the regulation of self-manufactured and self-assembled firearms. The chapter applies to (1) those who own self-manufactured or self-assembled firearms as of July 1, 2018 that are not recorded with the Department or (2) those who intend to manufacture or assemble firearms on or after July 1, 2018.

Section 5506 specifies that an individual shall not build any prohibited firearm, including an assault weapon, a machine gun, a .50 BMG rifle, a destructive device, a short-barreled rifle, or a short-barreled shotgun.

Section 5507 defines all firearm-related words used throughout this new chapter so that the Department and members of the public can apply the same definitions to the firearm-related terminology used in the regulations to understand what the Department requires of them.

Section 5508 specifies the types of firearms that are not affected by the new Penal Code sections.

Section 5509 specifies the two groups of people who the new Penal Code sections affect: (1) individuals who own self-manufactured or self-assembled firearms as of July 1, 2018, and (2) individuals who intend to manufacture or assemble a firearm on or after July 1, 2018.

Section 5510 specifies the effective dates of the new Penal Code sections. Self-manufactured or self-assembled firearms shall be reported to the Department on or after July 1, 2018, but before January 1, 2019. An individual intending to manufacture or assemble a firearm on or after July 1, 2018, shall request a unique serial number before the individual builds the firearm.

Section 5511 specifies that unique serial number applications shall be submitted online on California Firearms Application Reporting System (CFARS) and instructs where to find the application.

Section 5512 specifies how to create a CFARS account (prior to completing a unique serial number application) and the terms the applicant shall accept before creating the account.

Section 5513 specifies the applicant and firearm identification information the applicant shall enter into CFARS. Also, it informs the applicant of the Department's Privacy Notice and requires the applicant to agree to the release of the applicant's personal information to representatives of the Department in order for the unique serial number application to be processed.

Section 5514 establishes the reporting fee to file a unique serial number application.

Section 5515 specifies that only one unique serial number will be issued per firearm.

Section 5516 describes the firearm eligibility check that the Department conducts on the applicant before determining if the applicant is eligible to possess a firearm. It also specifies that the Department will notify the applicant of its determination of eligibility electronically by email.

Section 5517 specifies that the Department shall make a decision, within 15 calendar days, to grant or deny the applicant's request for a unique serial number.

Section 5518 identifies the different deadlines that an individual has to engrave, cast, stamp (impress), or permanently place the unique serial number in a conspicuous location on the receiver or frame of the firearm, after the Department issues a unique serial number to the individual.

Section 5519 explains that any firearm manufactured or assembled from polymer plastic shall contain its unique serial number on 3.7 ounces of material type 17-4 PH stainless steel, and the stainless steel piece shall be embedded within the plastic receiver or frame.

Section 5520 specifies the proper procedure and the information that shall be engraved, cast, stamped (impressed), or permanently placed on the firearm. The unique serial number shall be to a minimum depth of .003 inch and in a print no smaller than 1/16 inch. This ensures that the unique serial number will fit on the firearm and be legible to the Department.

Section 5521 specifies that the applicant shall upload four digital images of the self-manufactured or self-assembled firearm for approval by the Department. It also establishes the procedure to submit digital images of the self-manufactured or self-assembled firearm.

Section 5522 establishes that self-manufactured or self-assembled firearms that are built on or after July 1, 2018, may be modified by the manufacturer or assembler as long as it is done within the 30-day period after the Department issues the unique serial number.

#### ANTICIPATED BENEFITS OF THE PROPOSED REGULATIONS

The Department anticipates that these regulations will benefit the health and welfare of California residents because they will protect those who manufacture or assemble a firearm, especially if the firearm is stolen and used to commit a crime by a prohibited person. These regulations will increase the number of traceable firearms, making it more effective for law enforcement to identify the root of any firearm that is potentially used in any firearm-related criminal activities. If a self-manufactured or self-assembled firearm that is recorded with the Department is stolen, its owner can immediately notify law enforcement of its identification by presenting proof of it having a unique serial number so that law enforcement can return the firearm to its lawful owner upon discovery. Additionally, if law enforcement uncovers any unreported firearms once the period to report self-manufactured or self-assembled firearms has concluded, those firearms will be taken off the streets and placed into custody, away from prohibited persons. Moreover, these regulations enable the Department to conduct a firearm eligibility check on every person who owns or intends to own a self-manufactured or self-assembled firearm, so the Department can ensure the individual is lawfully eligible to possess that firearm.

#### EVALUATION OF INCONSISTENCY/INCOMPATIBILITY WITH EXISTING STATE REGULATIONS

Pursuant to Government Code 11346.5, subdivision (a)(3)(D), the Department shall evaluate whether the proposed regulation is inconsistent or incompatible with existing state regulations. Pursuant to this evaluation, the Department has reviewed existing regulations pertaining to firearms within California Code of Regulations (“CCR”) title 11, division 5, and determined that these proposed regulations are not inconsistent or incompatible. This determination is based on the fact that the proposed regulations specify new legislation that was enacted recently and are unconnected to any previous regulations.

#### COMPARABLE FEDERAL REGULATIONS

The proposed regulations are not mandated by federal statute or regulation.

#### DISCLOSURES REGARDING THE PROPOSED ACTION

The Department has made the following initial determinations:

Mandate on local agencies or school districts: None.

Cost or savings to any state agency: None.

Cost to any local agency or school district which shall be reimbursed in accordance with Government Code sections 17500 through 17630: None.

Other nondiscretionary cost or savings imposed on local agencies: None.

Cost or savings in federal funding to the state: None.

Significant, statewide adverse economic impact directly affecting business, including the ability of California businesses to compete with businesses in other states: None.

Cost impacts on Private Person or Business: The Department is not aware of any cost impacts that a representative private person or business would necessarily incur in reasonable compliance with the proposed action.

Significant effect on housing costs: None.

Small business determination: The Department has determined that the proposed regulation will not affect the creation or elimination of businesses because it does not require small businesses to assist an individual with

the unique serial number application process. However, there may be a positive impact on small businesses that currently conduct engraving, casting, or stamping (impressing) business in California because individuals who manufacture or assemble a firearm may seek the engraving services of a small business or a Federal Firearms Licensee (FFL) to engrave the Department-issued unique serial number on the firearm.

**RESULTS OF THE ECONOMIC IMPACT  
ASSESSMENT/ANALYSIS**

Assessment regarding effect on jobs/businesses: Adoption of the proposed regulation will create four jobs within the Department — three full-time limited term positions and one full-time permanent position. Adoption of the proposed regulations will not:

- (1) Create or eliminate jobs within California, with the exception of the four jobs that will be created within the Department to process the unique serial number applications that will be submitted by the process proposed by these regulations;
- (2) Create new businesses or eliminate existing businesses within California; or
- (3) Affect the expansion of businesses currently doing business within California.

In addition, these proposed regulations are beneficial to the health and welfare of California’s residents because they create a unique serial number application process, which will require each individual owning or intending to own a self-manufactured or self-assembled firearm to obtain a unique serial number for the firearm. Hence, the firearm will be uniquely identified and traceable. Additionally, these proposed regulations are beneficial to the welfare of California residents because they will require an individual to undergo a firearms eligibility check to ensure that the individual is not prohibited from owning a firearm before the Department issues a unique serial number to the individual. Presently, no laws mandate an individual who manufactures or assembles a firearm to undergo a background check, so it is easy for prohibited individuals to manufacture and assemble firearms. Furthermore, these regulations will benefit the welfare of California residents because they enable the Department to trace self-manufactured or self-assembled firearms, resulting in a decrease in the number of unlawful and untraceable firearms circulating within the state.

**CONSIDERATION OF ALTERNATIVES**

In accordance with Government Code section 11346.5, subdivision (a)(13), the Department must determine that no reasonable alternative it considered or

that has otherwise been identified and brought to the attention of the Department would be more effective in carrying out the purpose for which the action is proposed or would be as effective and less burdensome to affected private persons than the proposed action or would be more cost-effective to affected private persons and equally effective in implementing the statutory policy or other provision of law. Any person interested in presenting statements or arguments with respect to alternatives to the proposed regulations may do so at the scheduled hearing or during the written comment period.

**CONTACT PERSONS**

Please direct inquiries concerning the proposed administrative action to:

Sundeep Thind  
Bureau of Firearms  
Division of Law Enforcement  
Department of Justice  
P.O. Box 160487  
Sacramento, CA 95816-0487  
Phone: 916-227-7622  
Email: [AB857FirearmIDregs@doj.ca.gov](mailto:AB857FirearmIDregs@doj.ca.gov)

The back-up contact person for these inquiries is:

Jacqueline Dosch  
Bureau of Firearms  
Division of Law Enforcement  
Department of Justice  
P.O. Box 160487  
Sacramento, CA 95816-0487  
Phone: (916) 227-5419  
Email: [AB857FirearmIDregs@doj.ca.gov](mailto:AB857FirearmIDregs@doj.ca.gov)

**AVAILABILITY OF RULEMAKING FILE  
INCLUDING THE INITIAL STATEMENT  
OF REASONS**

The Department will have the entire rulemaking file available for inspection and copying throughout the rulemaking process. The text of the proposed regulation (the “express terms”), the initial statement of reasons, and the information upon which the proposed rulemaking is based are available at the Department’s website at <http://oag.ca.gov/firearms/regs>. Copies may also be obtained by contacting Sundeep Thind.

**AVAILABILITY OF CHANGED OR  
MODIFIED TEXT**

After considering all timely and relevant comments received, the Department may adopt the proposed regu-

lations substantially as described in this notice. If the Department makes modifications which are sufficiently related to the originally proposed text, it will make the modified text (with the changes clearly indicated) available to the public for at least 15 days and accept written comments before the Department adopts the regulations. Copies of any modified text will be available on the Department's website at <http://oag.ca.gov/firearms/regs>. A written copy of any modified text may be obtained by contacting Sundeep Thind.

**AVAILABILITY OF FINAL STATEMENT OF REASONS**

Upon completion, the final statement of reasons will be available on the Department's website at <http://oag.ca.gov/firearms/regs>. You may also obtain a written copy of the final statement of reasons by contacting Sundeep Thind.

**AVAILABILITY OF DOCUMENTS ON THE INTERNET**

Copies of the Notice of Proposed Action, the Initial Statement of Reasons, and the text of the regulation in underline and strikeout format, as well as the Final Statement of Reasons once completed, are available on the Department's website at <http://oag.ca.gov/firearms/regs>.

**TITLE 17. AIR RESOURCES BOARD**

**NOTICE OF PUBLIC HEARING TO CONSIDER PROPOSED AMENDMENTS TO THE CALIFORNIA CAP ON GREENHOUSE GAS EMISSIONS AND MARKET-BASED COMPLIANCE MECHANISMS REGULATION**

The California Air Resources Board (CARB or Board) will conduct a public hearing at the time and place noted below to consider approving for adoption the proposed amendments to the California Cap on Greenhouse Gas Emissions and Market-Based Compliance Mechanisms Regulation (Cap-and-Trade Regulation or Regulation).

DATE: March 22, 2018  
TIME: 9:00 a.m.  
LOCATION: Riverside County Administrative Center  
4080 Lemon Street, 1st Floor  
Riverside, California 92501

This item will be considered at a meeting of the Board, which will commence at 9:00 a.m., March 22, 2018, and may continue at 8:30 a.m., on March 23, 2018. This item is scheduled to be heard on the Board's Consent Calendar, unless removed upon the request of a Board member or if someone in the audience submits a request-to-speak card on this item. Please consult the agenda for the meeting, which will be available at least ten days before March 22, 2018, to determine when this item will be considered.

**WRITTEN COMMENT PERIOD AND SUBMITTAL OF COMMENTS**

Interested members of the public may present comments orally or in writing at the hearing and may provide comments by postal mail or by electronic submittal before the hearing. The public comment period for this regulatory action will begin on February 2, 2018. Written comments not physically submitted at the hearing must be submitted on or after February 2, 2018, and received **no later than 5:00 p.m. on March 19, 2018**. CARB requests that when possible, written and email statements be filed at least ten days before the hearing to give CARB staff and Board members additional time to consider each comment. The Board also encourages members of the public to bring to the attention of staff in advance of the hearing any suggestions for modification of the proposed regulatory action. Comments submitted in advance of the hearing must be addressed to one of the following:

Postal  
mail: Clerk of the Board, Air Resources Board  
1001 I Street  
Sacramento, California 95814

Electronic  
submittal: <http://www.arb.ca.gov/lispub/comm/bclist.php>

Please note that under the California Public Records Act (Gov. Code, § 6250 et seq.), your written and oral comments, attachments, and associated contact information (e.g., your address, phone, email, etc.) become part of the public record and can be released to the public upon request.

Additionally, the Board requests but does not require that persons who submit written comments to the Board reference the title of the proposal in their comments to facilitate review.

**AUTHORITY AND REFERENCE**

This regulatory action is proposed under that authority granted in California Health and Safety Code, sec-



tions 38510, 38560, 38562, 38570, 38580, 39600, and 39601. This action is proposed to implement, interpret and make specific sections 38562, 38564, 38565, 38570, and 39600 of the Health and Safety Code.

INFORMATIVE DIGEST OF PROPOSED ACTION  
AND POLICY STATEMENT OVERVIEW  
(Gov. Code, § 113463, subd. (a)(3))

**Sections Affected:** Proposed amendment to California Code of Regulations, title 17, sections 95835 and 95911.

**Background and Effect of the Proposed Regulatory Action:**

The California Global Warming Solutions Act of 2006 (Assembly Bill 32 or AB 32; Chapter 488, Statutes of 2006) requires California to reduce greenhouse gas (GHG) emissions to 1990 levels by 2020, to maintain and continue GHG emissions reductions beyond 2020, and to develop a comprehensive strategy to reduce dependence on fossil fuels, to stimulate investment in clean and efficient technologies, and to improve air quality and public health. It identifies CARB as the State agency charged with monitoring and regulating sources of the GHG emissions that cause climate change. AB 32 also requires CARB to work with other jurisdictions to identify and facilitate the development of integrated and cost-effective regional, national, and international GHG reduction programs. Finally, AB 32 authorizes CARB to utilize a market-based mechanism to reduce GHG emissions. CARB promulgated the Cap-and-Trade Regulation pursuant to this authority.

The Regulation establishes a declining limit on major sources of GHG emissions, and it creates a powerful economic incentive for major investment in cleaner, more efficient technologies. The Cap-and-Trade Program (Program) applies to emissions that cover approximately 80 percent of the State's GHG emissions. CARB creates allowances equal to the total amount of permissible emissions (i.e., the "cap") over a given compliance period. One allowance equals one metric ton of carbon dioxide equivalent emissions. Fewer allowances are created each year, thus the annual cap declines and statewide emissions are reduced over time. Allowances are issued by CARB and distributed by free allocation and by sale at auctions.

The Program is designed to achieve the most cost-effective statewide GHG emissions reductions; there are no individual or facility-specific emissions reduction requirements. Each entity covered by the Regulation has a compliance obligation that is equivalent to its GHG emissions over a compliance period, and entities are required to meet that compliance obligation by acquiring and surrendering allowances in an amount

equal to their compliance obligation. Covered entities can also meet a limited portion of their compliance obligation by acquiring and surrendering offset credits, which are compliance instruments that are based on rigorously verified emission reductions that occur from projects outside the scope of the Program. Like allowances, each offset credit is equal to one metric ton of carbon dioxide equivalent emissions. Offset credits are issued by CARB to qualifying offset projects.

Covered entities must submit allowances and offsets to account for their GHG emissions. Entities have flexibility to choose the lowest-cost approach to achieving Program compliance; they may purchase allowances at auction, trade allowances and offset credits with others, or take steps to reduce emissions at their own facilities. Monies from the sale of State-owned allowances at auction are placed into the Greenhouse Gas Reduction Fund and are appropriated, through the budgeting process, consistent with state law to further the purposes of AB 32.

The Program is also designed to accommodate regional trading programs. Since 2007, California has been a partner in the Western Climate Initiative (WCI), an effort of United States states and Canadian provinces working together to implement policies to combat climate change, including through the development of a regional cap-and-trade system. Staff works with other WCI jurisdictions to ensure that rigorous and compatible systems are being developed. This cooperation facilitates future Program linkages with other developing GHG reduction programs in the region. On January 1, 2014, California and Québec linked their respective cap-and-trade programs. On January 1, 2018, the Program linked with the cap-and-trade program in Ontario.

The Regulation was adopted by the Board in October 2011, and it took effect January 1, 2012. The Regulation has been amended multiple times since then. Most recently, the Board approved amendments on July 27, 2017, that clarify compliance obligations for certain sectors; continue Program linkage with Québec, Canada beyond 2020; link the Program with the new cap-and-trade program in Ontario, Canada beginning January 2018; and extend the Program beyond 2020 by establishing new emissions caps, enabling future auction and allocation of allowances, and continuing all other provisions needed to implement the Program after 2020. In adopting these amendments, that took effect on October 1, 2017, the Board recognized that additional regulatory modifications to the Cap-and-Trade Program are required through a new rulemaking process to implement the AB 398 (Chapter 135, Statutes of 2017) requirements for the post-2020 Cap-and-Trade Program. Board Resolution 17-21 directed the Executive Officer to initiate this rulemaking process. On October

12, 2017,<sup>1</sup> CARB initiated that rulemaking process, which will be conducted in parallel with, and conclude after, the much more narrow amendments described in this Notice.

The proposed regulatory action includes CARB staff’s proposal to amend the Cap-and-Trade Regulation to clarify existing requirements related to changes of facility ownership. Specifically, the proposed amendments clarify that the Cap-and-Trade Regulation requires a successor entity after a change in ownership to be responsible for the outstanding, pre-transfer compliance obligation of the predecessor covered entity. This clarification is made in light of ongoing bankruptcy litigation involving a covered entity in the Program. In addition, the proposed amendments would clarify the regulatory procedure for establishing the Auction Reserve Price by ensuring consistency with the procedure for establishing the Auction Reserve Price in the Ontario and Québec regulations, and ensure that California can certify joint auctions regardless of which jurisdiction’s Auction Reserve Price is used for a joint auction.

**Objectives and Benefits of the Proposed Regulatory Action:**

CARB staff is proposing these amendments to achieve two goals. The first goal is to clarify that the Cap-and-Trade Regulation requires a successor entity after a change in ownership to be responsible for the outstanding, pre-transfer compliance obligation of the predecessor covered entity. This has long been CARB’s interpretation of the Cap-and-Trade Regulation, and all ownership changes that have occurred to date — besides in one bankruptcy matter involving the La Paloma Generating Station— have resulted in the purchasing or succeeding entity being responsible for the outstanding compliance obligation of the selling or preceding entity. The proposed amendment ensures that all market participants operate under the same requirements and that every purchaser after a change in ownership must account for the outstanding (i.e., unsurrendered) compliance obligation of the predecessor covered entity.

The second goal is to allow the Auction Reserve Price to be set based upon the highest of three jurisdiction-specific Auction Reserve Price values in the linked program (California, Ontario, and Québec). Without the modification, in specific, and unlikely, circumstances, it may not be possible for the CARB Executive Officer to certify that a joint auction using the Auction Reserve Price set by Ontario is conducted in accordance with the California Regulation. This outcome would reduce market participants’ confidence in the market, which could reduce market participation and liquidity, and po-

tentially impact a covered entity’s ability to comply. The proposed modification ensures that California can certify joint auctions with other jurisdictions operating a GHG emissions trading system (ETS) to which California has linked, including Ontario.

The proposed action, by clarifying liability under the Cap-and-Trade Regulation and ensuring compliance with the Cap-and-Trade Program, may yield nonmonetary public health and environmental benefits.

**Comparable Federal Regulations:**

There are no directly comparable federal regulations mandating economy-wide Cap-and-Trade Programs. The proposed regulatory action continues to place a compliance obligation on large industrial sources, fuel suppliers, and electricity generators and importers for the GHG emissions associated with their current and future activities. The GHG emissions from these entities are not currently covered by any federal regulations. Covering these GHG emissions does not conflict with federal regulations.

**An Evaluation of Inconsistency or Incompatibility with Existing State Regulations (Gov. Code, § 11346.5, subd. (a)(3)(D)):**

During the process of developing the proposed regulatory action, CARB conducted a search of any similar regulations on this topic and concluded these regulations are neither inconsistent nor incompatible with existing state regulations.

MANDATED BY FEDERAL LAW  
OR REGULATIONS  
(Gov. Code §§ 11346.2, subd. (c), 11346.9)

The proposed regulatory action is not generally mandated by federal law or regulations.

DISCLOSURES REGARDING THE  
PROPOSED REGULATION

**Fiscal Impact/Local Mandate Determination Regarding the Proposed Action (Gov. Code, §11346.5, subs. (a)(5)&(6)):**

The determinations of the Board’s Executive Officer concerning the costs or savings incurred by public agencies and private persons and businesses in reasonable compliance with the proposed regulatory action are presented below.

Under Government Code sections 11346.5, subdivisions (a)(5) and (a)(6), the Executive Officer has determined that the proposed regulatory action would not create costs or savings to any State agency or in federal funding to the State, nor costs or mandate to any local agency or school district, whether or not reimbursable by the State under Government Code, title 2, division 4,

<sup>1</sup> [https://www.arb.ca.gov/cc/capandtrade/meetings/20171012/ct\\_presentation\\_11oct2017.pdf](https://www.arb.ca.gov/cc/capandtrade/meetings/20171012/ct_presentation_11oct2017.pdf).

part 7 (commencing with section 17500), nor other nondiscretionary cost or savings to State or local agencies.

**Housing Costs (Gov. Code, § 11346.5, subd. (a)(12)):**

The Executive Officer has also made the initial determination that the proposed regulatory action will not have a significant effect on housing costs.

**Significant Statewide Adverse Economic Impact Directly Affecting Business, Including Ability to Compete (Gov. Code, §§ 11346.3, subd. (a), 11346.5, subd. (a)(7), 11346.5, subd. (a)(8)):**

The Executive Officer has made an initial determination that the proposed regulatory action would not have a significant statewide adverse economic impact directly affecting businesses, including the ability of California businesses to compete with businesses in other states, or on representative private persons.

**Results of The Economic Impact Analysis/Assessment (Gov. Code, § 11346.5, subd. (a)(10)):**

*Effect on Jobs/Businesses:*

The Executive Officer has determined that the proposed regulatory action would not affect the creation or elimination of jobs within the State of California, the creation of new businesses or elimination of existing businesses within the State of California, or the expansion of businesses currently doing business within the State of California.

These determinations are based on an economic assessment that leads the Executive Officer to expect no adverse economic impacts from the proposed regulatory action. A detailed assessment of the economic impacts of the proposed regulatory action can be found in the Economic Impact Analysis in the Initial Statement of Reasons (ISOR).

*Benefits of the Proposed Regulation:*

The benefits that accrue from the proposed action on successor liability include improved operation of the existing Cap-and-Trade Regulation through the clarification of predecessor and successor liability with respect to outstanding compliance obligations in bankruptcy. The amendment will also ensure clarity for entities planning to purchase other registered entities as they value the compliance obligations they would be assuming.

The proposed action on determination of the Auction Reserve Price for joint auctions removes one potential outcome that could prevent the Executive Officer from certifying the results of a joint auction, by ensuring that the Auction Reserve Price for a specific joint auction could be set by the Ontario Auction Reserve Price. Under the existing California Regulation, California may not recognize the same joint Auction Reserve Price rec-

ognized by Ontario and Québec, if the Auction Reserve Price is set by Ontario. In this case, the Executive Officer could not certify the auction as consistent with the California Regulation. This outcome would reduce market participants' confidence in the market, which could reduce market participation and liquidity, and potentially impact an entity's ability to comply. The failure to certify an auction would reduce market efficiency because the market relies on auction settlement prices as a broad measure of market participants' valuation of allowances.

**Cost Impacts on Representative Private Persons or Businesses (Gov. Code, § 11346.5, subd. (a)(9)):**

In developing this regulatory proposal, CARB staff evaluated the potential economic impacts on representative private persons or businesses. CARB is not aware of any cost impacts that a representative private person or business would necessarily incur in reasonable compliance with the proposed action.

**Effect on Small Business (Cal. Code Regs., tit. 1, § 4, subs. (a) and (b)):**

The Executive Officer has also determined under California Code of Regulations, title 1, section 4, that the proposed regulatory action would not affect small businesses. Based on the definition of "small business" in Government Code section 11342.610, the inclusion threshold for the Cap-and-Trade Regulation, and the fact that the proposed amendments do not modify the inclusion threshold or any compliance obligation requirements, no small businesses will be affected by the proposed amendments. As described in previous Cap-and-Trade rulemakings, no small businesses face any compliance obligation under the Cap-and-Trade Regulation, and the proposed regulatory action would not impose any new compliance obligations on any covered entities. Therefore, the proposed amendment would not affect small business.

**Consideration of Alternatives (Gov. Code, § 11346.5, subd. (a)(13)):**

Before taking final action on the proposed regulatory action, the Board must determine that no reasonable alternative considered by the Board, or that has otherwise been identified and brought to the attention of the Board, would be more effective in carrying out the purpose for which the action is proposed, would be as effective and less burdensome to affected private persons than the proposed action, or would be more cost-effective to affected private persons and equally effective in implementing the statutory policy or other provisions of law.

The Executive Officer analyzed three alternatives to the proposed amendments and determined that all of the alternatives would be less effective in carrying out the

purpose for which the action is proposed than the proposed amendments, as described in the staff report.

### ENVIRONMENTAL ANALYSIS

CARB, as the lead agency under the California Environmental Quality Act (CEQA), has reviewed the proposed regulatory action and concluded that no subsequent or supplemental environmental analysis is required for the proposed amendments. A brief explanation of the basis for reaching this conclusion is included in Chapter VI of the ISOR.

### SPECIAL ACCOMMODATION REQUEST

Consistent with California Government Code Section 7296.2, special accommodation or language needs may be provided for any of the following:

- An interpreter to be available at the hearing;
- Documents made available in an alternate format or another language; and
- A disability-related reasonable accommodation.

To request these special accommodations or language needs, please contact the Clerk of the Board at (916) 322-5594 or by facsimile at (916) 322-3928 as soon as possible, but no later than 10 business days before the scheduled Board hearing. TTY/TDD/Speech to Speech users may dial 711 for the California Relay Service.

Consecuente con la sección 7296.2 del Código de Gobierno de California, una acomodación especial o necesidades lingüísticas pueden ser suministradas para cualquiera de los siguientes:

- Un intérprete que esté disponible en la audiencia;
- Documentos disponibles en un formato alterno u otro idioma; y
- Una acomodación razonable relacionados con una incapacidad.

Para solicitar estas comodidades especiales o necesidades de otro idioma, por favor llame a la oficina del Consejo al (916) 322-5594 o envíe un fax a (916) 322-3928 lo más pronto posible, pero no menos de 10 días de trabajo antes del día programado para la audiencia del Consejo. TTY/TDD/Personas que necesiten este servicio pueden marcar el 711 para el Servicio de Re-transmisión de Mensajes de California.

### AGENCY CONTACT PERSONS

Inquiries concerning the substance of the proposed regulatory action may be directed to the agency representative Ben Carrier, Attorney, CARB Legal Office, at (916) 327-5986 or (designated back-up) contact Ray-

mond Olsson, Manager, Market Monitoring Section, at (916) 322-7615.

### AVAILABILITY OF DOCUMENTS

CARB staff has prepared a Staff Report: Initial Statement of Reasons (ISOR) for the proposed regulatory action, which includes a summary of the economic and environmental impacts of the proposal. The report is entitled: Public Hearing to Consider the Proposed Amendments to the California Cap On Greenhouse Gas Emissions and Market-based Compliance Mechanisms Regulation.

Copies of the ISOR and the full text of the proposed regulatory language, in underline and strikeout format to allow for comparison with the existing regulations, may be accessed on CARB's website listed below, or may be obtained from the Public Information Office, Air Resources Board, 1001 I Street, Visitors and Environmental Services Center, First Floor, Sacramento, California, 95814, on January 30, 2018.

Further, the agency representative to whom nonsubstantive inquiries concerning the proposed administrative action may be directed is Bradley Bechtold, Regulations Coordinator, (916) 322-6533. The Board staff has compiled a record for this rulemaking action, which includes all the information upon which the proposal is based. This material is available for inspection upon request to the contact persons.

### HEARING PROCEDURES

The public hearing will be conducted in accordance with the California Administrative Procedure Act, Government Code, title 2, division 3, part 1, chapter 3.5 (commencing with section 11340).

Following the public hearing, the Board may take action to approve for adoption the regulatory language as originally proposed, or with non-substantial or grammatical modifications. The Board may also approve for adoption the proposed regulatory language with other modifications if the text as modified is sufficiently related to the originally proposed text that the public was adequately placed on notice and that the regulatory language as modified could result from the proposed regulatory action. If this occurs, the full regulatory text, with the modifications clearly indicated, will be made available to the public, for written comment, at least 15 days before final adoption.

The public may request a copy of the modified regulatory text from CARB's Public Information Office, Air Resources Board, 1001 I Street, Visitors and Environmental Services Center, First Floor, Sacramento, California, 95814.

**FINAL STATEMENT OF  
REASONS AVAILABILITY**

Upon its completion, the Final Statement of Reasons (FSOR) will be available and copies may be requested from the agency contact persons in this notice, or may be accessed on CARB's website listed below.

**INTERNET ACCESS**

This notice, the ISOR and all subsequent regulatory documents, including the FSOR, when completed, are available on CARB's website for this rulemaking at <http://www.arb.ca.gov/regact/2018/capandtradeghg18/capandtradeghg18.htm>.

**TITLE 17. AIR RESOURCES BOARD**

**NOTICE OF PUBLIC HEARING TO  
CONSIDER PROPOSED REGULATION FOR  
PROHIBITIONS ON USE OF CERTAIN  
HYDROFLUOROCARBONS IN STATIONARY  
REFRIGERATION AND FOAM END-USES**

The California Air Resources Board (CARB or Board) will conduct a public hearing at the time and place noted below to consider approving for adoption the proposed regulation for Prohibitions on Use of Certain Hydrofluorocarbons in Stationary Refrigeration and Foam End-Uses.

DATE: March 22, 2018  
 TIME: 9:00 a.m.  
 LOCATION: Riverside County Administrative  
 Center  
 4080 Lemon St., 1st Floor  
 Riverside, California 92501

This item will be considered at a meeting of the Board, which will commence at 9:00 a.m., March 22, 2018, and may continue at 8:30 a.m., on March 23, 2018. Please consult the agenda for the hearing, which will be available at least ten days before March 22, 2018, to determine the day on which this item will be considered.

**WRITTEN COMMENT PERIOD AND  
SUBMITTAL OF COMMENTS**

Interested members of the public may present comments orally or in writing at the hearing and may provide comments by postal mail or by electronic submittal before the hearing. The public comment period for this

regulatory action will begin on February 2, 2018. Written comments not physically submitted at the hearing must be submitted on or after February 2, 2018, and received **no later than 5:00 p.m. on March 19, 2018**. CARB requests that when possible, written and email statements be filed at least ten days before the hearing to give CARB staff and Board members additional time to consider each comment. The Board also encourages members of the public to bring to the attention of staff in advance of the hearing any suggestions for modification of the proposed regulatory action. Comments submitted in advance of the hearing must be addressed to one of the following:

Postal  
 mail: Clerk of the Board, California Air  
 Resources Board  
 1001 I Street  
 Sacramento, California 95814

Electronic  
 submittal: <http://www.arb.ca.gov/lispub/comm/bclist.php>

Please note that under the California Public Records Act (Gov. Code, § 6250 et seq.), your written and oral comments, attachments, and associated contact information (e.g., your address, phone, email, etc.) become part of the public record and can be released to the public upon request.

Additionally, the Board requests but does not require that persons who submit written comments to the Board reference the title of the proposal in their comments to facilitate review.

**AUTHORITY AND REFERENCE**

This regulatory action is proposed under the authority granted in California Health and Safety Code, sections 38510, 38560, 38562, 38566, 38580, 38598, 39600, 39601, 39730, 39730.5, and 41511. This action is proposed to implement, interpret, and make specific sections 38510, 38560, 38562, 38566, 38580, 38598, 39600, 39601, 39730, 39730.5, and 41511 of the Health and Safety Code.

**INFORMATIVE DIGEST OF PROPOSED ACTION  
AND POLICY STATEMENT OVERVIEW**

(Gov. Code, § 11346.5, subd. (a)(3))

**Sections Affected:**

Proposed amendment to Subarticles 4 and 5 of California Code of Regulations, Title 17, Division 3, Chapter 1, Subchapter 10, Article 4.

Proposed adoption of sections 95371, 95372, 95373, 95374, 95375, 95376, and 95377 to California Code of

Regulations, Title 17, Division 3, Chapter 1, Subchapter 10, Article 4, Subarticle 5.

**Background and Effect of the Proposed Regulatory Action:**

Climate change is one of the most serious environmental threats facing the world today. California is experiencing the effects of climate change and is committed to take action. Beginning with Assembly Bill 32 (AB 32) (Núñez, Stat. 2006, Ch. 488), the California Global Warming Solutions Act of 2006, California created a comprehensive, multi-year program to reduce greenhouse gas (GHG) emissions in California. To further the goals of AB 32, in 2016, the Legislature enacted Senate Bill 32 (SB 32) (Pavley, Stat. 2016, Ch. 249) requiring a 40 percent reduction in GHG emissions below 1990 levels by 2030.

Short-lived climate pollutants (SLCPs), such as hydrofluorocarbons (HFCs), are among the most harmful pollutants as they are powerful climate forcers. While they remain in the atmosphere for a much shorter time than carbon dioxide (CO<sub>2</sub>), their relative climate forcing (how effectively they heat the atmosphere) can be tens, hundreds, or even thousands of times greater than CO<sub>2</sub>. HFCs are the fastest growing source of GHG emissions in California and the world, primarily because of increasing demand for refrigeration and air-conditioning and the phasedown of ozone-depleting substances (ODS), such as chlorofluorocarbons (CFCs) and hydrochlorofluorocarbons (HCFCs). Recognizing the importance of reducing HFCs, the Legislature enacted Senate Bill 1383 (SB 1383) (Lara, Stat. 2016, Ch. 395) in 2016, which requires a 40 percent reduction of HFC emissions below 2013 levels by 2030.

To meet California’s mandates under AB 32, SB 32, and SB 1383, CARB was relying, in substantial part, on the United States Environmental Protection Agency’s (U.S. EPA) Significant New Alternatives Policy (SNAP) Program, Rules 20 and 21 (SNAP Rules). However, on August 8, 2017, in *Mexichem Fluor. v. U.S. EPA* (Case No. 15–1328) (consolidated with *Arkema v. U.S. EPA*, Case No. 15–1329), the D.C. Circuit Court of Appeals (D.C. Circuit) published a decision limiting U.S. EPA’s ability to require replacement of HFCs under the SNAP Rules. Although these SNAP Rules are actively being defended in Court, immediate action is necessary to maintain and enforce prohibitions for certain end-uses of HFCs to achieve California’s HFC emissions reduction goal.

California has authority to set its own standards to reduce emissions to meet federal and state air quality standards and climate change requirements and goals. The proposed regulation is necessary to achieve additional benefits for human health, public welfare, and the environment and to promote fairness and transparency.

CARB may also consider other changes to the sections affected, as listed below, during the course of this rule-making process.

**Objectives and Benefits of the Proposed Regulatory Action:**

In this rulemaking, CARB staff proposes to adopt into state regulation, specific prohibitions on the use of high-global warming potential (high-GWP) refrigerants in new and retrofit stationary refrigeration equipment and certain HFCs used as blowing agents in foam end-uses. CARB staff is also proposing to adopt a recordkeeping requirement that would require the production of these documents if CARB requests them, and a disclosure requirement on the invoice produced by the manufacturer for these end-uses.

The following end-use sectors are included in this proposed regulation:

1. Retail food refrigeration (new and retrofit) — This end-use includes the following categories of equipment:
  - a) Stand-alone Equipment
  - b) Refrigerated food processing and dispensing equipment
  - c) Remote condensing units
  - d) Supermarket systems
2. Vending machines (new and retrofit)
3. Foams — This end-use covers the following types of foams:
  - a) Rigid Polyurethane and Polyisocyanurate Laminated Boardstock
  - b) Flexible Polyurethane
  - c) Integral Skin Polyurethane
  - d) Polystyrene: Extruded Sheet
  - e) Phenolic Insulation Board and Bunstock

The specific provisions of the proposed regulation are:

1. Purpose
2. Applicability
3. Definitions
4. List of prohibited HFCs by specific end-uses by a specific date
5. Requirements, including:
  - a) Prohibitions
  - b) Disclosure requirements for specific manufacturers
  - c) Recordkeeping requirements for specific manufacturers
6. Enforcement provisions
7. Severability

The objective of the proposed regulatory action is to maintain emission reductions that are currently in

place, prevent backsliding by industry that could result from the recent court ruling, and to comply with California’s AB 32, SB 32, and SB 1383 mandates. The benefit of the proposal is from the reductions of GHG emissions from HFCs that are up to thousands of times more potent in warming potential than equivalent amounts of CO<sub>2</sub>. CARB staff estimates that implementing the proposed regulation will result in a reduction of 22.9 million metric tons CO<sub>2</sub> equivalents (MMTCO<sub>2</sub>E) by year 2030; an annual reduction of up to 3.4. MMTCO<sub>2</sub>E. These emissions reductions are necessary for meeting the SB 1383 HFC emissions reduction target and to protect Californians from the harmful impacts of climate change.

The proposal represents CARB staff’s efforts to reduce HFC emissions. This effort began in 2009 when CARB staff began working on CARB’s Refrigerant Management Program. For this proposed regulation, CARB staff worked with major stakeholders such as industry trade groups, end-users, non-governmental organizations (NGOs), and U.S. EPA to solicit input via meetings and public workshops. CARB staff developed the proposal based on research, analysis, and feedback from stakeholders.

**Comparable Federal Regulations:**

Comparable federal regulations with similar provisions are listed in U.S. EPA SNAP Rules 20 (40 CFR Part 82, Subpart G, Appendix U) and 21 (40 CFR Part 82, Subpart G, Appendix V). SNAP Rules 20 and 21 implement section 612 of the federal Clean Air Act (42 U.S.C. § 7671k), which addresses stratospheric ozone protection. Section 612 phases out the use of ODS and authorizes U.S. EPA to require direct replacement of these compounds. Listed substances have a specific phase-out schedule. U.S. EPA also lists substances for replacement and substances that are “safe” or “unsafe” as substitutes. U.S. EPA may require manufacturers to stop using listed chemicals and replace them with listed safe substitute substances. The lists of safe and prohibited substances are fluid and may change over time. Under U.S. EPA SNAP Rules, there are certain exemptions from the regulation.

The proposed regulation differs from the federal SNAP Rules in that it adopts prohibitions only for retail food refrigeration and vending machine end-uses, as well as for certain foam end-uses. Other categories contained in the federal SNAP Rules are covered through other California measures or regulations. The proposed regulation also includes additional provisions on the purpose of the regulation, applicability, definitions, requirements, and enforcement. CARB staff’s proposed enforcement mechanism is more stringent because, in addition to the prohibitions list, it requires manufacturers to place a disclosure statement on invoices manufac-

turers provide to consumers and requires manufacturers to keep records and provide them to CARB if requested, which will support the enforcement of the proposed regulation in California.

**An Evaluation of Inconsistency or Incompatibility with Existing State Regulations (Gov. Code, § 11346.5, subd. (a)(3)(D)):**

During the process of developing the proposed regulatory action, CARB staff conducted a careful search of any similar regulations on this topic and concluded that these regulations are neither inconsistent nor incompatible with existing state regulations. California has regulations in place to reduce emissions from non-residential stationary refrigeration equipment, motor vehicle air-conditioning, self-sealing valve requirements for small cans of automotive refrigerants purchased by “do-it-yourself” mechanics, consumer product aerosol propellants, and semiconductor manufacturing. A description of the current regulations follows:

- **Refrigerant Management Program (RMP):** The RMP (Cal. Code of Regs., tit. 17, § 95380, et seq.) is modeled after U.S. EPA’s Clean Air Act, Section 608 program to protect the stratospheric ozone layer by reducing usage and emissions of ODS. In addition to ODS, the RMP also includes non-ODS HFC refrigerants with a 100-year GWP of 150 or greater (considered “high-GWP”). The RMP requires facilities with refrigeration systems with more than 50 pounds of high-GWP refrigerant (for example, supermarkets and cold storage warehouses) to inspect for and repair leaks, maintain service records, and in some cases, report refrigerant use. It applies to any person who installs, services, or disposes of any equipment using a high-GWP refrigerant; and to refrigerant wholesalers, distributors and reclaimers. The RMP is different from the proposed regulation in that it has different requirements, such as leak inspections, repairs, registration, and reporting requirements for refrigeration systems with greater than 50 pounds of high-GWP refrigerants. The RMP also affects any person who installs, services, or disposes of any equipment using a high-GWP refrigerant; and refrigerant wholesalers, distributors and reclaimers. Unlike the proposed regulation, the RMP does not prohibit specific HFCs, or require recordkeeping or a disclaimer on invoices for equipment manufacturers.
- **Advanced Clean Cars (ACC) Program:** HFC emissions from transportation are largely from mobile vehicle air-conditioning (MVAC). The components of the ACC program are the Low-Emission Vehicle (LEV) regulations

(contained in various sections, commencing with Cal. Code Regs., tit. 13, §§ 1900, et seq.) that reduce criteria pollutants and GHG emissions from light- and medium-duty vehicles, and the Zero-Emission Vehicle (ZEV) regulation (commencing with Cal. Code Regs., tit. 13, §§ 1962.1, et seq.), which requires manufacturers to produce an increasing number of pure ZEVs (meaning battery electric and fuel cell electric vehicles), with provisions to also produce plug-in hybrid electric vehicles (PHEV) in the 2018 through 2025 model years. The ACC program is different from the proposed regulation in that it applies to a sector that is not covered under the proposed regulation and contains different requirements.

- Small-can “DIYer” Regulation for Mobile Vehicle AC Re-charging: The DIYer regulation (Cal. Code Regs., tit. 17, § 95360, et seq.) reduces emissions from small containers of automotive refrigerant by requiring the use of self-sealing valves on containers, improved labeling instructions, a refundable deposit recycling program, and an education program that emphasizes best practices for vehicle recharging. The DIYer regulation is different from the proposed regulation in that it applies to a sector that is not covered under the proposed regulation and contains different requirements.
- Consumer Product Aerosol Propellant Regulations: The consumer products regulation (Cal. Code Regs., tit. 17, § 95409, et seq.) prohibits aerosol propellants with a GWP of 150 or greater used in spray dusters (keyboard dusters), boat horns, tire inflators, and other consumer aerosol products. The consumer products regulation is different from the proposed regulation in that it applies to a sector that is not covered under the proposed regulation.
- Semiconductor Manufacturing F-gas Regulations: The semiconductor manufacturing regulation (Cal. Code Regs., tit. 17, § 95320, et seq.) sets emission standards for operators of semiconductor operations and requires reporting of F-gas use. In addition to HFCs, other F-gases are included; perfluorocarbons (PFCs), sulfur hexafluoride (SF<sub>6</sub>), and nitrogen trifluoride (NF<sub>3</sub>). The semiconductor manufacturing regulation is different from the proposed regulation in that it applies to a sector that is not covered under the proposed regulation and contains different requirements.

CARB staff carefully reviewed these current regulations in the development of the proposed regulation and

determined that the proposed regulation is different in its application, different in most of the sectors covered, and prohibits certain HFCs which were not previously prohibited. CARB staff also determined that it is complementary and is designed to be as strong as, if not stronger than the existing rules.

MANDATED BY FEDERAL LAW  
OR REGULATIONS  
(Gov. Code, §§ 11346.2, subd. (c), 11346.9)

The proposed regulation is adopting certain prohibitions for retail food refrigeration, vending machine, and foam end-uses listed in U.S. EPA SNAP Rules 20 (40 CFR Part 82, Subpart G, Appendix U) and 21 (40 CFR Part 82, Subpart G, Appendix V). These end-uses are currently existing in U.S. EPA SNAP Rules 20 and 21 and have upcoming effective dates in the SNAP Rules. However, due to the recent court decision, implementation and enforcement are in jeopardy.

Combined, the end-use categories have the largest HFC emissions impact. The substances listed have high GWP values, which will contribute to climate change. Thus, prohibiting these substances will reduce the impacts of climate change and lower the overall risk to human health and the environment by the effective date. The stationary refrigeration end-use sectors were chosen because they have the largest HFC emission impacts and have currently existing or upcoming effectiveness dates in the SNAP Rules. The foam end-use sectors included also have existing effective dates and were therefore included to prevent future use of high-GWP HFCs in new production of foam. Other end-use sectors are being addressed through other CARB measures under consideration.

Please see Section I, Introduction and Background, Subsection O, and Section IX, Evaluation of Alternatives, Alternative 2, of the Initial Statement of Reasons (ISOR) for a description of the rationale for excluding certain sectors.

DISCLOSURES REGARDING THE  
PROPOSED REGULATION

The determinations of the Board’s Executive Officer concerning the costs or savings incurred by public agencies and private persons and businesses in reasonable compliance with the proposed regulatory action are presented below.

**Fiscal Impact/Local Mandate Determination Regarding the Proposed Action (Gov. Code, § 11346.5, subs. (a)(5)&(6)):**

Under Government Code sections 11346.5, subdivision (a)(5) and 11346.5, subdivision (a)(6), the Executive Officer has determined that the proposed regulato-



ry action would not impose costs or mandates on local agencies or school districts and, therefore, does not require State reimbursement pursuant to part 7 (commencing with section 17500) of division 4. The proposed regulatory action would not create costs or savings to any State agency or in federal funding to the State.

The Executive Officer has also determined that the proposed regulatory action would create costs or savings to other State agencies. The cost to State government would be exclusive to the State agency, CARB. The agency will require two additional Air Pollution Specialist (APS) staff to implement and enforce the proposed regulation starting in the 2018–2019 fiscal year. The staff cost is zero in the current (2017–2018) fiscal year, \$330,000 for the 2018–2019 first year, and \$328,000 for 2019–2020 and thereafter, for a three-year cost of \$658,000. There are no other nondiscretionary costs or savings to State or local agencies.

**Housing Costs (Gov. Code, § 11346.5, subd. (a)(12)):**

The Executive Officer has made the initial determination that the proposed regulatory action will not have an effect on housing costs.

**Significant Statewide Adverse Economic Impact Directly Affecting Business, Including Ability to Compete (Gov. Code, §§ 11346.3, subd. (a), 11346.5, subd. (a)(7), 11346.5, subd. (a)(8)):**

The Executive Officer has made an initial determination that the proposed regulatory action would not have a significant statewide adverse economic impact directly affecting businesses, including the ability of California businesses to compete with businesses in other states, or on representative private persons.

**Results of The Economic Impact Analysis/Assessment (Gov. Code, § 11346.5, subd. (a)(10)):**

**NON-MAJOR REGULATION: Statement of the Results of the Economic Impact Assessment (EIA):**

The total statewide costs of the regulation over 20 years are expected to be \$4.25 million. This consists of \$4.12 million in compliance costs and \$130,000 for recordkeeping and reporting and to add a disclosure statement on invoices from the manufacturer of affected refrigeration equipment and foam products. Reporting would only be required if requested by CARB staff. Since the proposed regulation is an adaptation of existing U.S. EPA prohibitions for which an economic analysis has been done, CARB staff has estimated California’s share of the national cost of implementing the regulation in California and added the cost of recordkeeping, reporting upon request, and the requirements for disclosure statements. A detailed assessment of the eco-

omic impacts of the proposed regulatory action can be found in section VIII, “Economic Impact Assessment” of the ISOR.

**Creation or Elimination of Jobs Within the State of California:**

The Executive Officer has determined that the proposed regulatory action **would not** affect the creation or elimination of jobs within the State of California.

**Creation of New Business or Elimination of Existing Businesses Within the State of California:**

The Executive Officer has determined that the proposed regulatory action **would not** affect the creation of new businesses or elimination of existing businesses within the State of California.

**Expansion of Businesses Currently Doing Business Within the State of California:**

The Executive Officer has determined that the proposed regulatory action **would not** affect the expansion of businesses currently doing business within the State of California.

**Benefits of the Proposed Regulation to the Health and Welfare of California Residents, Worker Safety, and the State’s Environment:**

CARB staff anticipates benefits to the health and welfare of California residents, and the state’s environment but does not anticipate any cost or benefits to worker safety.

The objective of the proposed regulatory action is to reduce GHG emissions from HFCs that are up to thousands of times more potent in warming potential than equivalent amounts of CO<sub>2</sub>. The proposed regulation is anticipated to result in a cumulative reduction of 22.9 MMTCO<sub>2</sub>E by year 2030; a reduction of up to 3.4 MMTCO<sub>2</sub>E in annual emissions. A summary of these benefits is provided in section IV, “Benefits Anticipated from the Regulatory Action” in the ISOR.

**Business Report (Gov. Code, § 11346.6, subd. (a)(11); 11346.3, subd. (d)):**

In accordance with Government Code sections 11346.5, subdivision (a)(11) and 11346.3, subdivision (d), the Executive Officer finds the recordkeeping, reporting, and disclosure requirements of the proposed regulatory action, which apply to businesses, to be necessary for the health, safety, and welfare of the people of the State of California.

**Cost Impacts on Representative Private Persons or Businesses (Gov. Code, § 11346.5, subd. (a)(9)):**

In developing this regulatory proposal, CARB staff evaluated the potential economic impacts on representative private persons or businesses. The cost impact varies by end-use category with initial costs for a typical business ranging from \$80 to \$254,200, with annual ongoing costs of \$40.

**Effect on Small Business (Cal. Code Regs, tit. 1, § 4, subds. (a) and (b)):**

The Executive Officer has also determined that, under California Code of Regulations, title 1, section 4, the proposed regulatory action would affect small businesses. The initial cost for a small business ranges from \$0 to \$14,200, with annual ongoing costs of \$40.

**Alternatives Statement (Gov. Codes, § 11346.5, subd. (a)(13)):**

CARB staff considered the following alternatives: (1) no action; (2) adopt the SNAP Rules in their entirety; and (3) exempt small businesses. CARB staff concluded that action is necessary to prevent harm to the climate and to comply with California’s legal mandates. CARB staff also concluded that emissions from end-use sectors not included in the proposed regulation will be reduced more effectively using other reduction measures. CARB staff also concluded that excluding small businesses would be in contradiction of the SNAP Rules, would not be effective in reducing emissions, would create confusion among end-users, and would make it extremely difficult to enforce the proposed regulation.

Therefore, no reasonable alternative considered by the Board, or that has otherwise been identified and brought to the attention of the Board, would be more effective in carrying out the purpose for which the action is proposed, would be as effective and less burdensome to affected private persons than the proposed action, or would be more cost-effective to affected private persons and equally effective in implementing the statutory policy or other provisions of law. For additional information, see section IX, “Evaluation of Regulatory Alternatives” in the ISOR.

ENVIRONMENTAL ANALYSIS

CARB, as the lead agency under the California Environmental Quality Act (CEQA), has reviewed the proposed regulation and prepared a draft environmental analysis in accordance with the requirements of its regulatory program certified by the Secretary of Natural Resources (Cal. Code Regs., tit. 17, §§ 60006–60008; Cal. Code Regs., tit. 14, § 15251 (d)). CARB staff have concluded that the proposed regulation is exempt pursuant to CEQA guidelines section 15308 — Actions Taken by Regulatory Agencies for Protection of the Environment. A brief explanation of the basis for reaching this conclusion is included in Chapter VI of the ISOR.

SPECIAL ACCOMMODATION REQUEST

Consistent with California Government Code Section 7296.2, special accommodation or language needs may be provided for any of the following:

- An interpreter to be available at the hearing;
- Documents made available in an alternate format or another language; and
- A disability-related reasonable accommodation.

To request these special accommodations or language needs, please contact the Clerk of the Board at (916) 322–5594 or by facsimile at (916) 322–3928 as soon as possible, but no later than ten business days before the scheduled Board hearing. TTY/TDD/Speech to Speech users may dial 711 for the California Relay Service.

Consecuente con la sección 7296.2 del Código de Gobierno de California, una acomodación especial o necesidades lingüísticas pueden ser suministradas para cualquiera de los siguientes:

- Un intérprete que esté disponible en la audiencia;
- Documentos disponibles en un formato alterno u otro idioma; y
- Una acomodación razonable relacionados con una incapacidad.

Para solicitar estas comodidades especiales o necesidades de otro idioma, por favor llame a la oficina del Consejo al (916) 322–5594 o envíe un fax a (916) 322–3928 lo más pronto posible, pero no menos de 10 días de trabajo antes del día programado para la audiencia del Consejo. TTY/TDD/Personas que necesiten este servicio pueden marcar el 711 para el Servicio de Re-transmisión de Mensajes de California.

AGENCY CONTACT PERSONS

Inquiries concerning the substance of the proposed regulatory action may be directed to the agency representative, Kathryn Kynett, Air Pollution Specialist, Greenhouse Gas Reduction Strategy Section, at (916) 322–8598 or (designated back-up contact) Pamela Gupta, Manager, Greenhouse Gas Reduction Strategy Section, at (916) 327–0604.

AVAILABILITY OF DOCUMENTS

CARB staff has prepared a Staff Report: Initial Statement of Reasons (ISOR) for the proposed regulatory action, which includes a summary of the economic and environmental impacts of the proposal. The report is entitled: “Prohibitions on Use of Certain Hydrofluorocarbons in Stationary Refrigeration and Foam End-Uses.”

Copies of the ISOR and the full text of the proposed regulatory language, may be accessed on CARB's website listed below, or may be obtained from the Public Information Office, California Air Resources Board, 1001 I Street, Visitors and Environmental Services Center, First Floor, Sacramento, California, 95814, on January 30, 2018.

Further, the agency representative to whom nonsubstantive inquiries concerning the proposed administrative action may be directed is Bradley Bechtold, Regulations Coordinator, at (916) 322-6533. The Board staff has compiled a record for this rulemaking action, which includes all the information upon which the proposal is based. This material is available for inspection upon request to the contact persons.

**HEARING PROCEDURES**

The public hearing will be conducted in accordance with the California Administrative Procedure Act, Government Code, title 2, division 3, part 1, chapter 3.5 (commencing with section 11340). Following the public hearing, the Board may take action to approve for adoption the regulatory language as originally proposed, or with non-substantial or grammatical modifications. The Board may also approve for adoption the proposed regulatory language with other modifications if the text as modified is sufficiently related to the originally proposed text that the public was adequately placed on notice and that the regulatory language as modified could result from the proposed regulatory action. If this occurs, the full regulatory text, with the modifications clearly indicated, will be made available to the public, for written comment, at least 15 days before final adoption.

The public may request a copy of the modified regulatory text from CARB's Public Information Office, California Air Resources Board, 1001 I Street, Visitors and Environmental Services Center, First Floor, Sacramento, California, 95814.

**FINAL STATEMENT OF REASONS AVAILABILITY**

Upon its completion, the Final Statement of Reasons (FSOR) will be available and copies may be requested from the agency contact persons in this notice, or may be accessed on CARB's website listed below.

**INTERNET ACCESS**

This notice, the ISOR and all subsequent regulatory documents, including the FSOR, when completed, are available on CARB's website for this rulemaking at

<http://www.arb.ca.gov/regact/2018/casnap/casnap.htm>.

**TITLE 20. CALIFORNIA ENERGY COMMISSION**

Portable Electric Spas and Battery Charger Systems  
Appliance Efficiency Rulemaking

California Energy Commission  
Docket No. 18-AAER-02

The California Energy Commission proposes to modify existing appliance efficiency regulations for portable electric spas to clarify the scope, update the performance standard, update the test procedure, and add a labeling requirement. The Commission proposes to modify existing marking requirements in the appliance efficiency regulations for battery chargers.

**NOTICE THAT A PUBLIC HEARING IS SCHEDULED**

The date set for the adoption of regulations at a public hearing is as follows:

Commission Business Meeting  
April 11, 2018  
Beginning 10:00 a.m. (Pacific Time)  
California Energy Commission  
1516 9th Street  
Sacramento, CA 95814  
Rosenfeld Hearing Room  
(Wheelchair accessible)

Audio for the adoption hearing will be broadcast over the internet. Details regarding the Commission's webcast can be found at [www.energy.ca.gov/webcast](http://www.energy.ca.gov/webcast).

If you have a disability and require assistance to participate in these hearings, please contact Poneh Jones at (916) 654-4425 at least 5 days in advance.

**ORAL AND WRITTEN STATEMENTS**

Interested persons may present oral and written statements, arguments, or contentions regarding the proposed regulations at the hearing, or, prior to the hearing, may submit written comments to the Commission for consideration no later than 5:00 p.m. on March 19, 2018. The Commission appreciates receiving written comments at the earliest possible date.

Please submit comments to the Commission using the Commission's e-commenting feature by going to the Commission's appliance efficiency rulemaking webpage at <http://energy.ca.gov/appliances/>

[2018-AAER-02/](#) and click on the “Submit e-comment” link. A full name, e-mail address, comment title, and either a comment or an attached document (.doc, .docx, or .pdf format) is mandatory. After a challenge-response test used by the system to ensure that responses are generated by a human user and not a computer, click on the “Agree & Submit Your Comment” button to submit the comment to the Commission’s Docket Unit.

Please note that written comments, attachments, and associated contact information included within the written comments and attachments, (e.g., your address, phone, email, etc.) become part of the viewable public record.

You are encouraged to use the electronic filing system, described above, to submit comments. All written comments submitted prior to the hearing must be submitted to the docket unit. If you are unable to submit electronically, a paper copy of your comments may be sent to:

Docket Unit  
California Energy Commission  
Docket No. 18-AAER-02  
1516 9th Street, MS-4  
Sacramento, CA 95814  
Telephone: (916) 654-5076  
Or e-mail them to: [Docket@energy.ca.gov](mailto:Docket@energy.ca.gov)

#### PUBLIC ADVISER

The Commission’s Public Adviser’s Office is available to assist any person who wishes to participate in this proceeding. For assistance from the Public Adviser’s Office, please call (916) 654-4489 or toll-free in California at (800) 822-6228 or contact [publicadviser@energy.ca.gov](mailto:publicadviser@energy.ca.gov).

STATUTORY AUTHORITY AND REFERENCE —  
Government Code Section 11346.5(a)(2) and  
1 California Code of Regulations 14

Authority: Sections 25213, 25218(e), and 25402(c), Public Resources Code. Reference: Sections 25216.5(d) and 25402(c), Public Resources Code.

#### INFORMATIVE DIGEST/POLICY STATEMENT OVERVIEW —

Government Code Section 11346.5(a)(3)

**Existing laws and regulations related directly to the proposed action and effect of the proposed rulemaking** — Government Code section 11346.5(a)(3)(A).

Existing law requires the Energy Commission to reduce the inefficient consumption of energy and water by prescribing efficiency standards and other cost-effective measures for appliances that require a significant amount of energy and water to operate on a statewide basis. Such standards must be technologically feasible and attainable and must not result in any added total cost to the consumer over the designed life of the appliance.

Existing law also requires the Energy Commission, in determining cost-effectiveness, to consider the value of the water or energy saved, the effect on product efficacy for the consumer, and the life-cycle cost to the consumer of complying with the standard. The Commission also must consider other relevant factors including, but not limited to, the effect on housing costs, the total statewide costs and benefits of the standard over the lifetime of the standard, the economic effect on California businesses, and alternative approaches and the associated costs.

The Appliance Efficiency Regulations (Title 20, Sections 1601–1609 of the California Code of Regulations) contain definitions, test procedures, labeling requirements, and efficiency standards for state- and federally-regulated appliances. Appliance manufacturers are required to certify to the California Energy Commission that their products meet all applicable state and federal regulations pertaining to efficiency before their products can be included in the Commission’s database of approved appliances to be sold or offered for sale within California. Appliance energy efficiency is identified as a key to achieving the greenhouse gas (GHG) emission reduction goals of Assembly Bill 32 (Stats. 2006, ch. 488), as well as the recommendations contained in the California Air Resources Board’s Climate Change Scoping Plan and Updates.

Energy efficiency regulations are also identified as key components in reducing electrical energy consumption in the Energy Commission’s 2013 Integrated Energy Policy Report (IEPR) and the California Public Utilities Commission’s 2011 update to its Energy Efficiency Strategic Plan. Finally, Governor Brown identified reduced energy consumption through efficiency standards as a key strategy for achieving his 2030 GHG reduction goals, which was codified in SB 350 (Stats. 2015, ch. 547), which requires the state’s utilities to achieve a cumulative doubling of energy efficiency savings by 2030.

#### PORTABLE ELECTRIC SPAS

Existing regulations establish appliance efficiency standards for portable electric spas manufactured on or after January 1, 2006, which require portable electric spas be tested, meet a performance-based standard, and

be certified to the Energy Commission’s appliance efficiency database. The existing efficiency standard measures the performance of all portable electric spas in standby mode. The existing test procedure sets uniform testing conditions and measuring procedures for all portable electric spas. Existing law also requires all portable electric spas be marked with the manufacturer name, brand name, or trademark; the model number; and the date of manufacture.

The proposed regulations would maintain the existing scope, covering standard spas, exercise spas, combination spas, and inflatable spas. The proposed regulations would improve the efficiency standards for standard spas, exercise spas, and combination spas manufactured on or after June 1, 2019 and add a new efficiency standard for inflatable spas manufactured on or after June 1, 2019. The proposed regulations would also amend the test procedure to ANSI/APSP/ICC-14 2014, American National Standard for Portable Electric Spa Energy Efficiency beginning June 1, 2019. The proposed regulations would add definitions for the subgroups of portable electric spas to enable implementation of the updated test methods and standby power standard. The proposed regulations would institute a label requirement for all portable electric spas manufactured on or after June 1, 2019. Lastly, the proposed regulations would also modify the data submittal requirements to collect information that is needed to confirm compliance with these requirements.

### BATTERY CHARGERS

Existing law requires manufacturers to mark all battery charger systems with a “BC” inside a circle on the product nameplate that houses the battery charging terminals or on the retail packaging and, if included, the cover page of the instructions.

Existing law requires battery chargers that are federally regulated consumer products to meet federal efficiency standards if manufactured on or after June 13, 2018. At that time, the federal efficiency standards will preempt any inconsistent state efficiency standards for these products as a matter of law. Existing federal law does not require federally regulated battery charger systems to be marked with a “BC” inside a circle.

The proposed regulations would modify the existing law by making the “BC” marking requirement applicable only to state-regulated battery chargers, eliminating the need to provide the “BC” mark for battery chargers that are federally regulated consumer products.

**Difference from existing comparable federal regulation or statute** — Government Code section 11346.5(a)(3)(B).

The Energy Commission has determined that there are no existing, comparable federal regulations or statutes that address the energy efficiency standards, testing, certification, or marking requirements in California Code of Regulations, title 20, sections 1602–1607, for portable electric spas.

The Energy Commission has determined that there are no existing, comparable federal regulations or statutes that address the marking requirements in California Code of Regulations, title 20, section 1607, for battery chargers. There are, however, existing federal regulations for battery chargers concerning matters other than marking that will take effect on June 13, 2018. The regulations proposed here would eliminate the specific marking requirement for federally regulated battery chargers, making the two laws consistent.

**Policy statement overview regarding broad objectives of the regulations and the specific benefits anticipated by the proposed amendments** — Government Code section 11346.5(a)(3)(C).

### PORTABLE ELECTRIC SPAS

The broad objectives of this rulemaking are to increase energy efficiency savings in the state by establishing energy efficiency standards for portable electric spas, appliances that are prevalent in the state and for which cost-effective standards can be established. It is estimated that over one million spas are installed in California and tens of thousands are sold each year. There are many portable electric spa components that offer opportunities for increased energy efficiency, including heating elements, pump and motor combinations, insulation, and the cover.

The specific benefits anticipated by the proposed portable electric spas regulations include achieving energy efficiency gains. Overall, these regulations help protect public health and safety and the environment by saving approximately 118 gigawatt hours per year from the standby power standard, after full stock turnover, reducing greenhouse gas and criteria pollutant emissions, primarily from lower generation in hydrocarbon-burning power plants, such as natural gas power plants. In addition, the proposed standard would save consumers about \$22 million in electricity bills after stock turnover. Labeling portable electric spa units will lead to energy savings by educating consumers to choose a more efficient unit. The education component on the label has the ability to potentially save an additional 124 gigawatt hours per year, saving consumers \$23 million in electricity bills after full stock turnover. These regulations combined will benefit businesses and consumers by reducing electricity bills by \$45 million per year.

BATTERY CHARGERS

The broad objective of this rulemaking is to modify the “BC” marking requirements for battery charger systems so that they only apply to state–regulated battery chargers instead of applying to both state– and federal–regulated battery chargers, to improve the implementation and reduce the costs of the existing regulations.

The specific benefits of the proposed battery charger regulations are to reduce the burden on manufacturers having to otherwise mark with a “BC” battery charger systems that are sold or offered for sale in California, but not having to mark such systems if sold elsewhere in the United States. Aligning the state and federal requirements for marking battery chargers will improve clarity for manufacturers.

**Inconsistency or incompatibility with existing state regulations** — Government Code section 11346.5(a)(3)(D).

The proposed regulations are not inconsistent or incompatible with existing state regulations. There are no other state regulations that address the efficiency standards, testing, marking, or certification requirements in California Code of Regulations, title 20, sections 1602–1607, for portable electric spas or battery chargers. After conducting a review for any regulations that would relate to or affect this area, the Energy Commission has concluded that these are the only regulations that concern this rulemaking in California.

DOCUMENTS INCORPORATED  
BY REFERENCE —

1 California Code of Regulations Section 20(c)(3)

The Energy Commission proposes to incorporate one document listed below by reference. Pursuant to California Code of Regulations, title 1, section 20, this document is available for review at the Commission at 1516 Ninth Street, Sacramento, California 95814 starting February 2, 2018, weekdays from 9:00 a.m. to 5:00 p.m. ANSI/APSP/ICC–14 2014 is also available directly from the publishing entity for a nominal fee. All available contact information, including internet addresses, physical addresses, and phone numbers for this entity has been provided. This document is copyrighted, however, and copies cannot be provided directly by the Energy Commission without violating the documents’ terms of use.

In this rulemaking, the affected public consists of manufacturers of portable electric spas and test laboratories that are hired by these entities to conduct the required testing. Many of these companies likely already have the required document, and if not, this document

would only need to be procured once no matter how many models the manufacturers would be testing and certifying to the Energy Commission’s database. Therefore, the Commission has determined that the cost to obtain this document is nominal for the entities that are subject to these regulations. Because the document will be available for viewing at the Energy Commission and because the fee for obtaining copies of the document is a nominal one–time expense that can be easily absorbed by the entities being regulated, the Commission concludes that this document is reasonably available to the affected public in conformance with California Code of Regulations, title 1, section 20(c).

The Association of Pool and Spa Professionals

ANSI/APSP/ICC–14 2014, American National Standard for Portable Electric Spa Energy Efficiency.  
Copies available from:

The Association of Pool and Spa Professionals  
2111 Eisenhower Avenue  
Alexandria, VA 22314–4695  
Phone: (703) 838–0083  
www.asps.org

LOCAL MANDATE DETERMINATION —  
Government Code Section 11346.5(a)(5)

The proposed regulations will not impose a mandate on local agencies or school districts.

FISCAL IMPACTS —  
Government Code Section 11346.5(a)(6)

Cost or Savings to Any State Agencies. No public agency would necessarily incur costs or savings in reasonable compliance with these regulations. Portable electric spas are not appliances typically purchased by governmental agencies, so any potential change to the price of these appliances as a result of these regulations would be unlikely to have any impact on state agencies. The change to the battery charger regulations would not result in any costs or savings to state agencies purchasing battery chargers as they do not change the underlying efficiency standards.

Cost to Local Agencies or School Districts Requiring Reimbursement. As generally applicable requirements, the proposed regulations will not impose on local agencies or school districts any costs for which Government Code sections 17500–17630 require reimbursement.

Other Nondiscretionary Cost or Savings Imposed Upon Local Agencies. The proposed regulations will not result in any other nondiscretionary cost or savings to local agencies.

Cost or Savings in Federal Funding to the State. The proposed regulations will not result in any cost or savings in federal funding to the state.

HOUSING COSTS —  
Government Code Section 11346.5(a)(12)

The proposed regulations would not have a significant effect on housing costs.

INITIAL DETERMINATION RE SIGNIFICANT  
STATEWIDE ADVERSE ECONOMIC IMPACT  
DIRECTLY AFFECTING BUSINESS, INCLUDING  
ABILITY TO COMPETE —  
Government Code Sections 11346.3(a),  
11346.5(a)(7), and 11346.5(a)(8)

PORTABLE ELECTRIC SPAS

The Energy Commission has determined that the proposed regulations for portable electric spas will not have a significant, statewide adverse economic impact directly affecting business. This determination includes the ability of California businesses to compete with businesses in other states, because the monetary savings resulting from the energy consumption savings outweigh the cost to improve the efficiency of portable electric spas.

For portable electric spas, the proposed regulations can be met by implementing common and relatively inexpensive design changes. These design changes may require manufacturers to include better insulation in the spa and in the spa cover, such as increasing the R-value of the foam, applying uniform insulation within the body of the spa, adding radiant barriers, and by improving the control settings of the spa. The costs to incorporate these changes are added to the retail price of the unit but do not exceed the benefits of an efficient portable electric spa. Furthermore, based on the data available in the Modernized Appliance Efficiency Database (MAEDBS), approximately 77 percent of the portable electric spas (excluding inflatable spas) that are currently being sold meet the proposed standard. Thus, the proposed efficiency standard can be met by incorporating existing efficiency technologies in portable electric spas. Finally, consumers of portable electric spas are not generally price-sensitive, so the increase in the initial cost of a spa is not likely to have any discernable impact on the number of spas sold in the state, and therefore no adverse impact to California businesses that manufacture and sell portable electric spas is expected.

BATTERY CHARGERS

The Energy Commission has determined that the proposed regulations for battery chargers will not have a significant, statewide adverse economic impact directly affecting business, including the ability of California businesses to compete with businesses in other states. The proposed regulations merely remove the requirement to mark battery chargers that are federally regulated consumer products, thus reducing manufacturers' cost to comply with the existing regulations without reducing the efficiency requirements or savings of the regulations.

STATEMENT OF THE RESULTS OF THE  
ECONOMIC IMPACT ASSESSMENT —  
Government Code Section 11346.5(a)(10)

Creation or elimination of jobs within the state:

No new jobs will be created and no existing jobs will be eliminated by the proposed regulations.

Creation of new businesses or the elimination of existing businesses within the state:

No new businesses will be created and no existing businesses will be eliminated by the proposed regulations.

Expansion of businesses currently doing business within the state:

The proposed regulations may result in a slight expansion of businesses currently doing business in the state.

Benefits of the regulation to the health and welfare of California residents, worker safety, and the state's environment:

The proposed regulations will benefit California residents by ensuring that portable electric spas purchased are energy efficient. In addition, the Energy Commission does not anticipate any benefits to worker safety as a result of the proposed regulations because this regulatory action will not impact working conditions or worker safety. The implementation of the proposed regulations for portable electric spas will benefit the state's environment by reducing energy consumption, and therefore lowering emissions of air pollutants, including greenhouse gases.

There are no benefits of the regulation associated with health, welfare, worker safety, or the state's environment associated with the proposed regulations for battery charger marking.

Accordingly, the Energy Commission has determined that the proposed regulatory action will not have a significant impact on business.

**COST IMPACTS ON REPRESENTATIVE PERSON OR BUSINESS —**

Government Code Section 11346.5(a)(9)

For portable electric spas, a representative business would not incur any additional costs from the proposed regulations. Implementation of the proposed test procedure will not result in added manufacturer costs because other than the water temperature and ambient air temperature testing conditions, the proposed test procedure is relatively the same compared to the existing test procedure. The Energy Commission concluded and is not aware of any cost impacts that a representative private person or business would necessarily incur in reasonable compliance with the proposed action.

For battery chargers, a representative business would not incur any additional costs from the proposed regulations. The proposed regulations eliminate the need to mark some types of battery chargers, potentially reducing manufacturers' cost of compliance compared to the existing regulations by allowing products sold nationwide to also be sold in California without unique marking. The Energy Commission concluded and is not aware of any cost impacts that a representative private person or business would necessarily incur in reasonable compliance with the proposed action.

**BUSINESS REPORT —**

Government Code Sections 11346.5(a)(11) and 11346.3(d)

The proposed regulations impose a new label requirement on manufacturers of portable electric spas and therefore require additional reporting costs for businesses. Over a 10-year period, the Energy Commission anticipates the cost to design, develop, and adhere the label to the product will cost manufacturers of standard spas or exercise spas, approximately \$681 per year. For manufacturers of combination spas, the cost over 10 years would be approximately \$265 per year over 10 years. And for inflatable spa manufacturers the cost over three years will be approximately \$845 per year.

The proposed regulations do not impose any new data reporting requirements related to battery chargers.

It is necessary for the health, safety, or welfare of the people of the state that these regulations apply to businesses. As discussed above, improving energy efficiency of appliances sold in California is an important state goal with public health and safety and environmental benefits.

**SMALL BUSINESS IMPACTS — 1 California Code of Regulations Section 4(a) and (b)**

For purposes of this analysis, the Energy Commission used the consolidated definition of small business contained in Government Code section 11346.3(b)(4)(B). The Commission has determined that the proposed regulations will affect small business. These regulations would affect businesses, including those independently owned and operated and not dominant in their field of operation, involved in manufacturing portable electric spas and battery chargers, as well as businesses involved in the retail and wholesale trade of portable electric spas and battery chargers. These small businesses are legally required to comply with the regulations. The regulations do not uniquely affect small businesses and will not yield any unique costs or savings to small businesses.

**ALTERNATIVES STATEMENT —**

Government Code Section 11346.5(a)(13)

The Energy Commission must determine that no reasonable alternative considered by the agency, or that has otherwise been identified and brought to the attention of the agency, would be more effective in carrying out the purpose for which the action is proposed, would be as effective and less burdensome to affected private persons than the proposed action, or would be more cost-effective to affected private persons and equally effective in implementing the statutory policy or other provision of law.

**CONTACT PERSON —**

Government Code Section 11346.5(a)(14)

Inquiries concerning all aspects of the rulemaking process, including the substance of the proposed regulations, should be directed to Angelica Romo-Ramos at [Angelica.Romo@energy.ca.gov](mailto:Angelica.Romo@energy.ca.gov) or (916) 654-4147. The designated backup contact person is Jessica Lopez at (916) 654-5125 or by e-mail at [Jessica.Lopez@energy.ca.gov](mailto:Jessica.Lopez@energy.ca.gov).

**COPIES OF THE INITIAL STATEMENT OF REASONS AND THE TEXT —**

Government Code Section 11346.5(a)(16)

The Energy Commission has prepared an initial statement of reasons for the proposed regulations, has available all the information upon which this proposal is based, and has available the express terms of the proposed action. To obtain a copy of any of this informa-



tion, please visit the Commission's website at: <https://efiling.energy.ca.gov/Lists/DocketLog.aspx?docketnumber=18-AAER-02> or contact Angelica Romo-Ramos at [Angelica.Romo@energy.ca.gov](mailto:Angelica.Romo@energy.ca.gov) or (916) 654-4147.

AVAILABILITY OF SUBSTANTIAL CHANGES  
TO ORIGINAL PROPOSAL FOR AT LEAST 15  
DAYS PRIOR TO AGENCY  
ADOPTION/REPEAL/AMENDMENT OF  
RESULTING REGULATIONS —  
Government Code Section 11346.5(a)(18)

Participants should be aware that any of the proposed regulations could be substantively changed as a result of public comment, staff recommendation, or recommendations from Commissioners. Moreover, changes to the proposed regulations not indicated in the express terms could be considered if they improve the clarity or effectiveness of the regulations. If the Commission considers changes to the proposed regulations pursuant to Government Code section 11346.8, a full copy of the text will be available for review at least 15 days prior to the date on which the Commission adopts or amends the resulting regulations.

COPY OF THE FINAL STATEMENT  
OF REASONS —  
Government Code Section 11346.5(a)(19)

At the conclusion of the rulemaking, persons may obtain a copy of the final statement of reasons once it has been prepared by visiting the Commission's website at: <https://efiling.energy.ca.gov/Lists/DocketLog.aspx?docketnumber=18-AAER-02> or contacting Angelica Romo-Ramos at [Angelica.Romo@energy.ca.gov](mailto:Angelica.Romo@energy.ca.gov) or (916) 654-4147.

INTERNET ACCESS —  
Government Code Sections 11346.4(a)(6) and  
11346.5(a)(20)

The Energy Commission maintains a website in order to facilitate public access to documents prepared and considered as part of this rulemaking proceeding. Documents prepared by the Commission for this rulemaking, including this Notice of Proposed Action, the Express Terms, and the Initial Statement of Reasons have been posted at: <https://efiling.energy.ca.gov/Lists/DocketLog.aspx?docketnumber=18-AAER-02>.

NEWS MEDIA INQUIRIES

News media inquiries should be directed to the Media and Public Communications Office at (916) 654-4989, or by e-mail at [mediaoffice@energy.ca.gov](mailto:mediaoffice@energy.ca.gov).

**TITLE 22/MPP. DEPARTMENT OF  
SOCIAL SERVICES**

ORD #0217-09

*ITEM # 1 Post-adoption Contact Agreement*

The CDSS hereby gives notice of the proposed regulatory action(s) described below. Any person interested may present statements or arguments orally or in writing relevant to the proposed regulations at a public hearing to be held on March 21, 2018, at the following address:

Office Building # 8  
744 P St., Room 103  
Sacramento, California

The public hearing will convene at 10:00 a.m. and will remain open only as long as attendees are presenting testimony. The purpose of the hearing is to receive public testimony, not to engage in debate or discussion. The Department will adjourn the hearing immediately following the completion of testimony presentations. The above-referenced facility is accessible to persons with disabilities. If you are in need of a language interpreter at the hearing (including sign language), please notify the Department at least two weeks prior to the hearing.

Statements or arguments relating to the proposals may also be submitted in writing, e-mail or by facsimile to the address/number listed below. All comments must be received by 5:00 p.m. on March 21, 2018.

Following the public hearing CDSS may thereafter adopt the proposals substantially as described below or may modify the proposals if the modifications are sufficiently related to the original text. With the exception of nonsubstantive, technical or grammatical changes, the full text of any modified proposal will be available for 15 days prior to its adoption to all persons who testify or submit written comments during the public comment period and all persons who request notification. Please address requests for regulations as modified to the agency representative identified below.

Copies of the express terms of the proposed regulations and the Initial Statement of Reasons are available from the office listed below. This notice, the Initial Statement of Reasons and the text of the proposed regulations are available on the internet at [CDSS Public](#)

Hearings for Proposed Regulations (<http://www.cdss.ca.gov/inforesources/Letters-Regulations/Legislation-and-Regulations/CDSS-Regulation-Changes-In-Process-and-Completed-Regulations/Public-Hearing-Information>). Additionally, all the information which the Department considered as the basis for these proposed regulations (i.e., rulemaking file) is available for public reading/perusal at the address listed below. Following the public hearing, copies of the Final Statement of Reasons will be available from the office listed below:

Office of Regulations Development  
California Department of Social Services  
744 P Street, MS 8-4-192  
Sacramento, California 95814  
TELEPHONE: (916) 657-2586  
FACSIMILE: (916) 654-3286  
E-MAIL: [ord@dss.ca.gov](mailto:ord@dss.ca.gov)

## CHAPTERS

Manual of Policies and Procedures (MPP), Chapter 31-000 and Title 22, Division 2, Chapter 3

## INFORMATIVE DIGEST/POLICY STATEMENT OVERVIEW

These regulations are necessary to promote the best interest of children in out-of-home care by providing clarity to direct foster care and adoption agencies. These regulations comply with the provisions from noted state legislative bills. The intent of this revision is to implement the “postadoption contact agreement”.

The proposed regulations are necessary to implement the postadoption contact agreement and replace the term “kinship adoption agreement”. The kinship adoption agreement was established by Assembly Bill (AB) 1544 (Chapter 193, Statutes of 1997), allowing adopting parents who are related to the child to enter into a “kinship adoption agreement” with the birth parents or birth relatives and remain in contact with the child after adoption.

AB 2921 (Chapter 910, Statutes of 2000) changed all reference of “kinship adoption agreement” to “post-adoption contact agreement” and authorized nonrelative adopting parents to enter into such agreements voluntarily. This regulation update does not constitute new activities. The proposed regulations would merely replace the term “kinship adoption agreement” with the term “post-adoption contact agreement”.

AB 2921 (Chapter 910, Statutes of 2000), adding Family Code section 8616.5. Family Code section 8616.5 revised all references of the term “kinship adop-

tion agreement” to “post-adoption contact adoption agreement” and removed the limitations of whom may participate in a post-adoption contact agreement.

Senate Bill (SB) 1357 (Chapter 858, Statutes of 2004) amended Family Code section 8616.5, stating that a postadoption contact agreement is available for all types of child adoption, agency, independent and inter-country. A foster parent may be able to remain in contact with the child after adoption.

The proposed regulations amend Division 31, Section 31-002 and Handbook, Legal Permanency, Section 8714.7 of the Child Welfare Services Manual, Manual of Policies and Procedures. The proposed regulations would not alter existing forms; however they do update the revision date of the Judicial Council form ADOPT-310 from (1/99) to (1/03) and the title from “Kinship Adoption Agreement” to “Contact After Adoption Agreement” and define it in these regulations as “Post-Adoption Contact Agreement.” The ADOPT-310 Judicial Council form is available online at <http://www.courts.ca.gov/cms/formnum.htm>.

### Benefits:

The anticipated benefit of these regulations is to be in compliance with kinship adoption agreement legislation established by AB 1544 (Chapter 193, Statutes of 1997), allowing adopting parents who are related to the child to enter into a “kinship adoption agreement” with the birth parents or birth relatives and remain in contact with the child after adoption. Moreover, the benefits of the regulatory action to the health and welfare of California residents, worker safety and the state’s environment are as follows: Provide clarity and direction for foster care agencies. The new terms are more inclusive as it implies that postadoption contact agreements may include those who are not related kin, to the child or children being adopted. These relationships with non-relative children and/or adults may represent a positive force for children who may have experienced trauma, thus aiding in the health and welfare of California residents. This regulatory action does not affect worker safety or the state’s environment.

### Consistency:

The CDSS has found these regulation amendments neither inconsistent nor incompatible with existing regulations because research was done by program to determine that these are non-duplicating and non-repetitive regulations, and that they do not negate or overlap other existing regulation or law. Further, these regulations are not duplicative of any federal law.

### Incorporation by Reference:

This action modifies, as stated above, the ADOPT-310 (1/99) Judicial Council form that is currently incorporated by reference. There are no new documents being incorporated by reference.

**COST ESTIMATE**

1. Costs or Savings to State Agencies: None.
2. Costs to Local Agencies or School Districts Which Must Be Reimbursed in Accordance With Government Code Sections 17500 – 17630: None.
3. Nondiscretionary Costs or Savings to Local Agencies: None.
4. Federal Funding to State Agencies: None.

**LOCAL MANDATE STATEMENT**

These regulations do not impose a mandate on local agencies or school districts. There are no state-mandated local costs in this order that require reimbursement under the laws of California.

**STATEMENT OF SIGNIFICANT ADVERSE ECONOMIC IMPACT ON BUSINESS**

The CDSS has made an initial determination that the proposed action will not have a significant, statewide adverse economic impact directly affecting businesses, including the ability of California businesses to compete with businesses in other states. This determination was made based on the knowledge that this revision does not represent a new activity or service. The regulation revision would merely revise all references of the term “kinship adoption agreement” to “post-adoption contact adoption agreement.”

**STATEMENT OF POTENTIAL COST IMPACT ON PRIVATE PERSONS OR BUSINESSES**

The CDSS is not aware of any cost impacts that a representative private person or business would necessarily incur in reasonable compliance with the proposed action.

**SMALL BUSINESS IMPACT STATEMENT**

The CDSS must determine that there is no impact on small businesses as a result of filing these regulations. Because these regulations are only applicable to state and county agencies, CDSS is making the determination that there is no impact on small businesses as a result of filing these regulations.

**STATEMENT OF RESULTS OF ECONOMIC IMPACT ASSESSMENT**

The adoption of the proposed amendments will neither create nor eliminate jobs in the State of California nor result in the elimination of existing businesses or create or expand businesses in the State of California. The benefits of the regulatory action to the health and welfare of California residents, worker safety, and the state’s environment are as follows: Section will provide clarity and direct foster care agencies. The new terms are more inclusive as it implies that postadoption contact agreements may include those who are not related kin, to the child or children being adopted. These relationships with non-relative children and/or adults may represent a positive force for children who may have experienced trauma, thus aiding in the health and welfare of California residents. This regulatory action does not affect worker safety or the state’s environment.

**STATEMENT OF EFFECT ON HOUSING COSTS**

The proposed regulatory action will have no effect on housing costs.

**STATEMENT OF ALTERNATIVES CONSIDERED**

In developing the regulatory action, CDSS considered the following alternatives with the following results: No alternatives have been presented for review.

The CDSS must determine that no reasonable alternative considered or that has otherwise been identified and brought to the attention of CDSS would be more effective in carrying out the purpose for which the regulations are proposed or would be as effective as and less burdensome to affected private persons than the proposed action, or would be more cost-effective to affected private persons and equally effective in implementing the statutory policy or other provision of law.

**AUTHORITY AND REFERENCE CITATIONS**

Authority: Sections 8616.5, 8621, 8707, 8714.5 and 9292, Family Code; Section 1530, Health and Safety Code; Sections 10553, 10554, 10850.4 and 16119(a), Welfare and Institutions Code.

Reference: Sections 7950, 8616.5, 8714.5, 8714.7, 8715, and 8802, Family Code; Section 366.24, Welfare and Institutions Code; California Rules of the Court, rule 5.451, 42 USC 622(b) (7) and 1996b.

CDSS REPRESENTATIVE REGARDING THE  
RULEMAKING PROCESS OF THE  
PROPOSED REGULATION

Contact  
Person: Kenneth Jennings  
(916) 657-2586  
Backup: Sylvester Okeke  
(916) 657-2586

**TITLE 28. DEPARTMENT OF  
MANAGED HEALTH CARE**

**DATE:** February 2, 2018  
**ACTION:** Notice of Rulemaking Action  
Title 28, California Code of  
Regulations  
**SUBJECT:** Methodology for Determining  
Average Contracted Rate; Default  
Reimbursement Rate; Adding  
section 1300.71.31 and amending  
section 1300.71 in Title 28,  
California Code of Regulations;  
Control No. 2017-5223.

**PUBLIC PROCEEDINGS**

Notice is hereby given that the Director of the Department of Managed Health Care (“DMHC”) proposes to add and amend regulations under the Knox-Keene Health Care Service Plan Act of 1975 (“Knox-Keene Act<sup>1</sup>”). The proposed regulations implement Assembly Bill (“AB”) 72<sup>2</sup> by specifying a standardized methodology that health care service plans (“health plans”) and their delegated entities (collectively, “payors”) shall use to compute the average contracted rate (“ACR”) for health care services subject to the AB 72 surprise balance billing protection, beginning January 1, 2019. The proposed regulation further clarifies key terms and concepts relevant to proper reimbursement of noncontracting individual health professionals (“noncontracting providers”), and makes conforming changes to an existing DMHC regulation on claims settlement practices.

This rulemaking action proposes to add section 1300.71.31 (“Methodology for Determining Average Contracted Rate; Default Reimbursement Rate”), and amend section 1300.71 (“Claims Settlement Practices”), in Title 28, California Code of Regulations

(“CCR”). Before undertaking this action, the Director of the DMHC (“Director”) will conduct written public proceedings, during which time any interested person, or such person’s duly authorized representative, may present statements, arguments, or contentions relevant to the action described in this notice.

**PUBLIC HEARING**

No public hearing is scheduled. Any interested person, or his or her duly authorized representative, may submit a written request for a public hearing pursuant to Section 11346.8(a) of the Government Code. The written request for hearing must be received by the DMHC’s contact person, designated below, no later than 15 days before the close of the written comment period.

**WRITTEN COMMENT PERIOD**

Any interested person, or his or her authorized representative, may submit written statements, arguments or contentions (hereafter referred to as comments) relating to the proposed regulatory action by the DMHC. Comments must be received by the DMHC, Office of Legal Services, **by 5 p.m. on March 19, 2018**, which is hereby designated as the close of the written comment period.

Please address all comments to the Department of Managed Health Care, Office of Legal Services, Attention: Jennifer Willis, Senior Counsel. Comments may be transmitted by regular mail, fax, or email:

Website: [http://www.dmhca.gov/LawsRegulations.aspx#open\\_regulations@dmhc.ca.gov](http://www.dmhca.gov/LawsRegulations.aspx#open_regulations@dmhc.ca.gov)  
Email: [regulations@dmhc.ca.gov](mailto:regulations@dmhc.ca.gov)  
Mail: Department of Managed Health Care  
Office of Legal Services  
Attn: Jennifer Willis, Senior Counsel  
980 9th Street, Suite 500  
Sacramento, CA 95814  
Fax: (916) 322-3968

Please note: If comments are sent via email or fax, there is no need to send the same comments by mail delivery. All comments, including via email, fax, or mail, should include the author’s name and a U.S. Postal Service mailing address so the DMHC may provide commenters with notice of any additional proposed changes to the regulation text.

Please identify the action by using the DMHC’s rulemaking title and control number, **Methodology for Determining Average Contracted Rate; Default Reimbursement; Control No. 2017-5223**, in any of the above inquiries.

<sup>1</sup>Health & Saf. Code, §§ 1340, et seq.  
<sup>2</sup> Assem. Bill No. 72 (Banta, Chapter 492, Statutes of 2016).

CONTACTS

Inquiries concerning the proposed adoption of these regulations may be directed to:

**Jennifer Willis**

Attorney IV  
DMHC Office of Legal Services  
980 9th Street, Suite 500  
Sacramento, CA 95814  
(916) 324-9014  
(916) 322-3968 fax  
Jennifer.willis@dmhc.ca.gov

AND

**Emilie Alvarez**

Regulations Coordinator  
DMHC Office of Legal Services  
980 9th Street, Suite 500  
Sacramento, CA 95814  
(916) 445-9960  
(916) 322-3968 fax  
Emilie.alvarez@dmhc.ca.gov

AVAILABILITY OF DOCUMENTS

The DMHC has prepared and has available for public review the Initial Statement of Reasons, text of the proposed regulation and all information upon which the proposed regulation is based (rulemaking file). This information is available by request to the Department of Managed Health Care, Office of Legal Services, 980 9th Street, Sacramento, CA 95814, Attention: Regulations Coordinator.

The Notice of Proposed Rulemaking Action, the proposed text of the regulation, and the Initial Statement of Reasons are also available on the DMHC’s website at <http://www.dmhc.ca.gov/LawsRegulations.aspx#open>.

You may obtain a copy of the final statement of reasons once it has been prepared by making a written request to the Regulation Coordinator named above.

AVAILABILITY OF MODIFIED TEXT

The full text of any modified regulation, unless the modification is only non-substantial or solely grammatical in nature, will be made available to the public at least 15 days before the date the DMHC adopts the regulation. A request for a copy of any modified regulation(s) should be addressed to the Regulations Coordinator. The Director will accept comments via mail, fax, or email on the modified regulation(s) for 15 days after

the date on which the modified text is made available. The Director may thereafter adopt, amend or repeal the foregoing proposal substantially as set forth without further notice.

AUTHORITY AND REFERENCE

Pursuant to Health and Safety Code section 1341.9, the DMHC is vested with all duties, powers, purposes, responsibilities and jurisdiction as they pertain to health plans and the health care service plan business.

Health and Safety Code section 1344 grants the Director authority to adopt, amend, and rescind regulations as necessary to carry out the provisions of the Knox-Keene Act, including rules governing applications and reports, and defining any terms as are necessary to carry out the provisions of the Knox-Keene Act.

Health and Safety Code section 1371.31 grants the Director authority to specify a methodology that plans and delegated entities shall use to determine the average contracted rates (“ACR”) for services most frequently subject to Health and Safety Code section 1371.9. Pursuant to AB 72, payors may be required to pay the ACR to noncontracting individual health professionals (“noncontracting providers”), as reimbursement for nonemergency health care services rendered under specified circumstances.

Health and Safety Code section 1371.9 (the anti-surprise billing statute), enacted by AB 72, requires that if an enrollee receives covered health care services from an in-network facility at which or as a result of which the enrollee receives services from a non-contracted individual health professional, the enrollee shall pay no more than the same amount the enrollee would have paid if the health care services were received from a contracted individual health professional. Health plans are required to have this provision in their contracts on or after July 1, 2017.

INFORMATIVE DIGEST/POLICY STATEMENT OVERVIEW

Existing law, the Knox-Keene Act, provides for the licensure and regulation of health plans by the DMHC.

Existing law requires a health plan to appropriately reimburse claims submitted by health care providers, and to make available to contracted and noncontracted providers a dispute resolution mechanism to challenge the amount of reimbursement for those claims. Existing regulations define “reimbursement of a claim,” i.e. what the payor should pay a health care service provider, according to whether the health care service was emergent or non-emergent, the type of the health plan product (e.g., Preferred Provider Organization), and the contracting status of the health care service provider.

Existing law requires, for health care services subject to Health and Safety Code section 1371.9, effective July 1, 2017, unless otherwise agreed to by the noncontracting individual health professional and the health plan, that a health plan or its delegated entity shall reimburse the greater of the ACR or 125 percent of the amount Medicare reimburses on a fee-for-service basis for the same or similar services in the general geographic region in which the health care services were rendered. Existing law does not specify what methodology the payor must use to calculate its ACR for payment during calendar years 2017 and 2018, except that the payor must include its highest and lowest contracted rates for types of health care services from calendar year 2015.

Existing law directs the DMHC, by January 1, 2019, to specify a standardized methodology that health plans and delegated entities shall use to determine the ACR for services most frequently subject to section 1371.9. This methodology shall take into account, at minimum, information from the independent dispute resolution process, the specialty of the individual health professional, and the geographic region in which the services are rendered. The methodology to determine an ACR shall also ensure that the health plan includes the highest and lowest contracted rates for the health care service. Throughout the process of developing this standardized methodology, the DMHC shall consult with interested parties, and hold the first stakeholder meeting by July 1, 2017.<sup>3</sup>

This rulemaking action implements the requirement for the DMHC to develop a standardized methodology for use by payers in determining the ACR for health care services most frequently subject to Health and Safety Code section 1371.9. In other words, this proposed regulation specifies how a payor shall calculate the ACR.

#### BROAD OBJECTIVES AND SPECIFIC BENEFITS OF THE REGULATION

Pursuant to Government Code section 11346.5(a)(3)(C), the broad objective of this regulation is to specify the standardized methodology that payors shall use to determine the ACR for health care services most frequently subject to Health and Safety Code section 1371.9 in a manner that is consistent with the statute and that results in uniformly appropriate reimbursement to noncontracting providers for AB 72 health care service claims. To that end, the objective of proposed subdivision (a) is to define key terms and

phrases that are necessary for compliance with Health and Safety Code section 1371.31. These definitions will ensure that payors do not employ widely varying definitions of these key terms, which would potentially result in unfair variation in reimbursement to noncontracting providers. These definitions will also provide uniformity in key terms, resulting in the broad benefit of clarity for complying payors, as well as efficient compliance and enforcement review by the DMHC.

More specifically, subdivision (a)(1) has the benefit of defining ACR and clarifying which calendar year to use as a source of rate data for the ACR calculation. It also has the benefit of specifying a retrospective base year, to give payors time to settle the relevant contracted claims and assemble a complete data set for the ACR calculation.

Subdivision (a)(2) defines “default reimbursement rate,” which has the benefit of clarifying that Health and Safety Code section 1371.31 requires payors to reimburse *the greater of* two alternatives: the ACR or 125 percent of the Medicare rate. This has the benefit of addressing confusion among stakeholders, and simplifying the regulation by establishing an overall term for the required reimbursement under Health and Safety Code section 1371.31.

Subdivision (a)(3) has the benefit of defining “geographic region” for the purpose of the ACR consistent with the way the statute<sup>4</sup> defines it for the Medicare-based alternative default reimbursement rate. This consistency with the statute results in the benefit that it will be easier for payors to compare the ACR to the 125 percent Medicare rate because the rates will be from the same geographic region.

Subdivision (a)(4) defines “integrated health system” which, in combination with proposed subdivisions (a)(9) and (d), has the benefit of clarifying the scope of Health and Safety Code section 1371.31(a)(3)(C). This results in the benefit that payors with business models that result in too few relevant health care services claims will understand that they must reference a statistically credible database in order to determine the ACR. This, in turn, results in the benefit of proper payment of a statistically sound ACR to noncontracting providers.

Subdivision (a)(5) defines “Medicare rate” and has the benefit of addressing stakeholder confusion about two aspects of the Medicare default alternative: which year’s Medicare rate to use, and whether to use the “participating” (“par”) or “non-participating” (“non-par”) Medicare rate for a given health care service. The regulation specifies that the Medicare rate from the year in which the health care service was rendered is the relevant Medicare rate. This clarification has the benefit of paying noncontracting providers according to the most

<sup>3</sup> The DMHC held the required stakeholder meeting on June 26, 2017, as well as an additional stakeholder meeting on September 12, 2017.

<sup>4</sup> Health and Safety Code section 1371.31(a).

recent appropriate Medicare rate. Further, the regulation's use of the "par" Medicare rate results in the benefit that the payor will compare the average *contracted* rate to the analogous Medicare rate: the "participating" rate.

Subdivision (a)(6) has the benefit of clarifying the scope of the Rule by identifying relevant "payors".

Subdivision (a)(7) has the benefit of resolving confusion about which health care services are "most frequently" subject to Health and Safety Code section 1371.9. This is important because the proposed methodology is mandatory only for those health care services. The benefit of the proposed threshold of 80 percent of statewide claims experience is that it fairly implements the statute's requirement to capture the "most frequent" health care services. It is also known to be a workable threshold because the DMHC has observed this 80 percent threshold in use by payors required to comply with AB 72.

Subdivision (a)(8) has the benefit of defining "services subject to section 1371.9" in a manner that is consistent with the statute. It also has the benefit of resolving confusion over whether health care services that fall under AB 72 must occur in an in-network facility (which is not always required).

Subdivision (a)(9) defines "statistically significant," and results in the benefit of clarity of this term for payors, who will understand what number of claims is considered so low that the plan must refer to a statistically credible database in order to determine the ACR. This has the benefit of answering questions the DMHC has received from stakeholders and ensuring that the ACR is statistically sound.

Subdivision (a)(10) has the benefit of referring interested stakeholders to the relevant statute, Health and Safety Code section 1371.9, subdivision (f), for other relevant definitions, which will prevent confusion about other key terms in AB 72.

Subdivision (b) has the benefit of clarifying when a payor *must* use the proposed Rule's methodology, instead of a different methodology, to determine the ACR. This provision also has the benefit of clarifying that a payor *may* use the proposed Rule's methodology to determine the ACR for all health care services subject to Health and Safety Code section 1371.9, and that any alternative methodology must still comport with the statute's requirement for an average of contracted commercial rates paid for the same or similar health care services in the geographic region. This provision addresses stakeholder confusion about which health care services are mandatorily subject to the Rule's standardized methodology, and has the benefit of avoiding an unduly prescriptive ACR methodology standard for other, non-"most frequently subject to section 1371.9", health care services.

Subdivision (c) contains the proposed Rule's methodology implementing the ACR using a claims volume-based mean, adjusted at the time of reimbursement by the applicable payment modifiers. This approach has the benefit of aligning with the statutory definition of ACR, which is based on the average of the contracted commercial rates *paid*. The claims weighted mean approach also has the benefit of avoiding undue disruption in the health care marketplace, since this approach is already used by many payors in compliance with AB 72. The subdivision also excludes from the ACR calculation rates that are not reflective of "rates paid." This provision of the Rule is consistent with Health and Safety Code section 1371.31, subdivision (a).

Subdivision (c)(2) results in the benefit that the payor shall include the highest and lowest contracted rates for a health care service, as required by Health and Safety Code section 1371.31, even if the payor paid zero claims at those highest and lowest rates. The benefit is that this provision implements Health and Safety Code section 1371.31, subdivision (a)(3)(A), which expressly requires the standardized ACR methodology developed by the DMHC to "ensure that plans include the highest and lowest contracted rates." This provision also has the benefit of ensuring that the ACR accounts for the full range of a payor's contracted rates, which will result in a fair ACR.

Subdivision (c)(3) has the benefit of ensuring that payors appropriately "stratify" the ACR for a given health care service (identified by CPT or other code) according to the statutorily required considerations: geographic region and provider specialty. It also requires stratification by provider type (e.g. non-physician or physician), and facility type (e.g., hospital or ambulatory surgery center). This will result in the benefit that the payor will develop ACRs payable under AB 72 that accurately reflect the equivalent in-network reimbursement.

Subdivision (c)(4) clarifies that payors shall calculate ACRs for each health care service code prior to any later adjustment by payment modifiers. This has the benefit of establishing a base ACR reflective of the contracted rates, which are typically described in contracts as "allowed amounts," with payment modifiers applied at the time the payor reimburses the provider. However, this provision also has the benefit of specifying the two payment modifiers, 26 (professional component) and 27 (technical component), which are typically developed as stand-alone contracted rates. Therefore, this provision has the benefit of ensuring that modifiers applied to particular cases in the payor's pool of ACR data do not unduly skew the payor's calculation of the ACR.

Subdivision (c)(5) clarifies that, while modifiers and other factors should be not be included when the payor

calculates the base ACR, the appropriate modifiers should be applied when the payor reimburses the non-contracting provider pursuant to AB 72. This has the benefit of keeping the ACR consistent with existing standard health care service billing and reimbursement practices, and ensuring reimbursement in accordance with the payor's policies.

Subdivision (c)(6) clarifies that, with respect to anesthesiology services, the anesthesia "conversion factor" is the value that must be averaged in light of claims volume under each payor contract. In other words, the conversion factor is the appropriate "allowed amount" for the purpose of the calculation of the mean rate. This provision further clarifies that the sum of the applicable "units" and physical status modifiers should be applied to that averaged conversion factor, when the payor reimburses the noncontracting anesthesiologist, consistent with proposed subdivision (c)(5). This has the benefit of accounting for the billing complexities attendant to anesthesiology services in a manner that is not disruptive or unfair to those providers, and is consistent with Health and Safety Code section 1371.31.

Subdivision (c)(7) clarifies which claims should be excluded when a payor calculates the ACR for a health care service. This provision has the benefit of excluding from the ACR calculation claims that do not accurately reflect the commercial rates paid by the payor, consistent with Health and Safety Code section 1371.31(a). This subdivision excludes case rates and global rates, which are single rates negotiated for an entire course of treatment that involves more than one health care service code. This subdivision also excludes other claims that cannot be readily converted to per-code rates: claims paid pursuant to capitation, risk sharing arrangements, and sub-capitation. However, regarding case and global rates, there is an exception: payors shall not exclude from the ACR calculation claims when a health care service code, itself, includes several services (e.g., CPT code 59400, for Vaginal Delivery, Antepartum and Postpartum Care Procedures). This provision has the benefit of including relevant health care service rates in the payor's ACR calculation, which ensures payment of the default rate consistent with Health and Safety Code section 1371.31(a). This subdivision (c) also excludes from the ACR calculation disputed claims, denied claims, and claims not in final disposition status. This provision has the benefit of excluding claims that do not reflect the rates "paid," consistent with Health and Safety Code section 1371.31(a), resulting in proper calculation of the ACR, and proper payment of noncontracting providers.

In combination with subdivision (a)(4)'s definition of "integrated health system," subdivision (d) has the benefit of clarifying how such systems shall comply with

the requirement to pay the default reimbursement rate. This has the benefit of addressing stakeholder confusion over which payors must reference a statistically credible database in order to determine the ACR, consistent with subdivision (a)(3)(C) of Health and Safety Code section 1371.31.

Subdivision (e) has the benefit of addressing stakeholder confusion about the overall default reimbursement rate scheme set out in AB 72. This ensures that payors and noncontracting providers understand that they remain free to negotiate a reimbursement rate other than the default reimbursement rate. This subdivision also clarifies that enrollees may voluntarily exercise their out-of-network benefits, meaning the payor would base reimbursement on the enrollee's Evidence of Coverage (see Health and Safety Code section 1371.31(b)). This subdivision clarifies that the payor shall pay *the greater of* the ACR or 125 percent of the Medicare rate, meaning that payors will understand their obligations under Health and Safety Code section 1371.31, and noncontracting providers will receive the appropriate default reimbursement. Finally, subdivision (e)(2) requires the payor to indicate how it is satisfying the requirement to pay the default reimbursement rate (i.e., whether it paid the ACR, or the Medicare rate, etc.), resulting in the benefit of efficient compliance review by the DMHC.

Subdivision (f) has the benefit of providing guidance to payors on how and when they must file their statutorily-required "policies and procedures" that implement this Rule's standardized methodology. The due date of August 15, 2019, has the benefit of aligning with existing financial reporting requirements, resulting in less of a burden on payors.

Finally, the proposed amendment to Rule 1300.71, subdivision (a)(3), has the benefit of preventing confusion over how proposed Rule 1300.71.31 interacts with the existing Rule 1300.71 regarding claims settlement practices and the meaning of "reimbursement of a claim." This provision clarifies that Rule 1300.71 remains in effect for non-AB 72 claims, meaning the proposed Rule will not disrupt claims payment for non-AB 72 claims for health care services, which are the vast majority of claims.

## COMPARISON WITH EXISTING REGULATIONS

The regulation proposed in this rulemaking action is neither inconsistent nor incompatible with existing state regulations. The DMHC compared the following related existing regulation, California Code of Regulations, title 28, section 1300.71, and found no inconsistency or incompatibility with the proposed regulation.



ALTERNATIVES CONSIDERED

Pursuant to Government Code section 11346.5, subdivision (a)(13), a rulemaking agency must determine that no reasonable alternative considered by the agency or that has otherwise been identified and brought to the attention of the agency (1) would be more effective in carrying out the purpose for which the action is proposed, (2) would be as effective and less burdensome to affected private persons than the proposed action, or (3) would be more cost effective to affected private persons and equally effective in implementing the statutory policy or other provision of law. As described in the Initial Statement of Reasons for this rulemaking action, the DMHC has not determined that any known alternatives meet standards (1)–(3), described above.

The DMHC invites interested persons to present statements or arguments with respect to alternatives to the requirements of the proposed regulations during the written comment period.

PURPOSE OF THE REGULATION

Prior to AB 72, payors paid health care service claims from health care providers according to the payor’s contracted arrangements, as specified in Rule 1300.71(a)(3), and other applicable law. Before AB 72, there was no specific reimbursement standard for non-contracted health care services connected to covered care received in an in-network facility, such as a hospital.<sup>5</sup> Further, for those types of health care services, noncontracting providers could balance bill health plan enrollees directly, causing both mental and financial hardship for impacted enrollees. However, since the Legislature enacted AB 72, effective July 1, 2017, non-contracting providers may not balance bill enrollees for these health care services, and payors shall reimburse noncontracting providers the default reimbursement rate: the greater of the ACR or 125 percent of the applicable Medicare rate.

Although payors have flexibility to compute the ACR for payment during calendar years 2017 and 2018, the Legislature directed the DMHC to develop a standardized methodology that payors shall use to pay AB 72 claims, effective January 1, 2019. In other words, by January 1, 2019, the DMHC must specify how payors will calculate the ACR.

Accordingly, the purpose of this regulation is to implement that standardized methodology, consistent with the broad objectives outlined in the previous sections of this Notice.

<sup>5</sup> Health and Safety Code section 1371.9.

SUMMARY OF FISCAL IMPACT

- Mandate on local agencies and school districts: None.
- Cost or Savings to any State Agency: None.
- Direct or Indirect Costs or Savings in Federal Funding to the State: None.
- Cost to Local Agencies and School Districts Required to be Reimbursed under Part 7 (commencing with Section 17500) of Division 4 of the Government Code: None.
- Costs to private persons or businesses directly affected: The DMHC has determined that this regulation will have cost impacts that a representative private person or business would necessarily incur in reasonable compliance with the proposed action. As described in the Economic Impact Assessment in the Initial Statement of Reasons for this rulemaking action, the impact on private persons and businesses is estimated to be minimal, because the majority of payors are likely substantially compliant with core components of the proposed methodology (resulting in minimal change to the ACR), and because administrative costs associated with training staff and updating systems are unlikely to be substantial.
- Effect on Housing Costs: None.
- Other non-discretionary cost or savings imposed upon local agencies: None.

DETERMINATIONS

The DMHC has made the following initial determinations:

- The DMHC has determined the regulation will not impose a mandate on local agencies or school districts, nor are there any costs requiring reimbursement by Part 7 (commencing with Section 17500) of Division 4 of the Government Code.
- The DMHC has determined the regulation will have no significant effect on housing costs.
- The DMHC has determined the regulation minimally affects a small number of small businesses. Health care service plans are not considered a small business under Government Code Section 11342.610(b) and (c). An estimated range of 974–2505 individual providers may be impacted, but the proportion of those that are small businesses is unknown. Further, of non-health plan payors, an estimated four percent may be small businesses. Please see the Economic Impact Assessment in the Initial Statement of Reasons and the Economic and Fiscal Impact Statement for

this rulemaking action for additional information about this initial determination.

- The DMHC has determined the regulation will not have a significant statewide adverse economic impact directly affecting businesses, including the ability of California businesses to compete with businesses in other states. Please see the Economic Impact Assessment in the Initial Statement of Reasons for this rulemaking action for additional information about this initial determination.
- The DMHC has determined that this regulation will have no cost or savings in federal funding to the state.
- Pursuant to Government Code section 11346.3(d), the DMHC has determined that the reporting requirement contained in this regulation is necessary for the health, safety or welfare of the people of the State of California. The proposed regulation is a benefit to health plans by requiring them to submit policies and procedures used to determine the ACR in compliance with Health and Safety Code section 1371.31 and the proposed Rule. This filing is expressly required by Health and Safety Code section 1371.31(a)(3)(B). Submission of this statutorily required filing concurrent with other required financial filings will allow for ease of filing submission, while also allowing the DMHC to efficiently review the policies and procedures and ensure that payors are appropriately implementing the ACR requirement. This will help ensure stability for the impacted parties and is necessary to protect health care consumers within California, as the uniform methodology will result in fewer payment disputes between payors and providers, which may in turn result in faster processing of claims and more efficient billing. This may also help ensure that noncontracted providers continue to render necessary health care services for health plan enrollees, knowing they will be properly paid the AB 72 default reimbursement rate. Proper reimbursement of noncontracting providers will, in turn, prevent attempts to balance bill the enrollee, which is impermissible under AB 72, and which would cause financial hardship for individual consumers.

RESULTS OF THE ECONOMIC  
IMPACT ANALYSIS  
(Government Code sections 11346.3(b),  
11346.5(a)(10)):

The Initial Statement of Reasons for this rulemaking action describes the basis for the following Economic Impact Analysis results:

- **Creation or Elimination of Jobs Within the State of California**

No new jobs will be created or eliminated in the state of California as a result of the regulation. This methodology pertains to a narrow subset of health care claims, including only health care services subject to Health and Safety Code section 1371.9. Also, payors already reimburse noncontracted providers in consideration of the ACR. So, while the way in which payors determine the amount to reimburse providers has changed, the amount of work necessary to determine the amount to reimburse should not increase. Because the amount of work undertaken by payors will not change significantly, no new jobs will be created or eliminated.

- **Creation of New Businesses or Elimination of Existing Businesses Within the State of California**

The proposed regulation will neither create new businesses nor eliminate existing businesses. Businesses are already required to determine the ACR for services subject to Health and Safety Code section 1371.9, and the methodology in the proposed Rule regulation has a narrow application. It is mandatory only for those services most frequently subject to Health and Safety Code section 1371.9. The methodology used to determine the ACR will lead to a fair reimbursement rate and, if either party is unhappy, it may bring the matter to the independent dispute resolution process and argue for a different reimbursement amount. Accordingly, businesses should not be significantly affected because the amount is subject to adjudication and further challenge through any other legal remedy available to the parties.

- **Expansion of Businesses Currently Doing Business Within the State of California**

The proposed Rule will not significantly affect the expansion of businesses currently doing business within the state of California. Prior to the enactment of AB 72, certain payors were required to pay noncontracted providers who provided certain services the reasonable and customary value of those services pursuant to Title 28 Rule 1300.71. Other payors had claims processing systems in place to pay according to the terms of the particular Evidence of Coverage. The methodology to determine the ACR created by this proposed Rule will require payors to take into consideration some of the same factors currently used to pay claims, and therefore the required workload will not significantly change. Additionally, since July 1, 2017, payors have been using their own methodology to calculate and pay the ACR and so use of the methodology implemented by the regulation will not be entirely new and will not lead to a significant increase in workload.

- **Benefits of the regulation to the health and welfare of California residents, worker safety, and the state’s environment**

By giving direction regarding how payors should compute the ACR, the regulation provides certainty for the relevant parties. This certainty will benefit health care consumers within California, as the uniform methodology will result in fewer payment disputes between payors and providers, which may in turn result in faster processing of claims and more efficient billing. This certainty may also help ensure that enrollees have access to health services because noncontracting providers will know they will be properly paid the AB 72 default reimbursement rate. Proper reimbursement of noncontracting providers may, in turn, prevent attempts to balance bill the enrollee, which is impermissible under AB 72, and which would cause financial hardship for individual patients. This regulation will not adversely affect the health and welfare of California residents, worker safety, or California’s environment.

**BUSINESS REPORT**

This rulemaking package clarifies existing law under AB 72 and gives direction on how payors should compute the ACR for noncontracted providers. The need for this regulation to apply to businesses is necessary for the health, safety or welfare of the people of the State of California.

**SUMMARY OF REGULATORY ACTIONS**

**REGULATIONS FILED WITH SECRETARY OF STATE**

This Summary of Regulatory Actions lists regulations filed with the Secretary of State on the dates indicated. Copies of the regulations may be obtained by contacting the agency or from the Secretary of State, Archives, 1020 O Street, Sacramento, CA 95814, (916) 653-7715. Please have the agency name and the date filed (see below) when making a request.

File# 2017-1205-04  
**BOARD FOR PROFESSIONAL ENGINEERS, LAND SURVEYORS AND GEOLOGISTS**  
 Delinquent Reinstatement

This change without regulatory effect filing by the Board for Professional Engineers, Land Surveyors, and Geologists amends section 420.1 and repeals section 424.5 in title 16 of the California Code of Regulations regarding reinstatement requirements in order to align with changes to the Business and Professions Code contained in Senate Bill 1165 (Stats. 2016, ch. 236).

Title 16  
 AMEND: 420.1 REPEAL: 424.5  
 Filed 01/17/2018  
 Agency Contact: Jeff Alameida (916) 263-2269

File# 2017-1201-03  
**BOARD OF PHARMACY**  
 Disciplinary Guidelines

In this resubmitted regular rulemaking action, the Board amends its “Manual of Disciplinary Guidelines and Model Disciplinary Orders,” which is incorporated by reference in section 1760, Title 16, of the California Code of Regulations. The amendments re-organize the Disciplinary Guidelines, incorporate changes that have occurred in pharmacy laws, and establish new terms and conditions of probation.

Title 16  
 AMEND: 1760  
 Filed 01/17/2018  
 Effective 04/01/2018  
 Agency Contact: Anne Sodergren (916) 574-7910

File# 2017-1201-05  
**CALIFORNIA GAMBLING CONTROL COMMISSION**  
 Accounting Reference Correction

The California Gambling Control Commission submitted this action to make changes without regulatory

effect pursuant to California Code of Regulations, title 1, section 100. The action updates cross-references in sections 12386(a)(2)(G), 12391(a)(4), and 12566(b)(10) and (11) and (c)(13) and (14) in title 4 of the California Code of Regulations.

Title 4  
AMEND: 12386, 12391, 12566  
Filed 01/17/2018  
Agency Contact: Josh Rosenstein (916) 274-5823

File# 2017-1219-03  
CALIFORNIA HOUSING FINANCE AGENCY  
Conflict-of-Interest Code

This is a conflict-of-interest code amendment that has been approved by the Fair Political Practices Commission and is being submitted for filing with the Secretary of State and printing only.

Title 25  
AMEND: 10001  
Filed 01/18/2018  
Effective 02/17/2018  
Agency Contact: Bridget Campbell (916) 326-8490

File# 2017-1206-02  
DEPARTMENT OF FOOD AND AGRICULTURE  
Huanglongbing (HLB) Disease Interior Quarantine

This timely certificate of compliance by the Department of Food and Agriculture makes permanent the prior emergency action (OAL Matter No. 2017-0630-02) that expanded the quarantine area for the Huanglongbing (HLB) disease by approximately two square miles in the San Gabriel area of Los Angeles County in response to the confirmation of HLB on May 26, 2017. This action provides permanent authority for the state to perform quarantine activities against HLB within this area.

Title 3  
AMEND: 3439(b)  
Filed 01/18/2018  
Effective 01/18/2018  
Agency Contact: Rachel Avila (916) 403-6813

File# 2017-1206-03  
DEPARTMENT OF FOOD AND AGRICULTURE  
Huanglongbing (HLB) Disease Interior Quarantine

This certificate of compliance action makes permanent prior emergency regulations expanding the Huanglongbing Disease Interior Quarantine in Los Angeles and Orange Counties. (See OAL Matter No. 2017-0630-03E.)

Title 3  
AMEND: 3439(b)  
Filed 01/22/2018  
Effective 01/22/2018  
Agency Contact: Rachel Avila (916) 403-6813

File# 2017-1211-03  
DEPARTMENT OF FOOD AND AGRICULTURE  
Natural Gas Motor Vehicle Fuels  
The Department of Food and Agriculture, Division of Measurement Standards, proposed this action to adopt and amend regulations under title 4 of the California Code of Regulations pertaining to the retail sale of natural gas motor vehicle fuels in California.

Title 4  
ADOPT: 4002.10, 4206, 4207 AMEND: 4001, 4200, 4201  
Filed 01/24/2018  
Effective 04/01/2018  
Agency Contact: Pamela Fitch (916) 229-3058

File# 2018-0109-01  
DEPARTMENT OF FOOD AND AGRICULTURE  
Conflict-of-Interest Code

This is a Conflict-of-Interest Code amendment that has been approved by the Fair Political Practices Commission and is being submitted for filing with the Secretary of State and printing only.

Title 3  
AMEND: 2  
Filed 01/24/2018  
Effective 02/23/2018  
Agency Contact: Teresa Swafford (916) 403-6616

File# 2017-1208-05  
DEPARTMENT OF INDUSTRIAL RELATIONS  
Public Works Enforcement Hearings

This change without regulatory effect filing by the Department of Industrial Relations repeals five sections in title 8 of the California Code of Regulations to remove obsolete notice, appeal, and hearing procedures for contractors and subcontractors accused of violating prevailing wage requirements on public works projects.

Title 8  
REPEAL: 16410, 16411, 16412, 16413, 16414  
Filed 01/24/2018  
Agency Contact: John Cumming (415) 486-2038

File# 2017-1207-02  
DEPARTMENT OF INSURANCE  
Low Cost Auto Plan of Operations Rate Filing (2018)

This request for the filing with the Secretary of State and the printing in the California Code of Regulations

(CCR) of an amendment to section 2498.6 of Title 10 of the CCR concerns new rates and surcharges for the California Automobile Assigned Risk Plan.

Title 10  
 AMEND: 2498.6  
 Filed 01/17/2018  
 Effective 01/17/2018  
 Agency Contact: Michael Riordan (415) 538-4226

File# 2017-1207-03  
 DEPARTMENT OF INSURANCE  
 California Automobile Assigned Risk Plan (CAARP)  
 Plan or Operation

In this file and print action, the Department of Insurance (the "Department") is amending section 2498.4.9 in title 10 of the California Code of Regulations. This amendment makes changes to the California Automobile Assigned Risk Plan, which is incorporated by reference in Section 2498.4.9. This action is exempt from the Administrative Procedure Act pursuant to Insurance Code section 11620, subdivision (c).

Title 10  
 AMEND: 2498.4.9  
 Filed 01/23/2018  
 Effective 01/23/2018  
 Agency Contact: Michael Riordan (415) 538-4226

File# 2017-1207-04  
 DEPARTMENT OF INSURANCE  
 California Automobile Assigned Risk Plan (CAARP)  
 Changes to LCA Plan of Operations

This request for filing with the Secretary of State and printing in the California Code of Regulations by the Department of Insurance (1) creates a procedure to allow a California Low Cost Automobile Plan to retract an Electronic Application Submission Interface ("EASi") application and (2) expands the methods for producer submission of completed paper EASi Retraction Request Forms to include electronic methods.

Title 10  
 AMEND: 2498.6  
 Filed 01/22/2018  
 Effective 01/22/2018  
 Agency Contact: Michael Riordan (415) 538-4226

File# 2017-1207-05  
 DEPARTMENT OF INSURANCE  
 Revisions to California Automobile Assigned Risk Plan (CAARP) Simplified Manual of Rules and Rates

This is a request by the Department of Insurance pursuant to Government Code section 11343.8 concerning the amendment of section 2498.5 of Title 10 of the Cali-

fornia Code of Regulations. The amended section incorporates by reference an updated version of the California Automobile Assigned Risk Plan Simplified Manual of Rules and Rates containing amendments to Rules 2, 8, 20, 22, 25, 26, 51, and 94.

Title 10  
 AMEND: 2498.5  
 Filed 01/17/2018  
 Effective 01/17/2018  
 Agency Contact: Michael Riordan (415) 538-4226

File# 2017-1201-01  
 Department of Social Services  
 CalWORKs Stage One Child Care Eligibility

This action without regulatory effect by the Department of Social Services deletes the requirement that the Social Security Number of a license-exempt child care provider must be on file with the county or contractor paying for child care services, renumbers the remaining subsections accordingly, and updates reference citations.

Title MPP  
 AMEND: 47-260  
 Filed 01/17/2018  
 Agency Contact: Oliver Chu (916) 657-3588

File# 2017-1201-02  
 DEPARTMENT OF SOCIAL SERVICES  
 Service Dog Definition

The Department of Social Services submitted this action to make changes without regulatory effect to Manual of Policies and Procedures section 46-430.1(s)(2), pursuant to California Code of Regulations, title 1, section 100. The proposed action amends the definition of "service dog" so that it is consistent with the federal definition for a service dog located in 28 Code of Federal Regulations part 35.104.

Title MPP  
 AMEND: 46-430  
 Filed 01/17/2018  
 Agency Contact: Kenneth Jennings (916) 657-2586

File# 2017-1208-06  
 DEPARTMENT OF WATER RESOURCES  
 Water Loss Audit Regulation

In this action, the Department of Water Resources establishes rules for conducting and validating water loss audits, technical qualifications for individuals performing water loss audit validations, and reporting requirements for submitting validated water loss audits to the Department.

Title 23  
ADOPT: 700.1, 700.2, 700.3, 700.4, 700.5, 700.6  
Filed 01/24/2018  
Effective 01/24/2018  
Agency Contact: Todd Thompson (916) 651-9255

File# 2017-1221-03  
FAIR POLITICAL PRACTICES COMMISSION  
FPPC Conflict-of-Interest Code

This is a Conflict-of-Interest Code amendment that has been approved by the Fair Political Practices Commission and is being submitted for filing with the Secretary of State and printing only.

Title 2  
AMEND: 18351  
Filed 01/18/2018  
Effective 02/17/2018  
Agency Contact: Cesar R. Cuevas (916) 322-5660

File# 2017-1208-04  
OFFICE OF STATEWIDE HEALTH PLANNING  
AND DEVELOPMENT  
Forms Update — Address Change

This change without regulatory effect filing by the Office of Statewide Health Planning and Development amends sections 97177.10, 97177.67, and 97177.70 in title 22 of the California Code of Regulations to update the revision dates for three forms incorporated by reference. The Office is revising the forms to update outdated Office contact information.

Title 22  
AMEND: 97177.10, 97177.67, 97177.70  
Filed 01/24/2018  
Agency Contact: Adrienne Starkey (916) 326-3684

File# 2017-1228-01  
SANTA MONICA BAY RESTORATION COMMISSION  
Conflict-of-Interest Code

This is a Conflict-of-Interest Code amendment that has been approved by the Fair Political Practices Commission and is being submitted for filing with the Secretary of State and printing only.

Title 2  
AMEND: 59530  
Filed 01/23/2018  
Effective 02/22/2018  
Agency Contact: Guangyu Wang (213) 576-6639

File# 2017-1207-06  
STATE TEACHERS RETIREMENT SYSTEM  
Section 100 Changes to Format for Monthly Reports

This filing of changes without regulatory effect by the California State Teacher's Retirement System (STRS) amends section 27000, in Title 5 of the California Code of Regulations, regarding submission of monthly reports to STRS. In these changes, STRS amends section 27000, to specify the portions of two manuals, SEW Voluntary Deduction File Specification 2.0 (7/01/2015), and SEW F496 File Specification 8.0 (2/24/2015), which are incorporated by reference in section 27000.

Title 5  
AMEND: 27000  
Filed 01/22/2018  
Agency Contact: Ellen Maurizio (916) 414-1995

**CCR CHANGES FILED  
WITH THE SECRETARY OF STATE  
WITHIN August 23, 2017 TO  
January 24, 2018**

All regulatory actions filed by OAL during this period are listed below by California Code of Regulations titles, then by date filed with the Secretary of State, with the Manual of Policies and Procedures changes adopted by the Department of Social Services listed last. For further information on a particular file, contact the person listed in the Summary of Regulatory Actions section of the Notice Register published on the first Friday more than nine days after the date filed.

**Title 2**  
01/23/18 AMEND: 59530  
01/18/18 AMEND: 18351  
01/11/18 ADOPT: 20202, 20203, 20204, 20205, 20206, 20207, 20208, 20209, 20210, 20211, 20212, 20213, 20214, 20222, 20223, 20224, 20228, 20235, 20260, 20261, 20262, 20263, 20264, 20265, 20266, 20267, 20268, 20270, 20271, 20272, 20273, 20274, 20275, 20276, 20277, 20278, 20279, 20280 AMEND: 20200, 20201, 20213 (Renumbered 20215), 20214 (Renumbered 20216), 20216 (Renumbered 20217), 20217 (Renumbered 20218), 20220, 20220.5 (Renumbered 20260), 20221, 20222 (Renumbered 20225), 20223 (Renumbered 20226), 20224 (Renumbered 20232), 20227, 20225 (Renumbered 20230), 20226 (Renumbered 20229), 20230 (Renumbered 20231), 20235 (Renumbered 20233), 20236 (Renumbered 20234), 20247

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	(Renumbered 20236), 20249.5	<b>Title 3</b>	
	(Renumbered 20237), 20250	01/24/18	AMEND: 2
	(Renumbered 20238), 20255	01/22/18	AMEND: 3439(b)
	(Renumbered 20250), 20258	01/18/18	AMEND: 3439(b)
	(Renumbered 20240), 20260	01/16/18	AMEND: 3439(b)
	(Renumbered 20241), 20261	01/16/18	AMEND: 3424(c), 3591.12
	(Renumbered 20242), 20265	01/16/18	AMEND: 3439(b)
	(Renumbered 20251), 20266	01/03/18	AMEND: 3435(b)
	(Renumbered 20252), 20267	12/26/17	AMEND: 3435
	(Renumbered 20253) REPEAL: 20202,	12/21/17	AMEND: 3439(b)
	20203, 20204, 20205, 20206, 20207,	12/20/17	AMEND: 6000, 6619, 6724, 6764, 6768,
	20208, 20209, 20210, 20211, 20212,		6769, 6776
	20215, 20245, 20249, 20251, 20252,	12/15/17	AMEND: 3439(b)
	20253, 20254, 20256, 20257, 20259,	12/13/17	AMEND: 3435(b)
	20262	12/13/17	AMEND: 3435(d)
01/11/18	ADOPT: 20130, 20131, 20132, 20133,	12/12/17	ADOPT: 1391.7 AMEND: 1391, 1391.1,
	20134, 20135, 20136, 20137, 20138		1391.3
01/08/18	ADOPT: 20140, 20141, 20142, 20143,	12/11/17	AMEND: 3439(b)
	20144	12/07/17	ADOPT: 8000, 8100, 8101, 8102, 8103,
12/20/17	AMEND: 1859.76		8104, 8105, 8106, 8107, 8108, 8109,
11/30/17	AMEND: 10, 51.2, 52.1, 52.10, 52.11,		8110, 8111, 8112, 8113, 8114, 8115,
	53.2, 53.3, 57.1, 58.6, 58.10, 58.13, 60.1,		8200, 8201, 8202, 8203, 8204, 8205,
	64.1, 64.2, 64.3, 64.5, 67.2, 67.3, 67.6		8206, 8207, 8208, 8209, 8210, 8211,
11/27/17	AMEND: 18531.5		8212, 8213, 8214, 8215, 8216, 8300,
11/27/17	AMEND: 1859.190, 1859.194,		8301, 8302, 8303, 8304, 8305, 8306,
	1859.195, 1859.198		8307, 8308, 8400, 8401, 8402, 8403,
11/21/17	AMEND: 559.502		8404, 8405, 8406, 8407, 8408, 8409,
11/21/17	AMEND: 59640		8500, 8501, 8600, 8601, 8602, 8603,
11/15/17	AMEND: 18535		8604, 8605, 8606, 8607, 8608
10/26/17	ADOPT: 571.1	12/07/17	AMEND: 3439(b)
10/23/17	AMEND: 11024	12/05/17	AMEND: 3591.5
10/23/17	AMEND: 59740	11/28/17	AMEND: 3406(c), 3591.5(b)
10/10/17	AMEND: 10500	11/22/17	AMEND: 3435(b)
10/09/17	AMEND: 59780	11/21/17	AMEND: 3435(b)
10/04/17	ADOPT: 280, 547.50, 547.51, 547.52,	11/21/17	REPEAL: 1408.22
	547.53, 547.54, 547.55, 547.55.1,	11/20/17	AMEND: 3591.15
	547.55.2, 547.56, 547.57, 547.57.1,	11/20/17	AMEND: 3435(b)
	547.52.2, 547.57.3, 547.57.4, 547.58,	11/15/17	AMEND: 6728
	547.58.1, 547.58.2, 547.58.3, 547.58.4,	11/09/17	AMEND: 3435(b)
	547.58.5, 547.58.6, 547.58.7, 547.58.8,	11/07/17	ADOPT: 6690, 6691, 6692
	547.58.9 AMEND: 281, 282 REPEAL:	11/07/17	ADOPT: 2852.5 AMEND: 2850, 2851,
	547.50, 547.51, 547.52, 547.53, 547.54,		2852, 2853, 2854, 2855, 2856
	547.55, 547.56, 547.57	11/06/17	AMEND: 3435(b)
09/22/17	AMEND: 1859.2, 1859.81	11/02/17	AMEND: 3435(b)
09/21/17	AMEND: 59620	10/23/17	AMEND: 3435(b)
09/20/17	ADOPT: 1859.90.5 AMEND: 1859.2,	10/16/17	AMEND: 3591.15
	1859.90, 1859.90.2, 1859.90.4	10/16/17	AMEND: 3439(b)
08/31/17	AMEND: 10000, 10001, 10002, 10005,	09/28/17	AMEND: 3439(b)
	10007, 10008, 10009, 10010, 10011,	09/28/17	AMEND: 3435(b)
	10015, 10017, 10021, 10022, 10025,	09/27/17	AMEND: 3435(b)
	10026, 10030, 10031, 10033, 10035,	09/21/17	AMEND: 1430.142
	10038, 10039, 10041, 10042, 10044,	09/19/17	AMEND: 3406(c), 3591.5(b)
	10046, 10049, 10050, 10051, 10053,	09/14/17	AMEND: 3439
	10054, 10057, 10063, 10065	09/12/17	AMEND: 3435(b)
08/30/17	AMEND: 59590	09/07/17	AMEND: 3435(b)

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09/05/17 AMEND: 3435(b)  
09/05/17 AMEND: 3435(b)  
08/31/17 AMEND: 3439(b)  
08/30/17 AMEND: 2320.1

**Title 4**

01/24/18 ADOPT: 4002.10, 4206, 4207 AMEND: 4001, 4200, 4201  
01/17/18 AMEND: 12386, 12391, 12566  
01/17/18 AMEND: 12386, 12391, 12566  
01/09/18 ADOPT: 1597.5, 1597.6 AMEND: 1554, 1581.1, 1588, 1597, 1853  
01/08/18 AMEND: 12120, 12303, 12362  
01/02/18 AMEND: 12261, 12264  
12/28/17 AMEND: 4300, 4302, 4304, 4306, 4307, 4308  
12/21/17 AMEND: 8078.8, 8078.10  
12/19/17 AMEND: 232  
12/13/17 AMEND: 10032, 10036  
12/07/17 AMEND: 12200.3, 12200.5, 12200.14, 12202, 12205.1, 12220.3, 12220.5, 12220.14, 12222, 12225.1, 12301.1, 12342, 12350, 12352, 12357, 12358  
12/01/17 ADOPT: 5259 AMEND: 5000, 5033, 5035, 5037, 5054, 5060, 5101, 5102, 5120, 5144, 5170, 5191, 5212, 5230, 5240, 5250, 5540  
11/30/17 AMEND: 12218.11, 12236  
11/29/17 AMEND: 10176, 10177, 10178, 10179, 10180, 10181, 10182, 10183, 10184, 10185, 10186, 10187, 10188, 10189, 10190  
11/16/17 AMEND: 1844  
11/02/17 AMEND: 10170.2, 10170.3, 10170.4, 10170.9, 10170.10  
10/31/17 AMEND: 711  
10/31/17 AMEND: 10031, 10032, 10033, 10035, 10036  
10/18/17 ADOPT: 12250, 12260, 12261, 12262, 12263, 12264, 12285, 12287, 12290 AMEND: 12003, 12200, 12200.7, 12200.9, 12200.10A, 12200.11, 12200.18, 12220, 12220.18, 12560, 12562 REPEAL: 12200.13, 12200.16, 12200.21, 12220.13, 12220.16, 12220.21  
10/13/17 ADOPT: 5145, 5146, 5233 AMEND: 5000, 5020, 5031, 5033, 5050, 5051, 5054, 5061, 5062, 5063, 5106, 5144, 5170, 5191, 5192, 5194, 5200, 5220, 5230, 5240, 5250, 5255, 5258, 5260, 5300, 5342, 5350, 5370, 5400, 5450, 5560, 5600 REPEAL: 5221  
10/09/17 ADOPT: 5700, 5710, 5711, 5720, 5721, 5722, 5730, 5731 AMEND: 5000, 5020, 5100

10/05/17 AMEND: 1632  
09/07/17 AMEND: 12101, 12200, 12200.6, 12200.9, 12200.13, 12202, 12220.6, 12222, 12309, 12342, 12354, 12359, 12464, 12465, Appendix A to Chapter 7 of Division 18, 12492  
09/05/17 AMEND: 10091.1, 10091.2, 10091.3, 10091.4, 10091.5, 10091.6, 10091.7, 10091.8, 10091.9, 10091.10, 10091.12, 10091.14, 10091.15  
08/24/17 AMEND: 10170.3, 10170.4, 10170.8, 10170.9, 10170.10, 10170.14

**Title 5**

01/22/18 AMEND: 27000  
01/11/18 AMEND: 9517.3  
11/28/17 AMEND: 9510, 9512, 9513, 9518, 9529, 9810  
11/27/17 AMEND: 19810  
11/21/17 ADOPT: 71396  
11/16/17 ADOPT: 11526 AMEND: 11520, 11524, 11525  
11/16/17 ADOPT: 11534.1 AMEND: 11530, 11533, 11534  
11/13/17 REPEAL: 620, 621, 622, 623, 624, 625, 626, 627  
11/07/17 ADOPT: 9517.1  
10/18/17 AMEND: 851, 853.5, 853.7, 855, 856  
09/12/17 AMEND: 18117, 18246  
09/01/17 AMEND: 40756.1, 40805.1  
09/01/17 AMEND: 40500  
08/31/17 REPEAL: 40530, 40531, 40532  
08/31/17 ADOPT: 40050.4, 40517, 40518, 41023

**Title 8**

01/24/18 REPEAL: 16410, 16411, 16412, 16413, 16414  
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 10/02/17 ADOPT: 1535.1, 5205, 8359.1 AMEND:  
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 11/27/17 AMEND: 301, 303, 308, 411, 415, 420  
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- 11/28/17 ADOPT: 17403.3.2, 17403.3.3 AMEND: 17402, 17403.0, 17403.8, 17405.0, 17409.3, 18103.1, 18221.5
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 12/21/17 ADOPT: 3700

**Title 19**

08/31/17 REPEAL: 2575, 2575.1, 2576, 2576.1, 2577, 2577.1, 2577.2, 2577.3, 2577.4, 2577.5, 2577.6, 2577.7, 2577.8, 2578, 2578.1, 2578.2, 2578.3

**Title 20**

10/05/17 AMEND: 1602, 1606, 1607  
 09/11/17 AMEND: 1604, 1606  
 08/22/17 AMEND: 1601, 1602, 1604, 1605.1, 1605.2, 1605.3, 1606

**Title 21**

01/04/18 ADOPT: 1478.1, 1478.2 AMEND: 1476  
 11/28/17 ADOPT: 1700.1, 1700.2, 1700.3, 1705.1, 1706.1, 1707.1 AMEND: 1700 [renumbered to 1701.1], 1701 [renumbered to 1701.2], 1702.1, 1703 [renumbered to 1702.2], 1704.1 [renumbered to 1703.1], 1704.2 [renumbered to 1703.2], 1704.3 [renumbered to 1703.3], 1704.4 [renumbered to 1703.4], 1704.5 [renumbered to 1703.5], 1704.6 [renumbered to 1703.6], 1705.1 [renumbered to 1704.1], 1705.2 [renumbered to 1704.2], 1705.3 [renumbered to 1704.3], 1705.4 [renumbered to 1704.4], 1705.5 [renumbered to 1704.5], 1705.6 [renumbered to 1704.6], 1705.7 [renumbered to 1704.7], 1705.8 [renumbered to 1704.8]

**Title 22**

01/24/18 AMEND: 97177.10, 97177.67, 97177.70  
 01/11/18 ADOPT: 97268 AMEND: 97215, 97218, 97219, 97253, 97254, 97255  
 12/18/17 ADOPT: 2925  
 12/08/17 AMEND: 2608-1, 2627(b)-1  
 12/05/17 AMEND: 2706-2, 3301(d)-1, 3201-1, 3303-1, 3303.1(c)-1 REPEAL: 3303(b)-1  
 11/16/17 ADOPT: 63750.80 AMEND: 63850  
 10/30/17 AMEND: 72517  
 09/11/17 AMEND: 64431, 64432, 64447.2, 64465, 64481  
 09/08/17 AMEND: 97210, 97240, 97241, 97246  
 08/28/17 REPEAL: 97759

**Title 22, MPP**

12/21/17 ADOPT: 130000, 130001, 130003, 130004, 130006, 130007, 130008, 130009, 130020, 130021, 130022, 130023, 130024, 130025, 130026, 130027, 130028, 130030, 130040, 130041, 130042, 130043, 130044, 130045, 130048, 130050, 130051, 130052, 130053, 130054, 130055, 130056, 130057, 130058, 130062, 130063, 130064, 130065, 130066, 130067, 130068, 130070, 130071, 130080, 130081, 130082, 130083, 130084, 130090, 130091, 130092, 130093, 130094, 130095, 130100, 130110, 130200, 130201, 130202, 130203, 130210, 130211  
 09/28/17 AMEND: 35000  
 09/18/17 ADOPT: 85100, 85101, 85118, 85120, 85122, 85140, 85142, 85164, 85165, 85168.1, 85168.2, 85168.4, 85170, 85187, 85190  
 09/15/17 ADOPT: 85300, 85301, 85302, 85322, 85361, 85365, 85368, 85368.2, 85368.3, 85369, 85375, 89900, 89901, 89918, 89920, 89922, 89940, 89942, 89964, 89965, 89968.1, 89968.2, 89970, 89987, 89990 AMEND: 80001, 80020, 80022, 80028, 80065, 80068, 80070, 80072, 80087, 85000, 85068.2  
 09/07/17 AMEND: 81001, 81010, 81020, 81022, 81026, 81064.1, 81068.1, 81068.2, 81068.4, 81068.5, 81069, 81071, 81075, 81077.2, 81077.4, 81077.5, 81087, 81088, 81090, 81092, 81092.3, 81092.4, 81092.5, 81092.6, 81092.7, 81092.8, 81092.9, 81092.10, 81092.11, 81094

08/28/17 AMEND: 80044, 84001, 84002, 84061, 84063, 84065, 84072.1, 84165, 84300.1, 84322, 84322.2, 84365, 86001, 86022, 86061, 86065  
 08/24/17 AMEND: 83001, 83064, 83072, 83087, 84001, 84065, 84072, 84079, 84087, 84272, 86001, 86065, 86072, 86072.1, 86087, 88001, 88022, 89201, 89372, 89379, 89387, 89405

**Title 23**

01/24/18 ADOPT: 700.1, 700.2, 700.3, 700.4, 700.5, 700.6  
 12/26/17 ADOPT: 3949.13  
 12/15/17 AMEND: 64300, 64305, 64310, 64315  
 12/14/17 AMEND: 64444, 64445, 64445.1, 64447.4, 64465, 64481  
 11/20/17 AMEND: 2922  
 11/16/17 AMEND: 3682.2, 3682.3, 3702.1, 3702.2, 3702.3, 3702.4, 3717  
 11/06/17 AMEND: 2200, 2200.5, 2200.6, 2200.7  
 11/06/17 ADOPT: 1070.5 AMEND: 1062, 1064, 1066, 1068, 1070  
 10/19/17 ADOPT: 335, 335.2, 335.4, 335.6, 335.8, 335.10, 335.12, 335.14, 335.16, 335.18, 335.20  
 10/05/17 ADOPT: 2910 REPEAL: 2910

**Title 25**

01/18/18 AMEND: 10001  
 11/08/17 ADOPT: 8313, 8313.1, 8313.2, 8317, 8318 AMEND: 8300, 8301, 8302, 8303, 8305, 8307, 8308, 8309, 8310, 8311, 8312, 8314, 8315, 8316  
 10/12/17 ADOPT: 5535, 5535.5, 5536, 5536.5

**Title 27**

01/02/18 ADOPT: 25603.3  
 12/28/17 AMEND: Appendix B; Div. 3; Subd. 1; Ch. 2  
 12/20/17 AMEND: 27001  
 11/20/17 AMEND: 25600.1, 25600.2, 25601, 25602, 25603, 25607, 25607.2, 25607.5, 25607.6, 25607.7, 25607.12, 25607.13  
 11/15/17 AMEND: 27001  
 11/15/17 AMEND: 27001  
 10/30/17 ADOPT: 25607.32, 25607.33  
 10/30/17 AMEND: 27000  
 08/23/17 ADOPT: Appendix B to 25903 AMEND: 25903, Appendix A to 25903

**Title MPP**

01/17/18 AMEND: 47-260  
 01/17/18 AMEND: 46-430  
 12/28/17 AMEND: 41-440, 42-711, 42-716, 42-717, 44-207  
 11/16/17 AMEND: 44-211

