

California Regulatory Notice Register

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SEPTEMBER 7, 2018

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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

Information contained in this document is published as received from agencies and is not edited by Thomson Reuters.

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

ADOPTION

MULTI-COUNTY: Scholarship Prep Charter

Schools

El Dorado Water and Power

Authority

STATE AGENCY: Cannabis Control Appeals

Board

AMENDMENT

STATE AGENCY: CA Department of Public

Health

MULTI-COUNTY: Panoche Drainage District

Panoche Water District Golden Sierra Job Training

Agency

Public Agency Risk Sharing

Authority

Fresno-Kings-Madera Regional Health Authority

Tri-County Water Authority

A written comment period has been established commencing on September 7, 2018, and closing on October 22, 2018. Written comments should be directed to the Fair Political Practices Commission, Attention Brianne Kilbane, 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 person, will approve, or revise and approve, or return the proposed code(s) to the agency for revision and resubmission 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 October 22, 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 Brianne Kilbane, 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 Brianne Kilbane, Fair Political Practices Commission, 1102 Q Street, Suite 3000, Sacramento, California 95811, telephone (916) 322–5660.

TITLE 4. CALIFORNIA HORSE RACING BOARD

RULE 1467, PAYMASTER OF PURSES

The California Horse Racing Board (Board or CHRB) proposes to amend the regulation described below after considering all comments, objections or recommendations regarding the proposed action.

PROPOSED REGULATORY ACTION

The Board proposes to amend Rule 1467, Paymaster of Purses, which will require that the paymaster of purses deduct from the purses of both jockeys and trainers 0.3 percent to be deposited into a charitable trust fund maintained by the not-for-profit organization CARMA (California Retirement Management Account). Trainers and jockeys may elect not to have the 0.3 percent deducted from their purses by filing with the paymaster, Notification of Exclusion of CARMA Contribution, form CHRB-206 (Rev. 06/18), which is available at the office of the paymaster. The proposed amendment will also require that CARMA file an audited financial statement with the California Horse Racing Board annually at the end of CARMA's fiscal year.

PUBLIC HEARING

The Board will hold a public hearing starting at 9:30 a.m., Thursday, October 25, 2018, or as soon after that as business before the Board will permit, at Santa Anita Race Track, 285 West Huntington Drive, Arcadia, California. At the hearing, any person may present statements or arguments orally or in writing about the proposed action described in the informative digest. It is requested, but not required, that persons making oral comments at the hearing submit a written copy of their testimony.

WRITTEN COMMENT PERIOD

Any interested persons, or their authorized representative, may submit written comments about the proposed regulatory action to the Board. The written comment period closes at 5:00 p.m. on October 22, 2018. The Board must receive all comments at that time; however, written comments may still be submitted at the public hearing. Submit comments to:

Robert Brodnik, Staff Counsel California Horse Racing Board 1010 Hurley Way, Suite 300 Sacramento, CA 95825 Telephone (916) 263–6025 Fax: (916) 263–6022

E-Mail: rjbrodnik@chrb.ca.gov

AUTHORITY AND REFERENCE

Authority cited: Sections 19420, 19440, and 19562, Business and Professions Code.

Reference: Sections 19420, 19433, 19434, 19440, and 19562, Business and Professions Code.

Business and Professions Code sections 19420, 19440, and 19562 authorize the Board to adopt the proposed regulatory amendments, which would implement, interpret or make specific sections 19433 and 19434, Business and Professions Code.

INFORMATIVE DIGEST/POLICY STATEMENT OVERVIEW

Business and Professions Code section 19420 states that jurisdiction and supervision over meetings in California where horse races with wagering on their results are held, and over all persons or things having to do with the operation of such meetings, is vested in the Board. Business and Professions Code section 19440 provides that the Board shall have all powers necessary and proper to enable it to carry out fully and effectually the purposes of the Horse Racing Law. Responsibilities of the

Board include adopting rules and regulations for the protection of the public and the control of horse racing and pari—mutuel wagering. Business and Professions Code section 19562 states that the Board may prescribe rules, regulations, and conditions under which all horse racing with wagering on its results shall be conducted.

Business and Professions Code section 19433 allows the Board to investigate and visit the place of business of any licensee to ensure the rules and regulations are strictly complied with. Business and Professions Code section 19434 states that the Board may require that the books or financial statements of any licensee be kept in any manner prescribed by the Board.

Thoroughbred horses competing in races throughout California are well cared for athletes. However, there is a concern among those in the industry regarding the fate of retired California thoroughbred racehorses. There are a number of nonprofit institutions in California that accept retired and injured racehorses to rehabilitate and use as private pleasure horses, or a number of other functions such as show jumping. These retirement and rehabilitation facilities rely on volunteers and donations, as well as income earned from selling rehabilitated racehorses for non-racing purposes. However, there is no sustainable and predictable source of funding for such programs. This has been a long-term industry concern, as the majority of thoroughbred owners do not have the financial resources to maintain injured or retired racehorses.

To address this concern, Rule 1467 currently requires the paymaster of purses to deduct from a horse owner's account 0.3 percent of the net purse earned by any thoroughbred horse at a thoroughbred racing association or fair meeting. Rule 1467 directs that these deductions be deposited into the California Retirement Management Account (CARMA) for distribution by the horsemen's organization representing the thoroughbred owners to California thoroughbred retirement and rehabilitation facilities, which provide livestock care and services to retired thoroughbred horses that competed in thoroughbred races in California. Thoroughbred horse owners may elect not to have the 0.3 percent deducted from their net purses by filing with the paymaster of purses Notification of Exclusion of CARMA Contribution, form CHRB-206, which is available at the office of the paymaster at any race meeting.

The proposed amendment to Rule 1467 is meant to further the goal of providing funding to thoroughbred retirement and rehabilitation facilities. The proposed amendment to Rule 1467 would similarly deduct 0.3 percent from jockeys' and trainers' purses to be deposited into the CARMA trust account for distribution by the not–for–profit organization CARMA to California thoroughbred retirement and rehabilitation facilities. Similarly, a jockey or trainer may elect not to have

the 0.3 percent deducted from his or her purse by filing with the paymaster a Notification of Exclusion of CAR-MA Contribution, form CHRB-206 (Rev. 06/18), which is available at the office of the paymaster at all race meetings.

FORMS INCORPORATED BY REFERENCE

1) Form CHRB–206, Notification of Exclusion of CARMA Contribution, (Revised 06/18)

The proposed amendment to Rule 1467 will incorporate by reference CHRB–206, Notification of Exclusion of CARMA Contribution (Revised 06/18), as it would be cumbersome, unduly expensive or otherwise impractical to publish this document in the California Code of Regulations.

Form CHRB-206, Notification of Exclusion of CARMA Contribution (Revised 06/18), will be used by licensed owners, jockeys and trainers to opt out of the 0.3 percent deduction.

POLICY STATEMENT OVERVIEW OF ANTICIPATED BENEFITS OF PROPOSAL

Rule 1467 currently requires the paymaster of purses to deduct from a horse owner's account 0.3 percent of the net purse earned by any thoroughbred horse at a thoroughbred racing association or fair meeting. Rule 1467 directs that these deductions be deposited into the California Retirement Management Account (CARMA) for distribution by the horsemen's organization representing the thoroughbred owners to California thoroughbred retirement and rehabilitation facilities, which provide livestock care and services to retired thoroughbred horses that competed in thoroughbred races in California. Thoroughbred horse owners may elect not to have the 0.3 percent deducted from their net purses by filing with the paymaster of purses Notification of Exclusion of CARMA Contribution, form CHRB-206, which is available at the office of the paymaster at any race meeting. The purpose of this regulation is to provide funding to California thoroughbred retirement and rehabilitation facilities, which provide livestock care and services to retired thoroughbred horses.

The proposed amendment to Rule 1467 is meant to further the goal of providing funding to thoroughbred retirement and rehabilitation facilities. The proposed amendment to Rule 1467 would similarly deduct 0.3 percent from jockeys' and trainers' purses to be deposited into the CARMA trust account for distribution by the not–for–profit organization CARMA to California thoroughbred retirement and rehabilitation facilities, which provide livestock care and services to retired thoroughbred horses that competed in thoroughbred

races in California. Similarly, a jockey or trainer may elect not to have the 0.3 percent deducted from his or her purse by filing with the paymaster a Notification of Exclusion of CARMA Contribution, form CHRB–206 (Rev. 06/18), which is available at the office of the paymaster at all race meetings.

The proposed amendment to Rule 1467 will substantially enhance the integrity and perception of California horse racing by continuing to provide charitable organizations with funding for the treatment and housing for horses during retirement. The regulation promotes transparency in business by requiring the not—for—profit organization CARMA to file an audited financial statement with the California Horse Racing Board annually at the end of CARMA's fiscal year.

CONSISTENCY EVALUATION

During the process of developing the amendment, the CHRB has conducted a search of any similar regulations on this topic and has concluded that the regulation is neither inconsistent nor incompatible with existing state regulations.

DISCLOSURE REGARDING THE PROPOSED ACTION

Mandate on local agencies and school districts: none. Cost or savings to any state agency: none.

Cost to any local agency or school district that must be reimbursed in accordance with Government Code Sections 17500 through 17630: none.

Other non-discretionary costs or savings imposed upon local agencies: none.

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

The Board has made an initial determination that the proposed amendments to Rule 1467 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.

The following studies/relevant data were relied upon in making the above determination: none.

ECONOMIC IMPACT ASSESSMENT

The results of the Board's Economic Impact Assessment as required by Government Code section 11346.3(b) are as follows:

The proposed amendment to Rule 1467, Paymaster of Purses, will require that the paymaster of purses deduct from the purses of both jockeys and trainers 0.3 percent to be deposited into a charitable trust fund maintained by the not-for-profit organization California Retirement Management Account (CARMA). Trainers

or jockeys may elect not to have the 0.3 percent deducted from their purses by filing with the paymaster a Notification of Exclusion of CARMA Contribution, form CHRB-206 (Rev. 06/18), available at the office of the paymaster. The proposed amendment will also require that CARMA file an audited financial statement with the California Horse Racing Board annually within 90 days of the end of CARMA's fiscal year. The proposed amendment will protect the interests of the California horse racing industry by providing funding to California thoroughbred retirement and rehabilitation facilities. The proposed amendment will also ensure full disclosure and transparency by requiring the not-for-profit organization CARMA to file an audited financial statement with the California Horse Racing Board at the end of its fiscal year.

The proposed amendment to Rule 1467 will not impact jockeys and trainers who file a Notification of Exclusion of CARMA Contribution, form CHRB–206 (Rev. 06/18). The proposed amendment to Rule 1467 will have a minimal economic impact on jockeys and trainers who do not file a Notification of Exclusion of CARMA Contribution, form CHRB–206 (Rev. 06/18), as 0.3 percent will be deducted from their purse accounts.

The adoption of the proposed amendment to Rule 1467 will not (1) create or eliminate jobs within California; (2) create new businesses or eliminate existing businesses within California; or (3) affect the expansion of businesses currently doing business within California.

The proposed regulation will not impact the state's environment.

Cost impact on representative private persons or businesses: The Board 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.

Effect on small businesses: none. The proposed amendment to Rule 1467 does not affect small businesses because horse racing is not a small business under Government Code Section 11342.610.

CONSIDERATION OF ALTERNATIVES

In accordance with Government Code Section 11346.5, subdivision (a)(13), the Board has determined that no reasonable alternative it considered, or has otherwise been identified and brought to its attention, 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.

The Board invites interested persons to present statements or arguments with respect to alternatives to the proposed regulation at the scheduled hearing or during the written comment period.

CONTACT PERSON

Inquiries concerning the substance of the proposed action and requests for copies of the proposed text of the regulation, the initial statement of reasons, the modified text of the regulation, if any, and other information upon which the rulemaking is based should be directed to:

Robert Brodnik, Staff Counsel California Horse Racing Board 1010 Hurley Way, Suite 300 Sacramento, CA 95825 Telephone: (916) 263–6025 E-mail: rjbrodnik@chrb.ca.gov

If the person named above is not available, interested parties may contact:

Andrea Ogden, Manager Policy, Regulations and Legislation Telephone: (916) 263–6033

AVAILABILITY OF INITIAL STATEMENT OF REASONS AND TEXT OF PROPOSED REGULATION

The Board will have the entire rulemaking file available for inspection and copying throughout the rulemaking process at its offices at the above address. As of the date this notice is published in the Notice Register, the rulemaking file consists of this notice, the proposed text of the regulation, and the initial statement of reasons. Copies of these documents, or any information upon which the rulemaking is based, may be obtained by contacting Robert Brodnik or the alternative contact person at the address, phone number or e—mail address listed above.

AVAILABILITY OF MODIFIED TEXT

After holding a hearing and considering all timely and relevant comments received, the Board may adopt the proposed regulation substantially as described in this notice. If modifications are made which are sufficiently related to the originally proposed text, the modified text, with changes clearly marked, shall be made available to the public for at least 15 days prior to the date on which the Board adopts the regulation. Requests

for copies of any modified regulation should be sent to the attention of Robert Brodnik at the address stated above. The Board will accept written comments on the modified regulation for 15 days after the date on which it is made available

AVAILABILITY OF STATEMENT OF REASONS

Requests for copies of the final statement of reasons, which will be made available after the Board has adopted the proposed regulation in its current or modified form, should be sent to the attention of Robert Brodnik at the address stated above.

BOARD WEB ACCESS

The Board will have the entire rulemaking file available for inspection throughout the rulemaking process at its website. The rulemaking file consists of the notice, the proposed text of the regulation and the initial statement of reasons. The Board's website address is: www.chrb.ca.gov.

TITLE 11. COMMISSION ON PEACE OFFICER STANDARDS AND TRAINING

Notice is hereby given that the Commission on Peace Officer Standards and Training (POST) proposes to amend regulations in Division 2 of Title 11 of the California Code of Regulations as described below in the Informative Digest. A public hearing is not scheduled. Pursuant to Government Code Section 11346.8, any interested person, or his/her duly authorized representative, may request a public hearing. POST must receive the written request no later than 15 days prior to the close of the public comment period.

Public Comments Due October 22, 2018 by 5:00 p.m.

Notice is also given that any interested person, or authorized representative, may submit written comments relevant to the proposed regulatory action by fax at (916) 227–2801, by email to <u>Scott Loggins</u>, or by letter to:

Commission on POST Attention: Scott Loggins 860 Stillwater Road, Suite 100 West Sacramento, CA 95605–1630

AUTHORITY AND REFERENCE

This proposal is made pursuant to the authority vested by Penal Code Section 13503 (authority of the Commission on POST) and Penal Code Section 13506 (POST authority to adopt regulations). This proposal is

intended to interpret, implement, and make specific Penal Code Section 13503(e), which authorizes POST to develop and implement programs to increase the effectiveness of law enforcement, including programs involving training and education courses.

INFORMATIVE DIGEST/POLICY STATEMENT OVERVIEW

The Executive Director, or his/her designee, may authorize block allocations, not to exceed \$25,000 per course, to support training to meet regional needs, based on a pre–approved training needs assessment and course certification, including projected enrollment levels. The block allocation will cover, up to the authorized level, costs associated with presentation of the course, including instructor pay, travel and per diem, meeting room rental, and necessary instructional supplies as approved by POST.

Responsibility for specific allocation of instructor salaries and presentation fees shall be that of the individual presenter. Any costs exceeding the amount allocated by POST shall be borne by the presenter.

Students attending an approved Plan VI (Regional Training) course shall be reimbursed via a Training Reimbursement Request (TRR) form. Limitations on student reimbursement will be in place to incentivize local personnel to attend, based on distance from the training site to the students' agency headquarters.

ANTICIPATED BENEFITS

The benefits of the proposed amendments to the regulations will increase the efficiency of the state of California in delivering services to stakeholders. Thus, the law enforcement standards are maintained and effective in preserving peace, protection of public health, safety, and welfare in California. There would be no impact that would affect worker safety or the State's environment.

During the process of developing these regulations and amendments, the Commission on Peace Officer Standards and Training has conducted a search of any similar regulations on this topic and has concluded these regulations are neither inconsistent nor incompatible with existing State regulations.

ADOPTION OF PROPOSED REGULATIONS

Following the public comment period, the Commission may adopt the proposal substantially as set forth without further notice, or the Commission may modify the proposal if such modifications remain sufficiently related to the text as described in the Informative Di-

gest. If the Commission makes changes to the language before the date of adoption, the text of any modified language, clearly indicated, will be made available at least 15 days before adoption to all persons whose comments were received by POST during the public comment period and to all persons who request notification from POST of the availability of such changes. A request for the modified text should be addressed to the agency official designated in this notice. The Commission will accept written comments on the modified text for 15 days after the date the revised text is made available.

ESTIMATE OF ECONOMIC IMPACT

Fiscal Impact on Public Agencies Including Costs or Savings to State Agencies or Costs/Savings in Federal Funding to the State: None.

Non-Discretionary Costs/Savings to Local Agencies: None.

Local Mandate: None.

Costs to any Local Agency or School District for which Government Code Sections 17500–17630 require reimbursement: None.

Significant Statewide Adverse Economic Impact Directly Affecting California Businesses, Including Small Business: The Commission on Peace Officer Standards and Training has made an initial determination that the amended regulation will not have a significant statewide adverse economic impact directly affecting California businesses, including the ability of California businesses to compete with businesses in other states. The Commission on Peace Officer Standards and Training has found the proposed amendments will not affect California businesses, including small businesses, because the Commission sets selection and training standards for law enforcement, which does not impact California businesses, including small businesses.

Cost Impacts on Representative Private Persons or Businesses: The Commission on Peace Officer Standards and Training is not aware of any cost impacts a representative private person or business would necessarily incur in reasonable compliance with the proposed action.

Affect on Housing Costs: The Commission on Peace Officer Standards and Training has made an initial determination that the proposed regulation would have no effect on housing costs.

RESULTS OF ECONOMIC IMPACT ASSESSMENT PER GOV. CODE SEC. 11346.3(b)

The adoption of the proposed amendments of regulations 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 proposed amendments to the regulations will increase the efficiency of the state of California in delivering services to stakeholders. Thus, the law enforcement standards are maintained and effective in preserving peace, protection of public health, safety, and welfare in California. There would be no impact that would affect worker safety or the State's environment.

CONSIDERATION OF ALTERNATIVES

In accordance with Government Code section 11346.5, subdivision (a)(13), the Commission must determine that no reasonable alternative it considered, or that has otherwise been identified and brought to the attention of the Commission, 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 the law.

CONTACT PERSONS

Questions regarding this proposed regulatory action may be directed to <u>Scott Loggins</u>, Commission on POST, 860 Stillwater Road, Suite 100, West Sacramento, CA 95605–1630 at (916) 227–2807. If unable to reach Scott Loggins, you may contact <u>Heidi Hernandez</u> at (916) 227–2802.

TEXT OF PROPOSAL

Individuals may request copies of the exact language of the proposed regulations and of the initial statement of reasons, and the information the proposal is based upon from the Commission on POST, 860 Stillwater Road, Suite 100, West Sacramento, CA 95605–1630. These documents are also located on the <u>POST</u> Website.

AVAILABILITY AND LOCATION OF THE RULEMAKING FILE AND THE FINAL STATEMENT OF REASONS

The rulemaking file contains all information upon which POST is basing this proposal and is available for public inspection by contacting the person(s) named above.

To request a copy of the Final Statement of Reasons once it has been prepared, submit a written request to the contact person(s) named above.

TITLE 13. AIR RESOURCES BOARD

NOTICE OF PUBLIC HEARING TO CONSIDER PROPOSED CALIFORNIA REGULATION AND CERTIFICATION PROCEDURES FOR LIGHT-DUTY ENGINE PACKAGES FOR USE IN NEW LIGHT-DUTY SPECIALLY-PRODUCED MOTOR VEHICLES FOR 2019 AND SUBSEQUENT MODEL YEARS

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 California Regulation and Certification Procedures for Light–Duty Engine Packages for Use In New Light–Duty Specially–Produced Motor Vehicles for 2019 And Subsequent Model Years:

DATE: October 25, 2018

TIME: 9:00 a.m.

LOCATION: California Environmental Protection Agency

California Air Resources Board Byron Sher Auditorium

1001 I Street

Sacramento, California 95814

This item will be considered at a meeting of the Board, which will commence at 9:00 a.m., October 25, 2018, and may continue at 8:30 a.m. on October 26, 2018. Please consult the agenda for the hearing, which will be available at least ten days before October 25, 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 September 7, 2018. Written comments not physically submitted at the hearing must be submitted on or after September 7, 2018, and received **no later than 5:00 p.m. on October 22, 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 39600, 39601, 43000, 43100, 43101, 43102, 43104, and 43105.

This action is proposed to implement, interpret, and make specific sections 39002, 39003, 43000, 43100, 43101, 43102, 43104, 43105, 43106, 43205, California Health and Safety Code, and 580, Vehicle Code.

INFORMATIVE DIGEST OF PROPOSED ACTION AND POLICY STATEMENT OVERVIEW (GOV. CODE, § 11346.5, subd. (a)(3))

Sections Affected: Proposed adoption of California Code of Regulations, title 13, new sections 2209, 2209.1, 2209.2, 2209.3, 2209.4, 2209.5, 2209.6, 2209.7, 2209.8, 2209.9, and 2209.10.

Documents Incorporated by Reference (Cal. Code Regs., tit. 1, § 20, subd. (c)(3)):

The following documents, test methods, and model would be incorporated in the regulation by reference:

"California 2015 and Subsequent Model Criteria Pollutant Exhaust Emission Standards and Test Procedures and 2017 and Subsequent Model Greenhouse Gas Exhaust Emission Standards and Test Procedures for Passenger Cars, Light–Duty Trucks, and Medium–Duty Vehicles" as last amended September 2, 2015.

"California Evaporative Emission Standards and Test Procedures for 2001 and Subsequent Model Motor Vehicles," last amended September 2, 2015.

"California Exhaust Emission Standards and Test Procedures for 2018 and Subsequent Model Zero– Emission Vehicles and Hybrid Electric Vehicles, in the Passenger Car, Light–Duty Truck and Medium–Duty Vehicle Classes," last amended September 3, 2015.

"California Non–Methane Organic Gas Test Procedures for 2017 and Subsequent Model Year Vehicles," adopted September 2, 2015.

"California Certification Procedures for Light–Duty Engine Packages for Use In Light–Duty Specially–Produced Motor Vehicles for 2019 and Subsequent Model Years," set forth as Appendix B of the Initial Statement of Reasons.

Title 40, Code of Federal Regulations, section 86.1827–01, last amended May 7, 2010.

Title 40 Code of Federal Regulations, section 86.1821–01, last amended April 28, 2014.

Title 40, Code of Federal Regulations, section 86.1828–01, last amended April 28, 2014.

Title 40 Code of Federal Regulations, section 1051.130, last amended July 13, 2005.

Background and Effect of the Proposed Regulatory Action:

Overview:

CARB staff is proposing the California Certification Procedures for Light—Duty Engine Packages for Use in New Light—Duty Specially—Produced Motor Vehicles for 2019 and Subsequent Model Years (proposed regulation) to create a process for the certification of a replica car (referred to as a specially—produced motor vehicle or SPMV) in California. A SPMV resembles the body of a motor vehicle that had been commercially manufactured for sale not less than 25 years ago, such as replica versions of the Shelby Cobras and Ford GT40s. The proposed regulation provides two certification paths, one for engine manufacturers, and one for SPMV manufacturers.

First, engine manufacturers could certify a light—duty engine package intended for use in an SPMV complete with emission control systems (ECS), on—board diagnostics (OBD) installation instructions, and warranty. Second, SPMV manufacturers could purchase and install a certified engine package into a SPMV, and qualify for a CARB Executive Order (EO), which would enable them to sell those SPMVs to end users in California. This new certification process for SPMVs would ease the burden on the manufacturers for these relatively low volume new vehicles.

The proposed regulation would require engine packages to meet current Low Emission Vehicle (LEV II and LEV III) exhaust and evaporative emissions standards. Staff proposes that the OBD system included with the engine package must comply with section 1968.2, title 13, CCR for the model year of the certified engine pack-

age. The proposal includes flexibility on the evaporative system leak monitoring requirements. The proposed regulation would also allow CARB to issue an EO to the SPMV manufacturer for each production year SPMVs are built for sale in California. The SPMV manufacturer would need to meet certain requirements in order to receive a CARB EO and provide a warranty for the engine installation and the supplied fuel system.

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

The objective of the proposed regulation is to create a path for manufacturers to sell low emitting replica cars in California as new vehicles. This proposed regulation achieves this by allowing engine manufacturers to certify engine packages that meet California's current LEV requirements. The proposed regulation also allows CARB to issue an EO for SPMVs that use certified engine packages. The proposed regulation provides the flexibility needed for the unique characteristics of SPMVs, while ensuring new SPMVs meet the key emissions standards applicable to other new production vehicles.

There are no quantified benefits to the protection of public health and safety or to worker safety. However, CARB staff expects some SPMV sales to displace higher-emitting, non-California certified replica vehicles that are brought into and appealed in California.

Comparable Federal Regulations:

On December 4, 2015, United States (U.S.) lawmakers enacted legislation allowing SPMV manufacturers to sell up to 325 SPMVs per manufacturer per year, starting in 2017 (H.R. 22, the Fixing America's Surface Transportation Act, section 24405). While these vehicles do not have to meet crash safety standards or be included in any applicable state's inspection and maintenance program, they must meet current Clean Air Act standards for the model year in which they are produced by using a motor vehicle engine from a motor vehicle that is covered by a certificate of conformity or a CARB EO for the current model year the SPMV is produced.

After H.R. 22 passed, the National Highway Traffic Safety Administration (NHTSA) proposed a process to ensure SPMV manufacturers met minimum qualifications to sell vehicles. Staff anticipates that NHTSA will verify that a SPMV manufacturer qualifies to produce SPMVs and that the SPMV resembles the body of another motor vehicle that was produced at least 25 years ago. NHTSA will also review annual production reports submitted by the SPMV manufacturer along with other required information.

Additionally, SPMVs will be manufactured under a license agreement for the intellectual property rights for the replicated vehicle from the original manufacturer or its current owner, successor or assignee.

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 regulation, CARB conducted a search of any similar regulations on this topic and concluded these regulations are neither inconsistent nor incompatible with existing state regulations.

STATEMENT REGARDING WHETHER REGULATION IS MANDATED BY FEDERAL LAW OR REGULATIONS

(Gov. Code, §§ 11346.2, subd. (c), 11346.9)

This regulation is not mandated by federal law or regulation.

DISCLOSURE REGARDING THE PROPOSED REGULATION

Fiscal Impact/Local Mandate Determination Regarding the Proposed Action (Gov. Code, § 11346.5, subds. (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 regulation are presented below.

Under Government Code sections 11346.5, subdivision (a)(5) and 11346.5, subdivision (a)(6), the Executive Officer has determined that the proposed regulation would not create costs or savings to any State agency other than CARB, or in federal funding to the State, costs or mandate to any local agency or school district, whether or not reimbursable by the State under Government Code, title 2, division 4, part 7 (commencing with section 17500), or other nondiscretionary cost or savings to State or local agencies.

CARB staff believe that only one or two established light-duty vehicle manufacturers may certify engine packages for SPMVs and up to ten SPMV vehicle manufacturers may certify SPMVs. This is the highest level of interest anticipated based on discussions with industry and the Specialty Equipment Market Association (SEMA). As a comparison, in 2012, CARB adopted similar regulations to certify engine packages for specially constructed vehicles (kit cars). Only one established light-duty vehicle manufacturer certified an engine package for specially constructed vehicles. CARB staff believe the number of new manufacturers and the associated added workload may be more similar to specially constructed vehicles, and thus can be absorbed with current resources.

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

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

Consideration of 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 regulation 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 regulation 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. A detailed assessment of the economic impacts of the proposed regulation can be found in the Economic Impact Analysis in the Initial Statement of Reasons (ISOR).

Benefits of the Proposed Regulation:

The primary objectives of the proposed regulation are to align with the federal Fixing America's Surface Transportation Act (H.R. 22, 2014), and to create a process for SPMV manufacturers to sell low–emitting replica cars in California. This is achieved by allowing engine manufacturers to certify engine packages that meet California's current LEV standards for new vehicles, which will be made available for SPMV manufacturers to install into replica cars. The proposal also allows CARB to issue an EO to SPMV manufacturers for vehicles with a certified engine package. Staff's proposal provides the necessary flexibility needed for the unique characteristics of SPMVs, while ensuring new SPMVs are as low–emitting as new production vehicles.

A summary of these benefits is provided in the "Objectives and Benefits" subsection of the Informative Digest of Proposed Action and Policy Statement Overview Pursuant to Government Code 11346.5(a)(3).

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

In developing this proposed regulation, staff evaluated the potential economic impacts on representative private persons or businesses. Staff is not aware of any

cost impacts that a representative private person or business would necessarily incur in reasonable compliance with the proposed regulation.

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

The Executive Officer has also determined under California Code of Regulations, title 1, section 4, that the proposal would not adversely affect small businesses because it is an optional certification procedure for new light—duty engine packages for use in SPMVs, as well as optional certification procedures for SPMVs.

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

Before taking final action on the proposed regulation, 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 staff's proposal, or would be more cost—effective to affected private persons and equally effective in implementing the statutory policy or other provisions of law. See section X of the ISOR for more detail regarding the alternatives considered for this proposed regulation.

ENVIRONMENTAL ANALYSIS

CARB, as the lead agency for the proposed regulation, has prepared an environmental analysis (EA) under its certified regulatory program (California Code of Regulations, title 17, sections 60000 through 60008) to comply with the requirements of the California Environmental Quality Act (CEQA; Public Resources Code section 21080.5). The EA determined that the proposed regulation would not result in any significant adverse impacts on the environment. The basis for reaching this conclusion is provided in Chapter VII of the ISOR. Written comments on the EA will be accepted during a 45–day public review period starting on September 7, 2018, and ending at 5 p.m. on October 22, 2018.

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 interpréte 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 envié 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 Retransmisión de Mensajes de California.

AGENCY CONTACT PERSONS

Inquiries concerning the substance of the proposed regulation may be directed to the agency representative Richard Muradliyan, Air Resources Engineer, at (626) 575–6798 or (designated back—up contact) Tony Martino, Aftermarket Parts Manager, at (626) 575–6848.

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: Initial Statement of Reasons for Public Hearing To Consider California Certification Procedures For Light–Duty Engine Packages For Use In New Light–Duty Specially–Produced Motor Vehicles For 2019 And Subsequent Model Years.

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 or after September 4, 2018.

Further, the agency representative to whom non—substantive 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 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 regulation. 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 https://www.arb.ca.gov/regact/2018/spmv2018/spmv2018.htm.

TITLE 13. AIR RESOURCES BOARD

NOTICE OF PUBLIC HEARING TO CONSIDER
THE PROPOSED AMENDMENTS TO
CALIFORNIA SPECIFICATIONS FOR FILL PIPES
AND OPENINGS OF MOTOR VEHICLE
FUEL TANKS

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 California Specifications for Fill Pipes and Openings of Motor Vehicle Fuel Tanks.

DATE: October 25, 2018

TIME: 9:00 a.m.

LOCATION: California Environmental Protection Agency

California Air Resources Board Byron Sher Auditorium

1001 I Street

Sacramento, California 95814

This item will be considered at a meeting of the Board, which will commence at 9:00 a.m., October 25, 2018, and may continue at 8:30 a.m. on October 26, 2018. Please consult the agenda for the hearing, which will be available at least ten days before October 25, 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 September 7, 2018. Written comments not physically submitted at the hearing must be submitted on or after September 7, 2018, and received **no later than 5:00 p.m. on October 22, 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, section 41954. This action is proposed to implement, interpret, and make specific sections 41954(a).

INFORMATIVE DIGEST OF PROPOSED ACTION AND POLICY STATEMENT OVERVIEW (GOV. CODE, § 11346.5, subd. (a)(3))

Sections Affected: Proposed amendments to Specifications for Fill Pipes and Openings of 2015 and Subsequent Model Motor Vehicle Fuel Tanks, last amended: [INSERT DATE OF AMENDMENT], which is incorporated by reference in the California Code of Regulations, Title 13, section 2235.

Background and Effect of the Proposed Regulatory Action:

CARB staff is proposing amendments to the Fill Pipes Specifications to help ensure new motor vehicle fill pipes continue to be compatible and form a good seal with Phase II recovery nozzles that are certified for use at California gasoline stations, therefore reducing overpressure. The original Fill Pipe specifications were adopted in 1976, which primarily defined acceptable dimensions for interfacing with vapor recovery nozzles. Subsequent changes were made to introduce performance specifications to better ensure problem—free refueling. The new amendments propose adding a new performance leak standard and a bench test procedure. Minimizing leaks between the motor vehicle fill pipe and nozzle helps ensure On—board Refueling Vapor Recovery (ORVR) equipped vehicles are identified during

refueling. This identification is necessary to reduce air ingestion at the nozzle, which helps reduce pressure—driven emissions caused by evaporation of gasoline within the gasoline storage tank during winter months.

Since the Fill Pipe specifications were first adopted, there have been changes to both vehicles and the nozzles over time. Newer vehicles capture vapor from refueling by having an ORVR system. This was phased in for new light-duty vehicles between 1998 and 2006. In addition, CARB implemented Phase II Enhanced Vapor Recovery (EVR) systems at gasoline stations starting in 2001 for underground storage tanks (UST), and 2009 for above—ground storage tanks (AST). These actions, done separately by the Board, would reduce emissions from the vehicle side by adopting ORVR systems, and for those vehicles without ORVR, Phase II systems would capture and contain gasoline emissions. The Phase II EVR systems are certified to capture and contain at least 95 percent of available vapor generated during refueling.

The performance leak standard will quantify an allowable leak rate between the fill pipe face and the nozzle boot. This is necessary as new capless fill pipe designs continue to be introduced by multiple manufacturers in California. Though a zero leak rate would be ideal, it would be hard to achieve with some of the designs available on the market today. A performance leak standard gives manufacturers flexibility in the design they choose to meet the standard. This proposal specifies a leak standard being phased in starting in the 2022 model year and being fully phased in 2024 model year and establishes a bench test procedure to measure the leak rate. Staff developed the bench leak test procedure by working with the vehicle and nozzle manufacturers.

In addition, to prevent future increases in overpressure at California gasoline stations, this proposal modifies existing fill pipe dimensional requirements. These design changes only apply when an auto manufacturer is changing the fill pipe head design on new model year 2024 and subsequent vehicles. From talks with manufacturers, staff understands that the fill pipe heads designs do not change often. Some designs have been around for decades. This provides flexibility, since the cost of redesigning and testing the fill pipe would already be incurred by the manufacturer during a planned redesign.

Objectives and Benefits of the Proposed Regulatory Action:

The proposed amendments are for a new performance leak standard for fill pipes in new vehicles. The amendments are needed to improve motor vehicle fill pipe compatibility with nozzles. This compatibility is necessary to reduce air ingestion at the nozzle, which will help reduce pressure driven emissions (overpres-

sure emissions) caused by evaporation of gasoline within the gasoline dispensing facility (GDF) storage tank headspace. Unexpected pressure driven emissions cause GDF vapor recovery systems to not achieve the performance standards and emission reductions anticipated when EVR regulations were adopted.

The fill pipe amendments will reduce misidentification rates with ORVR vehicles and ensure compatibility with newer EVR and Enhanced Conventional (ECO) nozzle spout. Emission reductions will result from minimizing air ingestion by vented fill pipe designs by enabling a better seal between the fill pipe of a vehicle with an ORVR system and the nozzle's vapor collection bellows. Approximately 52 percent of California GDFs are equipped with the vacuum assist system.

CARB staff estimates that compliance with the proposed amendments will improve air quality by reducing gasoline vapor (aka reactive organic gases, or ROG) emissions, which also contain benzene, by about 0.63 tons per day during winter months (typically November through February) on a day with average vapor concentration. The proposed fill pipe amendments and the proposed nozzle amendments are expected to yield emission reductions up to 2.2 tons per day (TPD) in 2030 on a day with maximum vapor concentration. The proposed amendments are projected to reach the maximum potential emissions reductions that can result from improving the fill pipe and nozzle interface due to the mechanics of gas station overpressure emissions. Therefore, further fill pipe improvements are not expected to yield additional reductions in emissions.

Reducing ROG emissions is an integral part of California reaching its goal of attaining federal ozone standards. Reducing benzene emissions is critical for protecting the health of people who live and work near gasoline dispensing facilities and people who own and fuel ORVR equipped vehicles with fill pipes that do not form a good seal with the nozzle. Fill pipes that meet the performance leaks standard and future dimensional requirements will also enable the automotive industry to more effectively design compatible fill pipes for future vehicle models. In addition, reducing overpressure conditions will reduce the frequency of GDF In—Station Diagnostic (ISD) system overpressure alarms, which will reduce the frequency and cost of service calls for many GDFs with vacuum—assist vapor recovery systems.

CARB staff's proposal was developed in conjunction with an extensive public process. Staff informed, involved, and updated public stakeholders on staff's progress developing the proposed amendments. Staff held public workshops and had other meetings with interested persons during the development of the proposed regulatory amendments. These informal pre-rulemaking discussions provided staff with useful in-

formation that they considered during development of the regulatory amendments that are now being proposed for formal public comment. Between 2012 and 2017, CARB staff held eleven public workshops in northern and southern California about GDF storage tank overpressure problems, study designs and results, and potential solutions. These workshops engaged representatives from nozzle, fill pipe, and automotive manufacturers; GDF owners and operators; service contractors and consultants; petroleum refineries and distributors; air districts; Tribes; environmental consultants; farm bureaus; and air quality agencies from outside of California. In addition, staff created a public webpage where related workshop materials and technical support documents were posted to keep stakeholders up to date on the latest developments in the pre-rulemaking process and distributed announcements and workshop materials through the CARB list serves that, based on individual subscribers to the list serves, reach more than 4,000 individuals. Staff sent out multiple emails providing announcements to upcoming workshops, a description of the proposed amendments, and contact information for relevant staff for both the fill pipe and nozzle proposed amendments.

Further, over the last two years, CARB staff participated in over a dozen meetings with the Society of Automotive Engineers (SAE) Fuel Systems J285/J1140 Task Force (SAE Task Force), which is comprised of nozzle, vehicle, and fill pipe manufacturers. The SAE Task Force is charged with developing and testing new dimension specifications to standardize the vapor recovery nozzle and fill-pipe interface to improve compatibility. The nozzle dimensions included in CARB staff's proposed amendments are the result of extensive deliberations of nozzle, vehicle, and fill pipe manufacturers who participated in the SAE Task Force. All the proposed dimensions have a range of values, rather than a single value, to increase flexibility for nozzle manufacturers while at the same time providing the constraint needed for the fill pipe manufacturers.

A detailed explanation on benefits to the protection of public health and safety, worker safety, and the environment can be found below.

Comparable Federal Regulations:

There are no federal regulations or programs directly comparable to California Specifications for Fill Pipes and Openings of Motor Vehicle Fuel Tanks. California's existing Fill Pipe Specifications already exceed federal requirements.

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.

DISCLOSURE 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, subds. (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 regulatory action will create minor costs to a State agency, but will not affect federal funding to the State.

The new modified fill pipe reports may require additional time for CARB staff to review. This additional work load is anticipated to be absorbable and can be carried out by the current staff. The proposed action will not affect costs to or mandate any local agency or school district, whether or not reimbursable by the State under Government Code, title 2, division 4, part 7 (commencing with section 17500), and will not result in 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)):

A detailed assessment of the economic impacts of the proposed regulatory action can be found in Chapter VIII of the Initial Statement of Reasons (ISOR).

NON-MAJOR REGULATION: STATEMENT OF THE RESULTS OF THE ECONOMIC IMPACT ASSESSMENT (EIA)

<u>Benefits of the Regulation to the Health and Welfare of California Residents, Worker Safety, and the State's Environment:</u>

The objective of the proposed regulatory action is to minimize air leakage in vented fill pipes. CARB staff estimates that compliance with the proposed amendments will result in a reduction of ROG emissions, which also contain benzene, by about 0.63 tons per day during winter months using average vapor concentration. Reducing ROG emissions will benefit the health and welfare of California residents by reducing ambient ground level ozone and benzene exposure. Although the regulation will not directly affect worker safety, workers at GDFs with assist vapor recovery systems may experience reduced occupational exposure to benzene after the improved fill pipes enter the fleet. Reducing ambient ground level ozone also helps to reduce smog, which is a benefit for the state's environment.

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. A detailed assessment of the economic impacts of the proposed regulatory action can be found in the Economic Impact Assessment in the ISOR. *Benefits of the Proposed Regulation:*

The objective of the proposed regulatory action is to minimize air leakage from vented fill pipes by requiring a performance leak standard, which would ensure excess air is not ingested by the vapor recovery nozzle and thus reduce gasoline vapor emissions. In addition, to prevent future increases in overpressure at California gasoline stations, this proposal modifies existing fill pipe dimensional requirements, applying when an auto manufacturer is changing a fill pipe design.

A summary of these benefits is provided in this Notice. Please refer to "Objectives and Benefits" section, under the Informative Digest of Proposed Action and Policy Statement Overview above.

Business Report (Gov. Code, §§ 11346.5, subd. (a)(11); 11346.3, subd. (d)):

In accordance with Government Code sections 11346.5, subdivisions (a)(11) and 11346.3, subdivision (d), the Executive Officer finds the reporting requirements of the proposed regulatory action which apply to businesses are 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. CARB staff is not aware of any cost impacts that a representative private person would necessarily incur in reasonable compliance with the proposed action.

Staff expects negligible cost to industry, since the proposed performance leak standard and bench leak test uses equipment that auto manufacturers and fill pipe suppliers typically have on hand, and the test is relatively simple and is not time intensive to perform. Also, the bench leak test is a straightforward and standard method for manufacturers to gauge if fill pipes are designed with minimal leak size in order to not adversely impact overpressure at gas stations using the assist style nozzle. Industry had previously asked CARB for guidance in the form of a test verifying fill pipe leak performance. Therefore staff expects this proposed test will save industry time and hassle by providing a straightforward and standard verification method.

Direct costs related to the proposed amendments can be broken down for testing into two categories: equipment and testing personnel. Additionally staff estimates a cost for reporting during certification. CARB staff anticipates the lifetime of the proposed regulatory amendments to be three years, from 2022 through 2024 when the regulation is fully implemented. The total cost over 3 years of implementing this regulation is \$174,500 to the auto industry and suppliers. Since fill pipe designs do no change much over time, the testing data can be carried over to future model years. Additional testing would only be required when there are new fill pipe designs.

The proposal for dimensional changes to the current fill pipe specification are limited to cases where a manufacturer is already changing a fill pipe design. It is assumed the cost of redesigning and testing the fill pipe would already be incurred by the manufacturer during a planned redesign and there are no additional costs as a result of the proposed amendments.

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

Staff expects the direct cost to a small business would be about \$5,000 for initial equipment costs plus annual ongoing cost of around \$500, including \$253 for bench testing and \$250 for reporting cost for three years.

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 costeffective to affected private persons and equally effective implementing the statutory policy or other provisions of law. CARB staff considered reasonable alternatives to the proposed amendments, as described in Chapter IX of the ISOR.

ENVIRONMENTAL ANALYSIS

CARB, as the lead agency under the California Environmental Quality Act (CEQA), has reviewed the proposed regulatory amendments and concluded that the proposed action is exempt pursuant to CEQA Guidelines §15308, as this is an action taken by a regulatory agency for the protection of the environment. A brief explanation of the basis for reaching this conclusion is included in Chapter VII 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 interpréte 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 envié 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 Retransmisión de Mensajes de California.

AGENCY CONTACT PERSONS

Inquiries concerning the substance of the proposed regulatory action may be directed to the agency representative, Jason Gordon, Air Resources Engineer, Advanced Clean Cars Regulations Section, at (626) 575–7068 or (designated back—up contact) Shobna Sahni, Manager, Advanced Clean Cars Regulations Section, at (626) 450–6104.

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: Staff Report: Initial Statement of Reasons — Public Hearing to Consider the Proposed Amendments to California Specifications for Fill Pipes and Openings of Motor Vehicle Fuel Tanks.

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, California Air Resources Board, 1001 I Street, Visitors and Environmental Services Center, First Floor, Sacramento, California, 95814, on or afer September 4, 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. CARB 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/fillpipe2018/fillpipe2018.htm.

TITLE 15. DEPARTMENT OF CORRECTIONS AND REHABILITATION

NOTICE IS HEREBY GIVEN that the Secretary of the California Department of Corrections and Rehabilitation (CDCR or Department), proposes to amend Section 3294.5 of California Code of Regulations (CCR), Title 15, Division 3, Chapter 1, regarding Inmate and Parolee Name Change.

PUBLIC HEARING

Date and

Time: **October 29, 2018** —

9:00 a.m. to 10:00 a.m.

Place: Department of Corrections and

Rehabilitation

Conference Room 100N

1515 S Street — North Building

Sacramento, CA 95811

Purpose: To receive comments about this action.

PUBLIC COMMENT PERIOD

The public comment period begins **September 7**, **2018** and closes on **October 29**, **2018** at **5:00** p.m. Any person may submit written comments by mail addressed to the primary contact person listed below, or by email to rpmb@cdcr.ca.gov, before the close of the comment period. For questions regarding the subject matter of the regulations, call the program contact person listed below

CONTACT PERSONS

Primary Contact

R. Ruiz

Telephone: (916) 445–2244

Regulation and Policy Management Branch

P.O. Box 942883

Sacramento, CA 94283-0001

Back-Up

Y. Sun

Telephone: (916) 445-2269

Regulation and Policy Management Branch

P.O. Box 942883

Sacramento, CA 94283-0001

Program Contact

T. Tyler

Telephone: (916) 323–1029 Division of Adult Institutions

AUTHORITY AND REFERENCE

Government Code Section 12838.5 provides that commencing July 1, 2005, CDCR succeeds to, and is vested with, all the powers, functions, duties, responsibilities, obligations, liabilities, and jurisdiction of abolished predecessor entities, such as: Department of Corrections, Department of the Youth Authority, and Board of Corrections.

Penal Code (PC) Section 5000 provides that commencing July 1, 2005, any reference to Department of Corrections in this or any code, refers to the CDCR, Division of Adult Operations.

PC Section 5050 provides that commencing July 1, 2005, any reference to the Director of Corrections in this or any other code, refers to the Secretary of the CDCR. As of that date, the office of the Director of Corrections is abolished.

PC Section 5054 provides that commencing July 1, 2005, the supervision, management, and control of the

State prisons, and the responsibility for the care, custody, treatment, training, discipline, and employment of persons confined therein are vested in the Secretary of the CDCR.

PC Section 5055 provides that commencing July 1, 2005, all powers and duties previously granted to and imposed upon the Department of Corrections shall be exercised by the Secretary of the CDCR.

PC Section 5058 authorizes the Director to prescribe and amend rules and regulations for the administration of prisons and for the administration of the parole of persons.

PC Section 5058.3 authorizes the Director to certify in a written statement filed with Office of Administrative Law that operational needs of the Department require adoption, amendment, or repeal of a regulation on an emergency basis.

INFORMATIVE DIGEST/POLICY STATEMENT **OVERVIEW**

Existing law in section 1279.5(b) of the Code of Civil Procedure, and regulations in Title 15, Division 3, section 3294.5, prohibits a person under the jurisdiction of CDCR from filing a petition for a change of name unless permitted by the Secretary of the CDCR, Existing law also requires the court to deny the petition for a name change unless written approval is received from the Department.

Senate Bill (SB) 310 (Chapter 856, Statutes of 2017), which was signed into law in October 2017, amends the Code of Civil Procedure 1279.5 regarding name and gender changes for inmates in State prisons or county jails. SB 310 provides that persons under the jurisdiction of the Department no longer need to obtain approval from the Department before submitting a petition to the court for legal name changes.

The amended statute goes into effect on September 1, 2018, and the proposed regulations establish procedures for Department staff and persons under the jurisdiction of the Department to meet the requirements of the amended statute.

This action provides the following:

- Adds a reference to parolees in the title of CCR Section 3294.5 for clarity to specify that the regulations apply to both inmates and parolees.
- Establishes procedures and appropriate timelines for offender-petitioners in order to comply with the requirements of the amended statute.
- Establishes procedures and appropriate timelines for staff to follow in conducting reviews of offender petitions for name changes, as required by the amended statute.

DOCUMENTS INCORPORATED BY REFERENCE

CDCR Form 2010 (06/18), Notice of Legal Name Change Petition.

SPECIFIC BENEFITS ANTICIPATED BY THE PROPOSED REGULATIONS

These regulations, once adopted, will bring CDCR into compliance with the amended statute. These regulations promote fairness and social equality as they provide for inmates and parolees to petition the courts directly when seeking name changes. The Department's comprehensive review of petitions for name changes and relevant criminal histories for the petitioners will enable CDCR to file an objection with the court, ensuring that the court considers possible risks to the institutions and the community.

EVALUATION OF CONSISTENCY AND COMPATIBILITY WITH **EXISTING REGULATIONS**

The Department must evaluate whether the proposed regulations are inconsistent or incompatible with existing State regulations. Pursuant to this evaluation, the Department has determined that this action is not inconsistent or incompatible with existing State laws and regulations.

LOCAL MANDATES

The proposed regulatory action imposes no mandates on local agencies or school districts, or a mandate which requires reimbursement of costs or savings pursuant to Government Code sections 17500 through 17630.

FISCAL IMPACT STATEMENT

- Cost to any local agency or school district that is required to be reimbursed: None.
- Cost or savings to any state agency: None.
- Other nondiscretionary cost or savings imposed on local agencies: None.
- Cost or savings in federal funding to the State:

None.

EFFECT ON HOUSING COSTS

The Department has made an initial determination that the proposed regulations will have no significant effect on housing costs.

SIGNIFICANT STATEWIDE ADVERSE ECONOMIC IMPACT AFFECTING BUSINESS

The Department has determined that the proposed regulations 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.

COST IMPACTS ON REPRESENTATIVE PRIVATE PERSONS OR BUSINESSES

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 regulations.

EFFECT ON SMALL BUSINESSES

The Department has determined that the proposed regulations have no significant adverse economic impact on small business as the proposed regulations establish name change procedures for persons who are under the jurisdiction of the Department; the inmate and parolee populations, as they relate to the procedures described, do not have a significant impact on small businesses.

RESULTS OF ECONOMIC IMPACT ASSESSMENT

The Department has determined that the proposed regulations will not have an impact on the creation of new or the elimination of existing jobs or businesses within California, or affect the expansion of businesses currently doing business in California as the proposed regulations only affect California inmates and parolees seeking name changes. Existing Department staff will perform the actions described in the proposed regulations through their current duties.

The Department has determined that the proposed regulations may have a positive impact upon the welfare of California residents as the proposed regulations establish procedures for inmates and parolees to petition the courts directly when seeking a name change as provided for by amended law, which helps to promote fairness and social equality. The Department has determined that the proposed regulations will not have a direct effect on worker safety or the state's environment as the regulations are specific to the name change procedures for inmates and parolees and these specific populations in completing these specific actions do not significantly affect worker safety or the state's environment.

CONSIDERATION OF ALTERNATIVES

The Department has determined that no reasonable alternative considered by the Department, 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, 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. Interested persons are accordingly invited to present statements or arguments with respect to any alternatives to the proposed regulations at the scheduled hearing or during the written comment period.

AVAILABILITY OF PROPOSED TEXT AND INITIAL STATEMENT OF REASONS

The Department has prepared the text and the Initial Statement of Reasons (ISOR) of the proposed regulations. The rulemaking file for this regulatory action, which contains those items and all information on which the proposal is based, is available to the public upon submittal of a request to the Department's primary contact person. The proposed text, ISOR, and Notice of Proposed Action are also available on the Department's website: http://www.cdcr.ca.gov.

AVAILABILITY OF THE FINAL STATEMENT OF REASONS

Following its preparation, a copy of the Final Statement of Reasons may be obtained from the Department's contact person or website.

AVAILABILITY OF CHANGES TO PROPOSED TEXT

After considering all timely and relevant comments received, the Department may adopt the proposed regulations substantially as described in this Notice. If the Department makes modifications which are sufficiently related to the proposed regulations, it will make the modified regulations (with the changes clearly indicated) available to the public for at least 15 days prior to submitting the amended regulations to OAL for adoption. Requests for copies of any modified regulation should be directed to the primary contact person indicated in this Notice. The Department will accept written comments on the modified regulations for 15 days after the date on which they are made available.

TITLE 16. CANNABIS CONTROL APPEALS PANEL

NOTICE OF INTENTION TO ADOPT THE CONFLICT-OF-INTEREST CODE OF THE CANNABIS CONTROL APPEALS PANEL

NOTICE IS HEREBY GIVEN that the Cannabis Control Appeals Panel, pursuant to the authority vested in it by section 87300 of the Government Code, proposes adoption of its conflict—of—interest code. A comment period has been established commencing on September 7, 2018 and closing on October 22, 2018. All inquiries should be directed to the contact listed below.

The Cannabis Control Appeals Panel (CCAP or Panel) proposes to adopt its conflict—of—interest code to include employee positions that involve the making or participation in the making of decisions that may foreseeably have a material effect on any financial interest, as set forth in subdivision (a) of section 87302 of the Government Code. The adoption carries out the purposes of the law and no other alternative would do so and be less burdensome to affected persons.

The conflict-of-interest code includes: incorporation by reference of the terms of 2 California Code of Regulations Section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission; provisions requiring the CCAP's Panel members and Executive Officer to file their statements of economic interests electronically with the Fair Political Practices Commission; provisions requiring all other designated positions to file their statements of economic interests directly with the Panel; incorporation of the Appendix which identifies designated positions as the Panel Members (Categories 1 and 2), Executive Officer (Categories 1 and 2), Attorneys (all levels) (Categories 1 and 2), and the Associate Governmental Programs Analyst (Category 2), and establishes two disclosure categories: Category 1, which requires reporting of all interests in real property located in California as well as investments and business positions in business entities and sources of income (including receipt of gifts, loans and travel payments) if the business entity or source of income is an applicant for, or current holder of, a cannabis license of any type or the holder of a cannabis license of any type at any time within the preceding four years, and Category 2, which requires reporting of all investments and business positions in business entities and sources of income (including receipt of gifts, loans and travel payments) if the business entity or source provides leased facilities, products, equipment, vehicles, machinery or services (including training or consulting services) of the type utilized by the Panel. The proposed conflict—of—interest code and explanation of the reasons can be obtained from the Panel's contact set forth below.

Any interested person may submit written comments relating to the proposed adoption by submitting them no later than October 22, 2018, or at the conclusion of the public hearing, if requested, whichever comes later. At this time, no public hearing is scheduled. A person may request a hearing no later than October 8, 2018.

The Cannabis Control Appeals Panel has determined that the proposed adoption:

- Imposes no mandate on local agencies or school districts.
- 2. Imposes no costs or savings on any state agency.
- 3. Imposes no costs on any local agency or school district that are required to be reimbursed under Part 7 (commencing with Section 17500) of Division 4 of Title 2 of the Government Code.
- 4. Will not result in any nondiscretionary costs or savings to local agencies.
- 5. Will not result in any costs or savings in federal funding to the state.
- 6. Will not have any potential cost impact on private persons, businesses or small businesses.

All inquiries concerning this proposed adoption and any communication required by this notice should be directed to:

Philip Laird Cannabis Control Appeals Panel 801 Capitol Mall, Suite 601 Sacramento, CA 95814 Telephone: 916–653–4090 Email: Philip.laird@bcsh.ca.gov

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 the proposed amendments to the California Cap on Greenhouse Gas Emissions and Market–Based Compliance Mechanisms Regulation (Cap–and–Trade Regulation or Regulation).

DATE: October 25, 2018

TIME: 9:00 a.m.

LOCATION: California Environmental Protection Agency

California Air Resources Board

Byron Sher Auditorium

1001 I Street

Sacramento, California 95814

This item will be considered at a meeting of the Board, which will commence at 9:00 a.m., October 25, 2018, and may continue at 8:30 a.m., October 26, 2018. Please consult the agenda for the hearing, which will be available at least ten days before October 25, 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 September 7, 2018. Written comments not physically submitted at the hearing must be submitted on or after September 7, 2018, and received **no later than 5:00 p.m. on** October 22, 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 that authority granted in California Health and Safety Code, sections 38510, 38560, 38562, 38570, 38571, 38580, 39600, and 39601.

This action is proposed to implement, interpret and make specific sections 38530, 38560.5, 38562, 38564, 38565, 38570, and 39600 of the Health and Safety Code and section 12894 of the Government Code.

INFORMATIVE DIGEST OF PROPOSED ACTION AND POLICY STATEMENT OVERVIEW (GOV. CODE, § 11346.5, subd. (a)(3))

Sections Affected: Proposed amendment to California Code of Regulations, title 17, sections 95802, 95811, 95812, 95813, 95820, 95830, 95831, 95833, 95834, 95841, 95841.1, 95851, 95852, 95854, 95856, 95870, 95871, 95890, 95891, 95892, 95893, 95894, 95911, 95912, 95913, 95914, 95920, 95921, 95942, 95943, 95973, 95974, 95976, 95977.1, 95979, 95981, 95981.1, 95982, 95983, 95984, 95985, 95987, 95990, 96011, 96014, 96021, 96022, Appendix B, and Appendix E, title 17, California Code of Regulations. Proposed adoption of California Code of Regulations, title 17, sections 95915 and 95989.

<u>Documents Incorporated by Reference (Cal. Code Regs., tit. 1, § 20, subd. (c)(3)):</u>

The following documents would be incorporated in the regulation by reference:

- CARB 2018: California Air Resources Board (2018). California Climate Investments Quantification Methodology Emission Factor Database Documentation. August 1, 2018: https://www.arb.ca.gov/cc/capandtrade/auctionproceeds/cci_emissionfactordatabase_documentation.pdf?_ga=2.20689656.
 139777898.1531943067662930638.1529680845
- California Energy Commission (CEC). 2017.
 Renewables Portfolio Standard Eligibility, 9th edition, Commission Guidebook, pp. 85–86.
 CEC-300-2016-ED9-CMF-REV. Released January, 2017:

http://docketpublic.energy.ca.gov/
PublicDocuments/16-RPS-01/TN217317_
20170427T142045_RPS_Eligibility_Guidebook
Ninth_Edition_Revised.pdf

United States Environmental Protection Agency. Mandatory Reporting of Greenhouse Gases; Final Rule. Title 40 Code of Federal Regulations, Part 98, Subpart C, Table C-1 (pg. 444-445). Last amended December 17, 2010. https://www.gpo.gov/fdsys/pkg/CFR-2011-title40-vol21-part98-subpartC.pdf

Background and Effect of the Proposed Regulatory Action:

The California Global Warming Solutions Act of 2006 (Assembly Bill 32; Chapter 488, Statutes of 2006), which is codified at California Health and Safety Code sections 38500 et seq., 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, stimulate investment in clean and efficient technologies, and 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. Assembly Bill (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. Furthermore, AB 32 authorizes CARB to utilize a market-based mechanism to reduce GHG emissions, and CARB promulgated the Cap-and-Trade Regulation pursuant to this authority.

The Legislature reaffirmed California's commitment to taking action against climate change by adopting Senate Bill (SB) 32 (Chapter 250, Statutes of 2016), which further directs CARB to ensure that statewide GHG emissions are reduced to at least 40 percent below the 1990 level no later than December 31, 2030. In addition, AB 398 (Chapter 135, Statutes of 2017) amends certain provisions of AB 32 to take effect starting January 1, 2021, and clarifies the role of the Cap—and—Trade Program in achieving the 2030 GHG reduction target.

The Regulation establishes a declining limit on major sources of GHG emissions, and it creates a powerful economic incentive for significant 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"). One allowance equals one metric ton of carbon dioxide equivalent emissions (using the 100—year global warming potentials). Fewer allowances are created each year, thus the annual cap declines. An increasing annual Auction Reserve (or floor) Price for allowances and the reduction in annual allowance budgets creates a steady and sus-

tained carbon price signal to prompt action to reduce GHG emissions. All covered entities in the Cap—and—Trade Program are still subject to air quality permit limits for criteria and toxic air pollutants.

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 covered 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 issued for 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. The Program began in January 2013 and achieved a near 100 percent compliance rate for the first compliance period (2013–2014), as well as for the first two years of the second compliance period (2015–2017).

Allowances are issued by CARB and distributed by free allocation — to minimize leakage and protect utility ratepayers — and by sale at auctions. Offset credits are issued by CARB to qualifying offset projects. Secondary markets exist where allowances and offset credits may be sold and traded among Program participants. 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 take steps to reduce emissions at their own facilities, purchase allowances at auction, or trade allowances and offset credits with others. Monies from the sale of State-owned allowances at auction are placed into the Greenhouse Gas Reduction Fund (GGRF) and are appropriated, through the State budget process, consistent with State law to further the purposes of AB 32.

The Program is also designed to accommodate regional trading programs. 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. As described later in this Notice, the proposed amendments will include amendments related to the linkage with Ontario to reflect recent changes undertaken by Ontario with respect to its cap—and—trade program.

The Regulation was first adopted by the Board in October 2011, and it took effect January 1, 2012. Since its initial adoption, the Regulation has been amended to streamline Program requirements, include linkage with

Québec, and incorporate new mandates. These amendments were approved in 2013, 2014, and 2015. In 2016, CARB staff proposed amendments to clarify compliance obligations for certain sectors; continue Program linkage with Québec beyond 2020; link the Program with the new cap—and—trade program in Ontario beginning January 2018; and establish a post-2020 framework for caps, enabling future auction and allocation of allowances, and continuing all other provisions needed to implement the Program after 2020. The Board adopted these amendments on July 27, 2017, and they went into effect on October 1, 2017. The Board recognized that additional modifications to the Program are required through a new rulemaking process to implement the AB 398 requirements for the post-2020 Cap-and-Trade Program. Board Resolution 17–21 directed the Executive Officer to initiate this rulemaking process. The current Regulation that is in force, including these 2016 amendments, is the starting point for the current amendment process. 1

The full regulatory record and background for these previous Cap—and—Trade Regulation rulemakings is available at the main Cap—and—Trade Program webpage.²

The proposed amendments include CARB staff's proposal to amend the Cap-and-Trade Regulation to make the Program consistent with AB 398 requirements and respond to Board direction. Specifically, the proposed amendments would update existing provisions to ensure appropriate allowance allocation to provide transition assistance and minimize emissions leakage, clarify allowed use of allocated allowance value, add a price ceiling and two Reserve tiers post-2020, revise quantitative offset usage limits and implement "direct environmental benefits in the state" (DEBS) provisions for offset credits, establish a process to assess compliance obligations for GHG emissions associated with electricity imported through the Energy Imbalance Market (EIM), and enhance CARB's ability to implement and oversee the Regulation. In doing so, the proposed amendments will enable the Program to continue to reduce GHG emissions while minimizing emissions leakage and benefitting the California economy through investment in clean energy technologies.

The proposed amendments will also continue the existing linkage with the Québec program, and will modi-

fy provisions related to the linkage with Ontario to delink with Ontario's program to reflect recent changes undertaken by Ontario to suspend the Ontario cap—and—trade program effective July 3, 2018. Given that the changes underway in Ontario are ongoing, additional changes may also be proposed as part of a 15—day public notice and comment period for this rulemaking process taking into account the latest actions undertaken by the Ontario government. CARB may also consider other changes to the sections affected, as listed above, during the course of this rulemaking process.

In developing the amendments proposed in this Notice, CARB staff held a total of four publicly noticed workshops from October 2017 through June 2018 in which staff presented initial regulatory concepts and publicly discussed them with interested stakeholders. In conjunction with these workshops, CARB released two discussion drafts of possible changes to regulatory language, a concept paper on price containment, supporting material for assessing post-2020 caps, and a summary of stakeholder comments received. Each workshop was followed by a two-week informal public comment period and all materials and public comments are available on the Cap-and-Trade Program's Public Meetings web page.³ In addition, CARB staff held numerous informal meetings with stakeholders to discuss specific topics related to the proposed amendments. These forums provided CARB staff and stakeholders with opportunities to present and discuss initial regulatory concepts and potential alternatives. The timeframe of the workshops and meetings allowed CARB to incorporate stakeholder feedback and alternatives into the proposed amendments. Over 180 distinct comments were received in response to the workshops.⁴ For more information on the public process for these proposed amendments, please refer to Chapter I of the Staff Report and Appendix E: Public Process of the Staff Re-

In addition, since January 1, 2018, CARB has participated in three legislative hearings related to the Capand–Trade Program and topics addressed in this rule-making. Two hearings were held by the Joint Legislative Committee on Climate Change and one by the Senate Environmental Quality Committee.⁵

¹ In January 2018, CARB staff proposed a narrow set of amendments to ensure that the responsibility to meet compliance obligations is transferred to new owners along with assets during an ownership change process and clarify the regulatory procedure for establishing the Auction Reserve Price. The Board approved these amendments on March 22, 2018, and they went into effect on May 30, 2018.

² More information about prior rulemakings can be found at https://www.arb.ca.gov/cc/capandtrade/capandtrade.htm.

³ Workshop comments, presentations and other materials can be found on the Cap—and—Trade website at https://www.arb.ca.gov/cc/capandtrade/meetings/meetings.htm.

⁴ Workshop comments, presentations and other materials can be found on the Cap–and–Trade website at https://www.arb.ca.gov/cc/capandtrade/meetings/meetings.htm.

⁵ More

⁵ More information can be found at http://climatechangepolicies.legislature.ca.gov/

<u>previous—hearings</u> and <u>https://senv.senate.ca.gov/informationalhearings</u>.

Objectives and Benefits of the Proposed Regulatory Action:

CARB staff is proposing these amendments primarily to conform with AB 398 requirements and respond to direction in Board Resolution 17-21. To make the Program consistent with AB 398 requirements, the proposed amendments add a price ceiling and two Reserve tiers post–2020;⁶ revise quantitative offset usage limits and implement "direct environmental benefits in the state" (DEBS) provisions for offset credits post–2020; and revise the post-2020 assistance factors for allowance allocation. To respond to Board direction, the proposed amendments update existing provisions to ensure appropriate allowance allocation for transition assistance and leakage minimization and to clarify allowed use of allocated allowance value. Staff also proposes other revisions to clarify and streamline Program requirements and ensure proper assessments of compliance obligations. These revisions establish a process to assess compliance obligations for GHG emissions associated with electricity imported through the EIM; revise and clarify offset implementation requirements; and streamline registration, auction participation, and other Program processes. In doing so, the proposed amendments will enable the Program to continue to reduce GHG emissions while minimizing emissions leakage and benefitting the California economy through investment in clean energy technologies. As described above, the proposed amendments will also continue the existing linkage with the Québec program and modify provisions related to the linkage with Ontario to de-link with the Ontario cap-and-trade program.

Although the proposed amendments are not modifying the post–2020 caps or expected statewide GHG emissions reductions from the amendments approved in 2017, anticipated benefits include further clarifications to the Regulation's cost containment provisions to provide more robust cost–containment. Given that the proposed amendments will continue to ensure the GHG emissions reductions required by the Program, these amendments may also protect public health and safety, worker safety, and the State's environment. Additional benefits include improved clarity for covered entities. The proposed amendments will also ensure appropriate accounting for covered emissions and compliance obligations.

Specific discussion of the proposed amendments to the Cap—and—Trade Regulation follows. A detailed description of the proposed amendments is provided in Chapter II of the "Staff Report: Initial Statement of Reasons for Rulemaking — Proposed Amendments to the California Cap on Greenhouse Gas Emissions and Market—Based Compliance Mechanisms Regulation," referred to as the ISOR. The Proposed Regulation Order is Appendix A of the ISOR.

Cost Containment Post-2020

Staff is proposing amendments to implement AB 398 directives on cost containment. This section of the notice first describes the cost containment system as it currently exists in 2018, and how it would have evolved under the existing Regulation through 2030. The next part describes the proposed amendments, beginning with the structure of the new post–2020 Reserve and price ceiling as well as the distribution of allowances among the new price containment points, which are referred to as new post–2020 Reserve tiers. Finally, this section of the notice explains how the pricing system is designed to support the introduction of new abatement technologies and ensure that emissions reductions are incentivized.

a. <u>Structure and Operation of the Reserve in the Existing Regulation</u>

The Allowance Price Containment Reserve (Reserve) contains California—issued allowances that are available for purchase by California covered entities at four scheduled Reserve sales each year. The allowances are divided equally among three Reserve tiers, each containing 40.6 million allowances. The tier prices were originally set at \$40, \$45, and \$50 in 2013. Prices escalate each year by 5 percent and are also adjusted for inflation. To date, no Reserve sales have been held and no Reserve allowances have been sold.

The current Reserve contains four percent of the allowances issued under the caps from 2013 through 2020. Diverting allowances to the Reserve reduced the number of compliance instruments available to the market, which could have increased market prices. To avoid this impact, CARB simultaneously increased the quantitative offset usage limit from four percent to eight percent of the compliance obligation. The existing Regulation also provides that allowances remaining unsold at the current auction for more than 24 months are to be placed in the current Reserve. Staff estimate that, assuming auctions in 2018 and 2019 are fully subscribed, approximately 39 million allowances may be placed in the current Reserve prior to 2021.

The regulatory amendments approved in 2017 included revisions to the operation of the Reserve that were scheduled to take effect beginning in 2021. The scheduled changes would collapse the three tiers of the

⁶ Consistent with terminology used during the informal public process, for the purposes of this document, "current Reserve" means the existing allowance price containment reserve with three price tiers which is in effect until 2020, "post–2020 Reserve" means the collapsed single tier reserve as currently included in the Cap–and–Trade Regulation for post–2020, and "new post–2020 Reserve" means the two tier reserve structure as directed in AB 398.

current Reserve into a single tier, post–2020 Reserve. These existing regulatory provisions would replace the scheduled increases in the Reserve tier prices starting in 2021 with a mechanism that sets the single Reserve sale price as the sum of the annual Auction Reserve Price and a fixed real dollar amount of approximately \$60. CARB would adjust the fixed difference between the two prices for inflation to maintain the difference in constant (real) dollars. Under the current Regulation, the single tier Reserve price would approximately be \$75 in 2021 (real 2018 dollars).

Under the existing Regulation, if the top (third) tier of the Reserve is depleted, CARB may offer allowances for sale at the last Reserve sale before a compliance event from future allowance budget years that are not already allocated to the Reserve. The number of allowances that may be borrowed from future budget years is equal to 10 percent of the annual allowance budget from which they are drawn.

b. <u>Proposed Amendments to the Reserve in this Rulemaking</u>

AB 398 requires CARB to extensively modify the cost containment system. First, AB 398 directs CARB to create a price ceiling in 2021, which will ensure covered entities will never have to pay above a set price for compliance instruments. In setting the price ceiling, AB 398 requires CARB to take into account multiple factors including impacts on the state's economy, the current Reserve tier prices in 2020, the social cost of carbon, the Auction Reserve Prices, environmental and economic leakage, and the cost per metric ton of emissions reductions. Staff's assessment of each of these factors is described in greater detail in the ISOR.

In addition, AB 398 directs CARB to remove some allowances from the current Reserve and only make them available at the price ceiling. In the event the allowances available in the new post–2020 Reserve and

the price ceiling are depleted, AB 398 directs CARB to make available to covered entities additional tons that represent reductions that are real, permanent, quantifiable, verifiable and enforceable by the State board that are in addition to any greenhouse gas emission reduction otherwise required by law or regulation and any other greenhouse gas emission reduction that would otherwise occur. To implement this directive, staff is proposing a price ceiling and a process for conducting sales at the price ceiling of allowances and price ceiling units pursuant to proposed Regulation section 95915. For the rest of this Notice, and in the proposed amendments, the additional tons of reductions are referred to as "price ceiling units."

AB 398 also directs CARB to establish in 2021 two new "price containment points" at levels below the price ceiling. Allowances from the current Reserve, allowances allocated to the post–2020 Reserve, and allowances that remain unsold at auction for more than 24 months beginning in 2021 will be made available for sale at these two price containment points. Staff is proposing to implement these two price containment points within the existing structure of the Reserve, so in the remainder of this Notice staff will refer to these as the two "new post–2020 Reserve tiers."

Table 1 presents the proposed new post–2020 Reserve tier and price ceiling prices for 2021 in real 2018 dollars. The proposed amendments themselves set the value for 2021 at \$65 (i.e., \$65 in real 2021 dollars), and specify that this value will be escalated each year by 5 percent plus the rate of inflation. Maintaining the consistent escalation between the Auction Reserve Price and price ceiling allows for the two new post–2020 Reserve tiers to operate at a fixed distance between the two points. Otherwise, in later years, the two new post–2020 Reserve tiers will converge into the price ceiling, thereby negating the effectiveness of the Reserve price tiers to slow the acceleration of allowance prices.

Table 1. Proposed New Post-2020 Reserve Tier Prices and Price Ceiling (\$2018)

Table 1. Proposed New Post-2020 Reserve Tier Prices and Price Ceiling (\$2018)				
Year	Auction Reserve Price	Tier Price 1	Tier Price 2	Price Ceiling
	\$ 16.77			

Table 2 shows the allowances available for sale at the three Reserve tiers through 2020, and in the two new post–2020 Reserve tiers and price ceiling after 2020 pursuant to AB 398. In particular, AB 398 requires the distribution of two–thirds of Reserve allowances that remained in the Reserve as of December 17, 2017 to be divided equally into the two new post–2020 Reserve

tiers. As such, these allowances are no longer available for Reserve sales until 2021.

All allowances remaining available in the current Reserve as of December 31, 2020 (e.g., the one—third that remained available for sale) are to be made available for sale at the price ceiling starting in 2021.

Table 2. Distribution of Allowances in Current and AB 398 Reserve Mechanisms

	Table 2.	Distribution	of Allowances	in Current	and AB 398	Reserve Me	echanisms
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Current Reserve (Through 2020)	AB 398 New Post-2020 Reserve		
(millions)			
53.6ª	40.6 + 26.2 ^b		
53.6°	40.6 + 26.2 ^b + 22.7 ^c		
53.6ª	NA NA		
none	79.6 (40.6, 39 unsold)		
none	Price Ceiling Units		
160.8	235.9 ^d		
	(Through 2020) (mil 53.6a 53.6a 53.6a none none		

Includes an estimated 39M (divided equally in each tier) pre-2021 allowances that currently remain unsold at auction for greater than 24 months.
 Includes addition of 52.4M allowances designated to the Reserve starting in 2021.

Source: CARB staff estimates

Table 2 also reflects proposed amendments to allocate an additional 22.7 million allowances to the second new post–2020 Reserve tier to reflect the change in the quantitative offset usage limit from 4 percent to 6 percent in 2026, consistent with the original rationale for funding the Reserve described above. This proposed change is described in greater detail in the ISOR.

Staff is also proposing amendments to the existing Regulation to implement a requirement in AB 398 that after 2020, allowances that remain unsold at the Current Auction for more than 24 months will be transferred to the Reserve. Both the existing Regulation and AB 398 reallocate current vintage allowances that remain unsold at the Current Auction for more than 24 months to the Reserve. Prior to 2021, current vintage allowances that remain unsold at the Current Auction for more than 24 months will be divided evenly among the three Reserve tiers. If these remain in the Reserve as of December 31, 2020, they will be placed into the price ceiling. Allowances that may remain unsold for more than 24 months after 2020 will be evenly divided between the two new post–2020 Reserve tiers.

Setting the New Post-2020 Reserve Tier and Price Ceiling Prices

As described above, AB 398 contained several factors to guide CARB in setting the price ceiling. Staff's assessment of each of these factors is described in greater detail in the ISOR.

AB 398 directed CARB to establish a price ceiling from which covered entities could purchase allowances

and price ceiling units, as needed, on a metric—ton per metric—ton basis to ensure compliance. This would set a fixed limit to the prices covered entities would have to pay to ensure compliance. If staff sets this price too high, the price ceiling would not provide effective cost containment, risking economic leakage and adverse impacts on resident households, businesses, and the State's economy. If staff sets this price too low, then market prices would never reach the levels needed to incent investment in emissions reduction technologies. Setting the price too low could also risk not meeting other AB 398 directives to consider the social cost of carbon or ensuring reductions are achieved to meet the 2030 target.

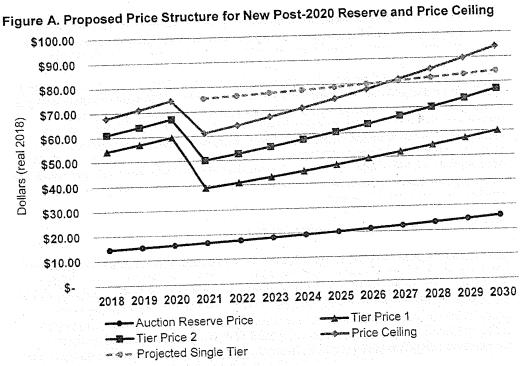
Figure A shows the resulting price trajectories in real 2018 dollars. The figure depicts the current Reserve tiers between 2018-2020, and extends those three points into the proposed new-post-2020 tiers and price ceiling for ease of comparison. The proposed price ceiling and two new-post-2020 Reserve tiers are significantly lower relative to the projected post-2020 Reserve tier in 2021, and the 2021 proposed values are well below the current Reserve tier prices in 2020. The figure also shows that the proposed price ceiling would be below the post-2020 projected single tier Reserve value until 2026, at which time it increases slightly above the post-2020 projected single tier Reserve value from 2027 until 2030. The proposed new post-2020 Reserve tiers would remain below the post-2020 projected single tier Reserve value throughout the 2020s. Finally,

Includes addition of 52.4M allowances designated to the Reserve starting in 2021.
 22.7 million additional allowances represent increase in offset limit from 4 to 6 percent.

d Plus all price ceiling units requested for compliance by covered entities if allowances in new post-2020 Reserve tiers and price ceiling are exhausted.

relative to each other, the Reserve tiers and price ceiling are spaced further apart than under the existing Regulation.

Figure A. Proposed Price Structure for New Post-2020 Reserve and Price Ceiling



In total, the staff proposal achieves the following outcomes:

- The price ceiling provides a firm limit on the cost of complying with the Program and is a cost-containment mechanism, in the unlikely event that allowance prices, or the cost of achieving GHG emissions reductions under the Program, are higher than anticipated.
- The structure of the post-2020 Reserve tiers and the number of allowances in each tier ensures that if allowances prices rise, they will rise steadily which allows the market time to react and find additional GHG reduction technologies or opportunities if allowance prices increase. While some stakeholders may be concerned by the spacing and desire for larger tiers at lower allowance prices, the proposal does not retire or remove any unused pre-2021 allowances and at least 150 million unused allowances from 2013 through 2020 may remain available in the post-2020 Program — potentially reducing the allowance price.
- The Reserve limits the ability of businesses to manipulate and quickly increase allowance prices by injecting 66 million and 90 million allowances into the market at prices that are lower than the

current Regulation's single Reserve tier. The availability of these allowances limits the ability of businesses to profit from even short-term market manipulation as compliance entities will now have a known source of allowances dedicated for compliance uses through the Reserve tiers and price ceiling. The Reserve allowances also serve to regulate and dampen potential allowance price increases, allowing covered entities to reassess and implement newly cost-effective GHG reductions.

The price ceiling provides a strong price signal for GHG emissions reductions that is in line with the valuation of the benefits of GHG emissions reductions as currently estimated through the social cost of carbon and other co-benefits.

The new post-2020 Reserve and price ceiling work in coordination with other features of the Program that provide compliance flexibility to meet the 2030 target reliably and cost effectively. These include banked allowances (including a substantial number of allowances that can be banked forward into the post-2020 Program based on early reductions), use of a limited number of offsets, multi-year compliance periods, and the broad scope that identifies a diverse set of sources with a range of emission reduction opportunities. Additionally, the Program includes industrial allocation and the residential climate credit, which work to reduce the cost burden of allowance prices to covered entities and residents of the state.

Offsets and Offset Program Implementation

Staff proposes amendments to comply with AB 398 direction to "[e]stablish offset credit limits according to the following: (I) From January 1, 2021, to December 31, 2025, inclusive, a total of 4 percent of a covered entity's compliance obligation may be met by surrendering offset credits of which no more than one—half may be sourced from projects that do not provide direct environmental benefits in state. (II) From January 1, 2026, to December 31, 2030, inclusive, a total of 6 percent of a covered entity's compliance obligation may be met by surrendering offset credits of which no more than one—half may be sourced from projects that do not provide direct environmental benefits in the state."

The proposed amendments specify that the quantitative offset usage limit will be four percent for emissions from 2021 to 2025 and six percent for emissions from 2026 to 2030. The proposed regulatory language specifies that the offset credit limits apply to emissions in the years specified by AB 398, because the years in which covered emissions occur differ from the years in which the compliance instruments (including offsets) are submitted to CARB to meet compliance obligations.

The proposed amendments also specify that all offset projects in the State automatically provide direct environmental benefits in the State (DEBS). As described in greater detail in the ISOR, CARB's currently approved Compliance Offset Protocols ensure that projects located in the State provide for the reduction or avoidance of air pollutants in the State beyond the GHGs for which the project is credited, and/or the reduction or avoidance of pollutants that could have an adverse impact on waters of the State. The proposed amendments also specify a process for out-of-state offset projects to provide documentation to CARB to make a demonstration that they also provide DEBS. Pursuant to the proposed amendments, this documentation should be in the form of peer-reviewed scientific papers, reports from governmental or multinational bodies, or project specific data. New offset projects would be required to submit the documentation with the first reporting period, while existing offset projects would be required to submit the documentation by December 31, 2021.

The proposed regulatory language also specifies that up to one half of a covered entity's quantitative offset usage limit may be met by ARB offset credits that do not provide DEBS.

Staff also proposes amendments that clarify definitions, timing, and processes related to the Compliance Offset Program. The proposed amendments clarify successor liability in cases of intentional reversals and invalidation; allow for CARB approval of alternative methods to obtain measurement and monitoring data required by the Compliance Offset Protocols; remove the requirement for de minimis errors, less than 3%, to be corrected in the Offset Project Data Report; and revise the regulatory compliance and invalidation sections to clarify which violations are not project—related, to clarify the end date of noncompliance, and to limit the time period U.S. Forest projects are ineligible for ARB offset credits to the time period the project is actually out of regulatory compliance.

Allowance Allocation

Staff proposes to retain the same general approaches to calculating allowance allocation to industrial covered entities, electrical distribution utilities (EDUs), natural gas suppliers, and other entities. However, some changes to allowance allocation provisions are proposed. Some of these changes affect the third compliance period, some affect the post-2020 period, and some affect both. Proposed amendments that would affect the Program starting in the third compliance period would provide allowance allocation for transition assistance to waste-to-energy facilities; revise assistance factors used to calculate allocation for low- and medium-leakage risk industrial sectors; and revise allocation methodologies to reflect these and other circumstances, such as new entrants to the Program. Proposed amendments that would affect the post-2020 period of the Program starting January 1, 2021 include providing transition assistance to legacy contract generators with non-industrial counterparties; updating cap adjustment factors for certain industrial sectors; and making allowance allocation assistance factors 100 percent for all industrial sectors. Updates that are not linked to a specific period of the Program clarify allowable uses of allowance value allocated to EDUs and natural gas suppliers.

The proposed amendments specific to waste—to—energy facilities respond to Board Resolution 17–21 direction to "provide transition assistance for a compliance obligation beginning in 2018 and ending when landfill diversion is required to achieve a 75 percent diversion rate by 2025." Staff proposes amendments that provide for allowance allocation to waste—to—energy facilities during the 2018–2020 and post–2020 periods, specify eligibility criteria for waste—to—energy facilities to receive allowance allocation, and specify an allowance allocation calculation methodology for these facilities. Because the waste—to—energy facility exemption has expired, the proposed amendments remove provisions exempting waste—to—energy facilities from the Program.

Staff proposes changes to the energy-based allocation methodology to include process emissions in the calculation of allowance allocation and to create a trueup allocation provision for certain years. Adding process emissions will provide appropriate leakage protection to industrial facilities that have significant process emissions and receive energy-based allowance allocation. This will provide equal treatment of process emissions under the product-based and energy-based allocation methodologies. Staff also propose amendments to add a limited true-up provision to the energybased allocation methodology for allocation of vintage 2020 and 2021 allowances to true up the initial vintage 2018 and 2019 allowance allocation to reflect the change in 2018 to 2020 assistance factors. The initial allocation of vintage 2018 and 2019 allowances will be calculated using assistance factors that are proposed to be revised in this amendment process, and adding the limited true-up mechanism to the energy-based allocation methodology will ensure that covered entities in affected sectors will receive the appropriate level of allowance allocation for leakage prevention.

Board Resolution 17-21 directed CARB staff to ". . .work with any remaining entities with legacy contracts and their non-industrial counterparties to resolve the parties' issues related to recovery of greenhouse gas costs, or, as necessary, to propose regulatory amendments to be in place no later than the allocation of vintage 2021 allowances to ensure reasonable transition assistance for greenhouse gas costs throughout the term of the legacy contract." The amendments propose allocation for legacy contract transition assistance starting with vintage 2021 allowance allocation for any entity whose legacy contract with a non-industrial counterparty remains in place after 2020. Entities with legacy contracts with industrial counterparties will not be affected by this change. Under the proposed amendments, certain past legacy contract generators, with and without industrial counterparties, that had lower allocations based on CARB's expectation that their contract allowed for some GHG cost pass-through, will receive a true-up allowance allocation based on more recent information regarding GHG cost pass-through.

The proposed amendments also respond to Board Resolution 17–21 direction to ". . . evaluate and propose, as necessary, post–2020 cap adjustment factors consistent with the methodology used in 2015–2017 allocation." CARB staff applied 2012–2015 data and used the same criteria and methodologies (over 50 percent of the sector's total emissions are from process emissions, the sector has high emissions intensity, and the sector has a high leakage risk classification) as for 2015–2017 in order to identify industrial activities eligible for alternate cap adjustment factors post–2020. Staff proposes to extend the alternative, more slowly

declining, cap adjustment factors in Table 9–2 through 2030 for industrial facilities conducting activities that meet the three eligibility criteria, indicating an especially high leakage risk. The proposed post-2020 alternative cap adjustment factors decline at half the rate of the standard cap adjustment factors consistent with the pre-2020 period of the Program. CARB staff assessed industrial sectors for eligibility for alternate cap adjustment factors at the 6-digit North American Industry Classification System (NAICS) code level with the exception of coke calcining because facilities in this sector demonstrated that their activities are not accurately characterized by their specific 6-digit NAICS code, and coke calcining facilities submitted 2012-2015 facility-specific data to CARB to enable the assessment for that sector. Staff finds the following industrial activities are eligible for alternate cap adjustment factors in the post–2020 period: coke calcining under the NAICS code 324199 (All Other Petroleum and Coal Products Manufacturing), activities under the NAICS code 325311 (Nitrogenous Fertilizer Manufacturing), activities under the NAICS code 327311 (Cement Manufacturing), and activities under the NAICS code 327410 (Lime Manufacturing).

For allocation to industrial covered entities, staff proposes amendments to adjust assistance factors for the third compliance period and set new assistance factors for the post–2020 period. The proposed amendments revise Table 8–1 to set assistance factors for all sectors at 100 percent for the period 2021 to 2030 in order to comply with AB 398 direction to "[s]et industry assistance factors for allowance allocation commencing in 2021 at the levels applicable in the compliance period of 2015 to 2017 [i.e., 100 percent], inclusive." For 2018 to 2020 assistance factors, Board Resolution 17-21 directed staff to ". . . propose subsequent regulatory amendments to provide a quantity of allocation, for the purposes of minimizing emissions leakage, to industrial entities for 2018 through 2020 by using the same assistance factors in place for 2013 through 2017 [100 percent]." Staff considered past rulemaking approaches, which proposed to reduce assistance factors each compliance period as there was an expectation for carbon pricing or carbon regulations to phase-in in other regions, which would reduce leakage risk. Given Board direction, the AB 398 requirement to set post-2020 assistance factors to 100 percent, the transition between 2020 and 2021 when the caps begin declining at a steeper rate, and the slow rate of other jurisdictions adopting carbon pricing policies, staff proposes amendments to revise the assistance factors for all industrial sectors to 100 percent for the third compliance period, 2018 through 2020.

Amendments also propose, in limited circumstances, to expand the MRR data years that CARB may employ

when determining baseline values used for allocation to university covered entities and public service facilities. The current Regulation limits staff to using data reported through MRR for the years 2008–2013 when determining allocation baselines. In limited cases where a change in facility ownership causes a university or public service facility to transition from an opt—in covered entity to covered entity, staff proposes to allow consideration of all MRR data when determining baseline allocation values. This change will provide staff needed flexibility to provide an appropriate level of transition assistance to such covered entities.

Staff proposes to extend the application deadline for the limited exemption from a compliance obligation for emissions from the production of qualified thermal output from September 2, 2014 to September 2, 2020 to provide an additional opportunity for entities that potentially qualify for this exemption, but have not previously applied for it, to request the exemption.

Staff proposes to add the new industrial activity "Textile and Fabric Finishing Mills" (NAICS code 313310) to Table 8–1 and to set assistance factors for this activity at 100 percent through 2030 as for all other industrial sectors. In the absence of complete information on leakage risk, this newly added sector is listed with a "TBD" leakage risk category, and a footnote is added to the table stating that staff may propose a leakage risk classification as part of this rulemaking process and that any proposed change will be circulated for a 15-day public comment period. The proposed amendments also add the general activity "Nitrogenous Fertilizer Manufacturing" to the sector "Nitrogenous Fertilizer Manufacturing" (NAICS code 325311) and the general activity "Lime Manufacturing" to the sector "Lime Manufacturing" (NAICS code 327410) in Table 8-1. The activities currently included in Table 8-1 for these sectors are specific to entities currently covered by the Program. Staff proposes to add new general activities to accommodate potential new entrant facilities that operate in the "Nitrogenous Fertilizer Manufacturing" and "Lime Manufacturing" sectors, but that do not conduct the activities currently included in Table 8–1 for these sectors.

Use of Allowance Value Allocated to Electric and Gas Utilities

Staff proposes amendments to clarify, enhance, and streamline the permissible use of allowance value allocated to electrical distribution utilities (EDUs) and natural gas (NG) suppliers (together, utilities). The State allocates allowances to these utilities for the purpose of benefitting their ratepayers consistent with the goals of AB 32. The proposed amendments provide additional detail regarding how utilities are allowed to use the value of these allowances, responding to utility requests for clarity. Reporting changes will streamline reporting

processes while adding detail regarding how each use of allowance value is consistent with the goals of AB 32. The proposed amendments do not require publicly owned electrical utilities and electricity co-operatives to consign allocated allowances to auction, as contemplated in the Board Resolution.

Currently, EDUs and NG suppliers are required to report annually to CARB on their use of allocated allowance value during the previous year. Staff reviews and assesses the reported uses of allocated allowance value each year and has identified a need to improve the consistency and transparency of the use of this value. The proposed amendments clarify and further specify the current Regulation requirements that uses of allowance value must benefit ratepayers and be consistent with the goals of AB 32 by enumerating the types of activities that meet these requirements. The changes provide a framework for allowable uses of auction proceeds that focuses on the core purposes of allowance allocation to these entities — benefitting ratepayers and reducing GHG emissions — while maintaining flexibility in the use of allowance proceeds.

The proposed amendments continue to allow a range of uses of allowance value. Under the proposed amendments, expenditure of EDU allocated allowance proceeds must fall into one of four general categories that benefit ratepayers and are consistent with the goals of AB 32: renewable energy, energy efficiency and fuel switching, other GHG reducing activities, and nonvolumetric return of proceeds to ratepayers. Similarly, NG suppliers must use their allowance value for energy efficiency or other GHG reducing activities, or for nonvolumetric return of proceeds to ratepayers. Allowance value may also be used for reasonable administrative and outreach costs necessary to implement these uses of allowance value. The proposed amendments also clarify particular activities that are not allowed uses of allowance value, including compliance activities, lobbying, and benefitting employees or shareholders.

Current reporting requirements require utilities to state how they used allowance value during the previous year and how that use of value complies with the requirements of AB 32. However, they do not enumerate how to fulfill these requirements. The proposed amendments require the reporting of estimated GHG reductions. The proposed amendments also reorganize reporting requirements in order to clarify how expenditures of allocated allowance proceeds must be reported and what time periods they cover.

Use of Allowance Value Deadline

Staff proposes amendments to clarify the deadline for spending allocated allowance proceeds received prior to October 1, 2017 to ensure that this allocated value is utilized in a timely manner. The proposed amendments

resolve potential ambiguity and clarify that allocated allowance proceeds received prior to October 1, 2017 must be spent within ten years of the effective date of the ten—year spending requirement, meaning they must be spent by December 31, 2027. The proposed ten—year deadline is consistent with the existing ten—year deadline for allowances proceeds received after October 1, 2017. In developing the deadline in the current Regulation, staff considered several options and determined that ten years provides an appropriate balance between enabling saving for a large capital project and providing benefit to ratepayers within a reasonable timeframe.

Energy Imbalance Market

Under AB 32, CARB must account for statewide GHG emissions, including all emissions resulting from the generation of electricity delivered to and consumed in California, whether that electricity is generated instate or imported to California to serve California load. In 2015, CARB found that the design of the Energy Imbalance Market (EIM) does not account for the full GHG emissions experienced by the atmosphere from imported electricity under EIM and results in emissions leakage. CARB refers to these emissions as EIM Outstanding Emissions. Beginning in 2016, CAISO and CARB began coordinating to address GHG accounting inaccuracies in the EIM.

In 2017, CARB adopted amendments to implement a "bridge solution" to account for the full GHG emissions experienced by the atmosphere from imported electricity under the EIM. Under the "bridge solution," CARB retires unsold allowances in proportion to EIM Outstanding Emissions. This approach captures EIM Outstanding Emissions under the emissions cap, but it does not assess a compliance obligation to any covered entity. The "bridge solution" is currently in effect, but was put in place only as a temporary solution.

Staff is proposing to implement an "EIM Purchaser" approach to assess a compliance obligation for EIM Outstanding Emissions. First proposed by CARB in 2016, this approach assigns a compliance obligation for EIM Outstanding Emissions directly to California EIM Purchasers as defined in the Regulation. This proposal is designed to ensure EIM Outstanding Emissions are included as a compliance obligation for those entities serving California load whose participation in the EIM results in those emissions. EIM Purchasers would include scheduling coordinators, such as electricity marketers and entities serving California load who purchase imported electricity in EIM. Under the proposed definition of EIM Purchaser, scheduling coordinators for electricity generators located in California with negative imbalances may also be considered EIM Purchasers if they are serving those imbalances through imported electricity in EIM. There is no minimum emissions threshold for this EIM Purchaser compliance obligation. EIM Purchasers will be assessed an annual compliance obligation for their annual share of EIM Outstanding Emissions. EIM Purchasers will receive an EIM Purchaser compliance obligation beginning on April 1, 2019. This means that in 2020, EIM Purchasers will be assessed a compliance obligation for their share of EIM Outstanding Emissions from April 1, 2019 through December 31, 2019, and annually thereafter.

The proposed EIM Purchaser requirements allow CARB to fully account for GHG emissions resulting from electricity generated to serve California load by assessing a compliance obligation based on prior year reported data. CARB will continue to work with CAISO as it assesses how the EIM design could be enhanced to directly account for the full GHG emissions when determining which resources support California load, at which time the EIM Purchaser requirement would no longer be necessary.

In addition, the proposed amendments modify the "bridge solution" to address the potential shortfall of unsold allowances needed to meet the EIM Outstanding Emissions compliance obligation. To address this, staff is proposing to change the source of allowances that are retired by CARB to account for EIM Outstanding Emissions from unsold allowances to unassigned allowances from future budget years. Under the existing regulation allowances will be retired to account for 2017 EIM Outstanding Emissions from the pool of allowances that were previously unsold at auction. Following the implementation of the proposed amendments, allowances will be retired to account for 2018, and first quarter 2019, EIM Outstanding Emissions from the pool of unassigned allowances from future budget years.

Voluntary Renewable Electricity Program

Staff proposes amendments to make targeted, minor clarifications to the Voluntary Renewable Electricity (VRE) Program provisions of the Regulation. The proposed amendments clarify the documentation necessary to establish that a generator meets the eligibility requirements for VRE Program participation, provide clarity on the requirement that generation must not have served load prior to June 2005, and require applicants to include documentation of sales and purchase of the electricity or renewable energy credits. The proposed amendments also make administrative changes to the signature and attestation requirements to conform to the signature and attestation requirements in other sections of the current Regulation. The proposed amendments are not intended to modify any other aspect of the VRE requirements, including volume of allowances set aside for the VRE Program, or to change any accounting provisions.

Registration in CITSS

Staff proposes amendments to change tracking system registration requirements to improve efficiency of the user registration process, prevent accumulation of incomplete user registrations for individuals that do not complete the process, and clarify a tracking system restriction. The proposed amendments would allow CARB to deny user registration if a registrant does not provide Know–Your–Customer documentation in a timely manner, and clarifies that an individual may only have one account in the tracking system, regardless of jurisdiction of registration.

Auction and Reserve Sale Administration

Staff proposes amendments that change the Auction Reserve Price announcement timing to allow for a joint announcement with linked jurisdictions each year, clarify the order of sale for allowances used to fulfill an untimely surrender obligation, and clarify the process for the disposition of these allowances if they remain unsold in an undersubscribed auction. In addition, the proposed amendments change the auction application requirements to clarify which application information the Executive Officer maintains and to remove the distinction between submitting an auction participant application and notifying the Auction Administrator of intent to bid in an auction. Entities must submit an auction participant application to notify the Auction Administrator of intent to bid.

The proposed amendments also clarify that letters of credit and bonds submitted as bid guarantees must allow the financial services administrator to make payment requests electronically via facsimile or other electronic forms accepted by the financial services administrator. Finally, the proposed amendments change Reserve sale application requirements to make them consistent with the auction application approval process, where applicable, and to reflect the actions required in the tracking system to facilitate participation in a Reserve sale.

Program Administration

To address outstanding compliance obligations owed by bankrupt entities, CARB staff proposes amendments to retire allowances from the allowance budget two years after the current allowance budget year that is not already allocated to entities starting in 2019. The use of future vintage allowances from the allowance budget two years after the current allowance budget guarantees a sufficient number of allowances that have yet to be allocated or auctioned to entities. Staff believe that the proposed requirements still achieve the targeted Program emissions cap, while addressing any unforeseen market impacts caused by bankruptcy cases. This

would be the same mechanism as described above for retiring instruments to cover EIM Outstanding Emissions prior to the implementation of the EIM Purchaser Proposal.

The proposed amendments clarify that compliance instruments issued by CARB may only be used for the designated purposes in the Cap—and—Trade Program, and staff has proposed a modification to the Regulation to expressly state this. This provision is intended to clarify that a compliance instrument issued by CARB cannot be used solely to meet requirements in other regulatory programs; rather, it must be used to meet an authorized or required purpose of the Cap—and—Trade Program.

Ontario Linkage

On June 15, 2018, the Government of Ontario informed California and Québec that it would not participate in the August 2018 joint auction, and issued a press release indicating that Ontario would repeal its capand-trade program. In response, California and Québec modified the Compliance Instrument Tracking System Service (CITSS) to suspend transfers of compliance instruments between entities registered in Ontario and entities registered either in California or Québec. On July 3, 2018, the Ontario government published a regulation (386/18) revoking Ontario's cap—and—trade regulation (144/16). This regulation also prohibits Ontario's capand-trade participants from purchasing, selling, trading or otherwise dealing with emission allowances and credits (compliance instruments). Thus, Ontario has suspended all accounts registered in Ontario.

Based on these actions, staff proposes amendments to clarify provisions related to amending auction notices, as well as delaying, rescheduling, or canceling auctions. Staff is also proposing amendments to further clarify how the Executive Officer may exercise existing authority to protect the environmental stringency of the California Program. These proposed amendments also clarify that Ontario-issued compliance instruments currently held in California entity accounts continue to remain valid for compliance and trading, but no new transfers of instruments after June 15, 2018 would be accepted. The proposed amendments are intended to ensure that the market operates in a manner that is protective of the environmental stringency of the Program, while ensuring a careful approach to what is expected to be very limited circumstances in which the Executive Officer would need to take specified actions.

Finally, as of June 15, 2018, there were more compliance instruments held in California and Québec accounts than the total number of compliance instruments released by those two jurisdictions alone. This small surplus represents approximately 1 percent of the total allowances in California and Québec entity accounts

for vintage years through 2021. Staff is proposing amendments to ensure the environmental stringency of the California Cap—and—Trade Program is maintained as if there had not been a linkage approved with the External GHG ETS, via the cancellation or issuance of additional allowances

Other Assessments

AB 398 directs CARB to "[e]valuate and address concerns related to overallocation in the State board's determination of the available allowances for years 2021 to 2030, inclusive, as appropriate." It also directs CARB to "[e]stablish allowance banking rules that discourage speculation, avoid financial windfalls, and consider the impacts on complying entities and volatility in the market." Following the four public workshops from October 2017 to June 2018, reassessment of existing cap setting and banking rules, and stakeholder comments, staff is not proposing any amendments to the banking rules or to the post-2020 allowance budgets approved by the Board in 2017. Staff has included an analysis of the stringency of the caps with respect to overallocation concerns and with respect to banking rules in Appendix D of the ISOR.

Comparable Federal Regulations:

There are no directly comparable federal regulations mandating economy—wide Cap—and—Trade Programs. The proposed amendments continue 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 Cap—and—Trade Program and the present proposed amendments do 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.

DISCLOSURE REGARDING THE PROPOSED REGULATION

Fiscal Impact/Local Mandate Determination Regarding the Proposed Action (Gov. Code, § 11346.5, subds. (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, subdivision (a)(5) and 11346.5, subdivision (a)(6), the Executive Officer has determined that the proposed regulatory action would create costs or savings to any State agency or in federal funding to the State, costs or mandate to any local agency or school district, whether or not reimbursable by the State under Government Code, title 2, division 4, part 7 (commencing with section 17500), or other nondiscretionary cost or savings to State or local agencies.

<u>Cost to any Local Agency or School District Requiring</u> <u>Reimbursement under section 17500 et seq.:</u>

Currently, some local government entities (e.g., local utilities) are regulated parties in the Program and would continue to have a compliance obligation under the proposed amendments. These local governments could face administrative costs as well as costs associated with obtaining and surrendering compliance instruments. There may be additional impacts based on the continuance and appropriation of GGRF funds (i.e., the State's portion of proceeds from Cap-and-Trade auctions) that are directed to local government. However, pursuant to Government Code sections 11346.5(a)(5) and 11346.5(a)(6), the Executive Officer has determined that the proposed amendments would not create costs or mandate to any local agency or school district that are reimbursable by the State pursuant to Government Code, title 2, division 4, part 7 (commencing with section 17500).

Local government entities that purchase goods and fossil fuels in California, but are not directly covered by the Program, will face higher prices for fossil fuels and products that use fossil fuels if the cost of allowances under the proposed amendments are higher than under the current Program. However, the potential impact is unknown given uncertainty in future emissions and market conditions under the proposed amendments. Local governments could also benefit from new lower carbon technologies and innovations that may be indirect benefits of the proposed amendments. There may be additional impacts based on the continuance and ap-

propriation of auction proceeds from the GGRF that are directed to local government.

Cost or Savings for State Agencies:

The Cap—and—Trade Program covers some State government entities. Examples of these entities include several University of California and California State University campuses, as well as the Department of State Hospitals. The direct fiscal year emissions obligation under the current Regulation to State Universities and the Department of State Hospitals would continue to be reduced by an allocation of free allowances. The allocation means that the State entities are not required to cover the full cost of their emissions obligation. Staff does not expect the proposed amendments to result in a significant change to compliance costs. Without a clear estimate of a changed allowance value, it is not possible to quantify the fiscal effect of the proposed amendments to State Universities and the Department of State Hospitals.

CARB staff has identified one potential EIM Purchaser that is a State entity. CARB staff expects the State entity to have a lower—than—average EIM Purchaser compliance obligation given the relative scale of electric load served in California by this and other EIM Purchasers. This data suggests the State entity may face between a \$0 and \$212,000 additional compliance obligation when evaluated at the 2018 Auction Reserve Price. As this supplemental compliance obligation would be a component of the total cost of its operations, staff anticipates the State entity could pass through the supplemental cost to its customers.

The proposed amendments would have minimal impact on CARB's staffing resources, which could be accommodated through a redistribution of existing staff. The fiscal impact of the proposed amendments for CARB is expected to be absorbable and will not result in requests for new positions.

<u>Other Non-Discretionary Costs or Savings on Local Agencies:</u>

No additional costs or savings to local agencies beyond those addressed above under "Cost to any Local Agency or School District Requiring Reimbursement under section 17500 et seq." are anticipated.

Cost or Savings in Federal Funding to the State:

CARB staff has identified a federal entity that might be affected by the EIM Purchaser provision. Based on historical data, CARB staff expects the entity to have a lower—than—average EIM Purchaser compliance obligation given the relative scale of electric load served in California by this and other EIM Purchasers. This data suggests the State entity may face between a \$0 and \$213,000 additional compliance obligation when evaluated at the 2018 Auction Reserve Price. As this supplemental compliance obligation would be a component of

the total cost of its operations, staff anticipates the State entity could pass through the supplemental cost to its customers.

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 direct impact 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)):

MAJOR REGULATION: STATEMENT OF THE RESULTS OF THE STANDARDIZED REGULATORY IMPACT ANALYSIS (SRIA) (Gov. Code, § 11346.3, subd. (c))

On June 21, 2018, CARB submitted a Standardized Regulatory Impact Assessment (SRIA) to the California Department of Finance (DOF). DOF provided CARB with written comments on the SRIA on July 25, 2018. CARB has revised the SRIA based on modifications included in the proposed amendments since the original SRIA submittal and to address DOF comments. The revised SRIA is included as Appendix C to the ISOR.

CARB did not have a specific regulatory proposal on cost containment when staff submitted the original SRIA to DOF. Therefore, the original SRIA analysis was based on a range of price containment values that were intended to provide a range that staff expected would contain the possible allowance prices that may be observed under the proposed amendments. Staff referred to the range of price containment values in the original SRIA as the two preferred alternatives. Staff conducted macroeconomic impact assessments based on this range, as well as on two other scenarios (called Alternatives 1 and 2) that provided an even wider range of cost containment values. The revised SRIA replaces the range of "preferred" alternatives with a single proposed set of values. Staff retains the two other scenarios as Alternatives 1 and 2.

A large number of factors influence allowance price, including the ease of substitution by firms to low—carbon production methods, consumer price response, and the pace of technological progress. A number of

policy factors also affect the allowance price including methods for allocating allowances, the use of auction proceeds, and linkage with other jurisdictions, as well as factors such as the cost of GHG emission reduction technology, and potential impacts to the price of fuel. Impacts on California State Gross Domestic Product are small relative to the size of the California economy across the allowance prices analyzed.

(A) The creation or elimination of jobs within the State.

Staff expects no significant change to employment from the proposed amendments. The free allocation of allowances to some goods producing covered sectors is meant to help reduce the impact to the directly covered industrial sectors, by reducing compliance costs, thus reducing any negative effects on employment.

Other proposed changes (offsets, EIM, changes to the Reserve) could have minor positive effects on Program auction proceeds that are placed in the GGRF. Redistribution of allowance revenue has the potential to increase the number of jobs in the sectors that receive these funds.

(B) The creation of new businesses or the elimination of existing businesses within the State.

There is little potential to create and eliminate businesses. Free allocation of allowances to some goods producing covered sectors is meant to help reduce the impact to the directly covered industrial sectors. The proposed amendments restore post—2020 allocation, reducing the potential for elimination of businesses. However, the restoration of assistance factors is not expected to lead to the creation of new businesses.

As the proposed amendments provide compliance flexibility to covered entities, there may be business expansion or contraction as a result of the direct costs of compliance. The potential impact is unknown and not quantified in this analysis.

Changes to the quantitative offset usage limit and the direct environmental benefits in the State (DEBS) requirement should not have an effect on business creation or elimination if offset production and use for compliance remain at current rates. Offsets issued to date as a share of instruments required for compliance are below the levels at which the changed quantitative offset usage limits and DEBS requirement would limit offset creation.

Changes to the Reserve structure would only have an effect on the elimination of businesses if prices were to increase above the single Reserve tier price that would have been in effect after 2021 under the current Regulation. This is unlikely because the proposed amendments also create two new post–2020 Reserve tiers that are below the planned single post–2020 Reserve tier price for

the entire 2021 to 2030 time period. The new tiers should slow down price increases.

(C) The competitive advantages or disadvantages for businesses currently doing business within the State.

Staff expects no significant change to competitiveness from the proposed amendments. The free allocation of allowances to some goods producing covered sectors is meant to help reduce the impact to the directly covered industrial sectors, thus reducing any negative effects on competitiveness.

Staff does not expect a significant negative cost impact from the proposed amendment's other provisions, so there should not be a significant impact on competitiveness. See Chapter 8 of the ISOR for a further discussion of impacts to industry in the unlikely event that allowance values reach the price ceiling.

(D) The increase or decrease of investment in the State.

As with the 2016 rulemaking, while the SRIA does not attempt to quantify the dollar value benefits of the proposed amendments, the Program has been designed to support growth in activities that result in lower GHG emissions. Most benefits are an indirect result of the Program, as investments in energy efficiency and energy conservation can result in economic benefits to consumers and clean energy sectors.

Other businesses could experience indirect economic benefits as a result of cost savings attributed to the operation of energy efficient technologies. There are likely no small businesses directly regulated by the Cap—and—Trade Program. However, small businesses could experience indirect economic benefits as a result of cost savings attributed to the operation of energy efficient technologies and utility climate credits for small businesses. The proposed amendments may also benefit small businesses that produce or sell low—carbon technologies. In addition, emissions reductions achieved in sectors covered by the Program may also induce investment in energy efficiency by non—covered sectors, providing an indirect benefit to businesses.

(E) The incentives for innovation in products, materials, or processes.

Typical covered businesses may benefit from the financial incentive to develop lower-carbon technologies and manufacturing processes which could provide substantial expenditure reductions in the operations of many covered entities. Businesses may also benefit through participation in the allowance market. Firms that trade allowances for profit, either through market participation or by reducing emissions and selling allocated allowances, may see benefits from the proposed amendments. In addition, emissions reductions

achieved in sectors covered by the Program may also induce investment in energy efficiency by non-covered sectors, providing an indirect benefit to businesses.

(F) The benefits of the regulations, including, but not limited to, benefits to the health, safety, and welfare of California residents, worker safety, and the State's environment and quality of life, among any other benefits identified by the agency.

There are not any anticipated incremental benefits as a result of the proposed amendments. CARB expects indirect benefits could accrue as a result of the overall Program (including the current Regulation and proposed amendments). First, benefits such as reduced GHG emissions and reduced operating costs could result from investments in energy efficiency and energy conservation funded through the use of proceeds from the sale of State-owned allowances through the GGRF. Second, these reduced GHG emissions could result in benefits from avoided environmental damages. Third, there could be potential avoided health impacts related to a reduction in co-pollutants. Given that the proposed amendments will continue to ensure the GHG emissions reductions that will occur because of the Program, these amendments may also directly improve the health and welfare of California residents, worker safety, and the State's environment.

(G) <u>Department of Finance Comments and Responses.</u>

CARB received comments from DOF on the original SRIA on July 25, 2018. Subsequently, CARB revised the SRIA to address DOF comments as well as to make changes based on the proposed amendments. The revised SRIA and CARB's responses to DOF's comments can be found in Appendix C of the ISOR. The original SRIA submitted to DOF on June 25, 2018, and DOF's comment letter, can be found at the DOF Major Regulations website. ⁷

DOF generally concurred with the methodology and results of the SRIA. While the results of the assessment were sufficient to meet the requirements of CCR, Title I, Section 2002 (a)(1), DOF suggested two modifications to the analysis.

The following is a summary of DOF's comments and CARB's responses.

DOF Comment #1

CARB should provide estimates of how much emissions can be reduced at different price levels for the reduction strategies, as this is crucial to gauging the risk that allowance prices will rise to various levels within the preferred alternatives. The impacts of the proposed

regulations depend not only on the expected price, but on the probability that prices will rise to \$100 or \$120, and the ranges shown for the reduction strategies are \$20 to \$500. However, a \$10 price difference means a \$10 million cost for a one MMTCO₂e reduction. Disclosing the assumptions ARB uses also helps the public provide information on the likelihood and costs of the reduction strategies.

CARB response to DOF Comment #1

DOF requests that CARB address the probability that compliance instrument prices could reach the values contained in the Upper 2030 Range Price Points Scenario of the original SRIA. If CARB proposed to retain the range of price ceiling values contained in the preliminary SRIA, CARB would concur with DOF's focus on providing the public with information that could explain the probability of reaching values above \$150 (\$2018), which is possible under the Upper 2030 Range Price Points Scenario of the original SRIA.

However, CARB has settled on a single set of values for the Reserve tiers and the price ceiling since submitting the original SRIA. The new range of values in the Amended Regulation that the price ceiling will take from 2021 through 2030 should alleviate most of DOF's concerns. The new price ceiling is below the single Reserve tier prices that are expected to occur under the existing Regulation through 2026. By 2030, the proposed price ceiling could be above the expected single Reserve tier price by about \$10, when compared in real 2018 dollars. For most of the period, the new price ceiling would actually produce improved cost containment when compared to the existing Regulation.

In addition, the two new post—2020 Reserve tier prices are set at levels that are always below the single Reserve tier prices that are expected to occur under the existing Regulation through 2030. This reduces the likelihood that compliance instrument prices would ever reach the price ceiling. Perhaps more importantly, the quantity of allowances in the Reserve should be enough to supply covered entities' short—term compliance needs while providing them with the time needed to identify and take action on direct emission reductions. Much of staff's response to DOF's second comment addresses this aspect.

The 2017 Scoping Plan also includes an uncertainty analysis' modelling that under base assumptions, the Scoping Plan (based on the current Regulation's single tier price) achieved the 2030 emissions target over 96 percent of the times key Scoping Plan Scenario assumptions were changed. By modifying the assumption on price responsiveness to allowance values, however, the 2017 Scoping Plan's success in meeting the 2030 emis-

⁷ The document is available at http://www.dof.ca.gov/Forecasting/Economics/Major_Regulations/Major_Regulations_Table/.

sions target dropped. Under the proposed 5 percent real escalation, the range of potential allowance values under the price ceiling is modestly above the level under the Single Tier from 2027 to 2030. This aligns closely with the assumptions for the modeling conducted in the 2017 Scoping Plan, while providing some modest additional increase in the price ceiling to help reinforce the high certainty of achieving the 2030 target.

DOF Comment #2

The SRIA should discuss the impacts of the chosen price ceiling to disclose the tradeoffs to the public during the comment period. With the range of price ceilings shown, and the range of alternatives, ARB should have most of the data needed to prepare that discussion regarding the likelihood of prices rising to that ceiling, as well as the impacts to businesses and individuals of allowance prices at that ceiling.

CARB response to DOF Comment #2

In responding to AB 398, staff must balance the need for cost containment with the need for market prices to rise high enough to support abatement projects sufficient to meet the 2030 emissions target. In the unlikely event cost containment is triggered, sales from the new post–2020 Reserve or price ceiling prevent emissions reductions that are only cost effective at allowance values above the new post–2020 Reserve tier and price ceiling values. Thus, the price levels at which cost containment are set strikes a balance between being high enough to allow for a sufficient volume of reductions to occur to meet the 2030 target, and being low enough to meet the AB 398 objectives of minimizing emissions leakage and minimizing adverse impacts to households, businesses, and the California economy.

Staff analysis of abatement options suggests that there are sufficient abatement opportunities below the price ceiling for covered entities to react to high prices through direct reductions. Staff also contend that establishing the two new post–2020 Reserve tier prices below the expected prices under the existing Regulation further reduces the likelihood that prices will rise to the price ceiling as they give time for the market to identify and take actions to reduce GHG emissions.

The 2017 Climate Change Scoping Plan estimates that if all measures included in the 2017 Scoping Plan perform exactly as modeled, 62 percent of emissions reductions from 2021 through 2030 will be achieved through other policies and regulations outside of the Cap—and—Trade Program.⁹ Cost containment must not

⁸ Scoping Plan Appendix E Table 59. Updated Simulated Likelihood of Reaching 2030 Emission Limit for Several Alternative Input Assumptions. https://www.arb.ca.gov/cc/scopingplan/2030sp_appe_econ_final.pdf.

interfere with Cap—and—Trade's ability to deliver additional GHG reductions should other adopted complementary measures deliver less than the 62 percent of emissions reductions anticipated under the current Scoping Plan.

Staff reviewed evidence of abatement costs, including from supporting material for the Updated Economic Analysis of California's Climate Change Scoping Plan, ¹⁰ the Updated Economic Analysis of the WCI Regional Program, 11 and trading prices in the European Union Emissions Trading Scheme (EU ETS). 12 Consultation with CARB's carbon capture and sequestration Program staff suggests that a supply of emissions reductions can be achieved by CCS and other alternative abatement strategies at prices below 2021's proposed price ceiling of \$61.25 (in real 2018 dollars). Under the proposed 5 percent real escalation plus inflation, the range of potential allowance values below the price ceiling further into the 2020s would support a substantial supply of additional emissions reductions as necessary.

A large number of factors influence the price of allowances in the Cap-and-Trade Program. The technological and behavioral factors include the ease of switching to low-GHG methods of production, the extent to which consumers shift to low-GHG products in response to price changes, and the pace of technological progress. A number of policy factors also apply, including emissions reductions from complementary environmental policies. The proposed amendments will affect the cost of using energy derived from fossil fuels, which in turn will affect the price of most goods and services throughout the California economy. Some covered entities will make efficiency improvements that result in reduced fuel expenditures and reduced emissions. The increased price of energy will cause secondary emissions reductions by non-covered entities through increased energy efficiency, decreased purchases of energyintensive goods and services, and increased conservation.

Since the Regulation does not specify how or where emissions reductions will occur, it is impossible to know in advance what covered or non-covered entities will do to comply, or how they will respond to the proposed amendments. Therefore, possible compliance re-

⁹ Figure 7, page 28 https://www.arb.ca.gov/cc/scopingplan/scoping-plan_2017.pdf.

¹⁰ Updated Economic Analysis of California's Climate Change Scoping Plan: Staff Report to the Air Resources Board. March 24, 2010

http://www.arb.ca.gov/cc/scopingplan/economicssp/updated-analysis/updated sp analysis.pdf.

¹¹ Updated Economic Analysis of the WCI Regional Cap—and—Trade Program. July 2010. Found at: http://www.westernclimateinitiative.org/component/remository/Economic-ModelingTeam-Documents/.

¹² From 2010 ISOR https://www.arb.ca.gov/regact/2010/capandtrade10/capisor.pdf.

sponses, as observed through the estimated change in capital, labor, energy, and fuel expenditures, must be modeled across a wide range of carbon prices. In addition, the impacts of any future regulatory action on these amendments to the Cap—and—Trade Regulation will be discussed when appropriate in subsequent rulemakings.

Business Report (Gov. Code, §§ 11346.5, subd. (a)(11); 11346.3, subd. (d)):

In accordance with Government Code sections 11346.5, subdivisions (a)(11) and 11346.3, subdivision (d), the Executive Officer finds the reporting requirements of the proposed regulatory action which apply to businesses are 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. Most benefits to individuals are an indirect result of the Program, as investments in energy efficiency and energy conservation can result in economic benefits to consumers. Individuals may experience lower household expenditures driven by greater energy efficiency and clean technology innovations and additional economic benefits from any direct return of allowance value. 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, subds. (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 Capand-Trade Regulation 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 amendments would not directly affect small businesses.

Small businesses will be indirectly affected by the Cap—and—Trade Program due to the increased price of fossil fuels. Costs will vary based on the business's use of fossil fuels and its ability to reduce fossil fuels in its operations. Small businesses could experience some energy cost savings as a result of adoption of energy ef-

ficient technologies. The proposed amendments may also benefit small businesses that produce or sell low—carbon technologies and could result in the creation of some new small businesses.

Alternatives Statement (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 costeffective 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 ISOR and presented below.

Take No Action Alternative for Complete Regulation. An overall "no action" alternative means that no revisions would be made to the existing Cap—and—Trade Regulation. Under this alternative, CARB and entities covered by the Regulation would continue to operate pursuant to the requirements of the existing Regulation. If CARB were to take no action, the Regulation would not be consistent with AB 398 requirements, covered entities would not receive appropriate levels of allowance allocation, and the EIM GHG emissions would not be properly accounted for, among other impacts. For these reasons, the take no action alternative is neither practical nor beneficial to CARB and covered entities and other market participants.

Set the Price Ceiling at a Higher Level. Under this alternative, CARB would set the price ceiling well above the level of the post-2020 single tier Reserve price under the current Regulation as well as the price ceiling value of the proposed amendments. As described in the SRIA (Appendix C to the ISOR), setting the price ceiling at this level could have impacts that include the following: estimated total cost to industry in 2030 could be \$44.42 billion, \$26.16 billion more than the estimated cost under the proposed amendments (in real 2018 dollars); gross domestic private investment relative to the current Regulation and relative to the proposed amendments could decrease; and much higher compliance costs make it likely that this alternative could be less cost-effective than the Regulation with the proposed amendments. As such, this alternative was rejected because it would be less cost-effective than the proposed

amendments and because it is neither practical nor beneficial to CARB and covered entities and other market participants.

Set the Price Ceiling at a Lower Level. Under this alternative, CARB would set the price ceiling well below the level of the post-2020 single tier Reserve price under the current Regulation as well as the price ceiling value of the proposed amendments. As described in the SRIA (Appendix C to the ISOR), relative to the proposed amendments, this alternative would result in decreased costs to covered entities. However, this lower price ceiling may be too low to incent adoption of abatement technologies, delaying or preventing emissions reductions from occurring. This could possibly result in additional environmental damages, which can be valued using social cost of carbon (which may not account for the full damages), and risk not achieving the GHG reductions necessary to achieve the State's 2030 reduction target. If demand for allowances rises and the price ceiling is reached, the 2030 GHG reduction target would be met only through metric ton for metric ton reductions at the price ceiling and not through reductions from capped sectors. Reliance on these reductions, along with a price ceiling that may be too low to be accepted by other jurisdictions may jeopardize existing and future linkages, while also requiring the introduction of GHG measures analyzed in Alternative 1 of the 2017 Scoping Plan. As such, this alternative was rejected for not meeting the goal of incenting GHG reductions from capped sectors, for jeopardizing linkages, and because it is neither practical nor beneficial to CARB and covered entities and other market participants.

ENVIRONMENTAL ANALYSIS

CARB, as the lead agency for the Cap—and—Trade Regulation, prepared a Draft Environmental Analysis (EA) in accordance with the requirements of its regulatory program certified by the Secretary of Natural Resources. (California Code of Regulation, title 17, sections 60006–60008; California Code of Regulation, title 14, section 15251, subdivision (d).) The Draft EA provides a single coordinated programmatic environmental analysis of an illustrative, reasonably foreseeable compliance scenario that could result from implementation of the proposed amendments (referred to as the "Proposed Project" in the Draft EA) to the Cap—and—Trade Regulation.

The resource areas from the California Environmental Quality Act (CEQA) Guidelines Environmental Checklist were used as a framework for a programmatic environmental analysis of the direct and reasonably

foreseeable indirect environmental impacts resulting from implementation of the proposed amendments to the Cap—and—Trade Regulation. The Draft EA provides an analysis of both the beneficial and adverse impacts and feasible mitigation measures for the reasonably foreseeable compliance responses associated with the proposed amendments.

The Draft EA concluded, under a conservative approach, that implementation of these proposed amendments could result in the following beneficial and adverse impacts: beneficial impacts to energy demand and greenhouse gases; less-than-significant impacts to aesthetics, agricultural and forest resources, population, housing, and employment, public services, recreation, and utilities and service systems; and potentially significant and unavoidable adverse impacts to air quality, biological resources, cultural resources, geology, soils, hazards and hazardous materials, hydrology and water quality, land use and planning, mineral resources, noise, and transportation and traffic. The potentially significant and unavoidable adverse impacts are primarily related to short-term, construction-related activities. This explains why some resource areas are identified above as having both less-than-significant impacts and potentially significant impacts. Please refer to the Draft EA for further details.

The Draft EA is included as Appendix B to the ISOR and can be obtained from ARB's website at: http://www.arb.ca.gov/regact/2018/capandtrade18/capandtrade18.htm.

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 envié 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 Retransmisión de Mensajes de California.

AGENCY CONTACT PERSONS

Inquiries concerning the substance of the proposed regulatory action may be directed to the agency representative Jason Gray, Branch Chief, Climate Change Program Evaluation Branch, at (916) 324–3507 or (designated back—up contact) Mark Sippola, Manager, Program Development Section, at (916) 323–1095.

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: Staff Report: Initial Statement of Reasons for Rulemaking — 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 September 4, 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 vote on a resolution directing the Executive Officer to: make any proposed modified regulatory language that 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, and any additional supporting documents and information, available to the public for a period of at least 15 days; consider written comments submitted during this period; and make any further modifications as may be appropriate in light of the comments received available for further public comment. The Board may also direct the Executive Officer to: evaluate all comments received during the public comment periods, including comments regarding the Draft Environmental Analysis, and prepare written responses to those comments; and present to the Board, at a subsequently scheduled public hearing, the final proposed regulatory language, staff's written responses to comments on the Draft Environmental Analysis, along with the Final Environmental Analysis for action.

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/capandtrade18/capandtrade18.htm.

TITLE 17. CALIFORNIA AIR RESOURCES BOARD

NOTICE OF PUBLIC HEARING TO CONSIDER PROPOSED AMENDMENTS TO ENHANCED VAPOR RECOVERY REGULATIONS TO STANDARDIZE GAS STATION NOZZLE SPOUT DIMENSIONS TO HELP ADDRESS STORAGE TANK OVERPRESSURE

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 Certification Procedures and Definitions for Vapor Recovery Systems at Gasoline Dispensing Facilities (GDF).

DATE: October 25, 2018

TIME: 9:00 a.m.

LOCATION: California Environmental Protection Agency

California Air Resources Board

Byron Sher Auditorium

1001 I Street

Sacramento, California 95814

This item will be considered at a meeting of the Board, which will commence at 9:00 a.m., October 25, 2018, and may continue at 8:30 a.m., on October 26, 2018. Please consult the agenda for the hearing, which will be available at least ten days before October 25, 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 September 7, 2018. Written comments not physically submitted at the hearing must be submitted on or after September 7, 2018, and received no later than 5:00 p.m. on October 22, 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 § 41954. This action is proposed to implement, interpret, and make specific § 41954(a).

INFORMATIVE DIGEST OF PROPOSED ACTION AND POLICY STATEMENT OVERVIEW (GOV. CODE, § 11346.5, subd. (a)(3))

<u>Sections Affected:</u> Proposed amendment to California Code of Regulations, title 17, §§ 94010, 94011, 94016, and 94017.

<u>Documents Incorporated by Reference (Cal. Code Regs., tit. 1, § 20, subd. (c)(3)):</u> The following documents would be incorporated in the regulation by reference in California Code of Regulations, title 17, §§ 94010, 94011, 94016, and 94017, respectively:

- D-200 Definitions for Vapor Recovery Procedures [insert amendment date]
- CP-201 Certification Procedure for Vapor Recovery Systems at Gasoline Dispensing Facilities [insert amendment date]
- CP-206 Certification Procedure for Vapor Recovery Systems at Gasoline Dispensing Facilities Using Aboveground Storage Tanks [insert amendment date]
- CP-207 Certification Procedure for Enhanced Conventional (ECO) Nozzles and Low Permeation Conventional Hoses for Use at Gasoline Dispensing Facilities [insert amendment date]

Background and Effect of the Proposed Regulatory Action:

California's vapor recovery program controls emissions associated with the storage and transfer of gasoline from storage tanks at terminals or bulk plants to tanker trucks, from tanker trucks to storage tanks at GDFs, and from GDF tank to the vehicle's fuel tank during vehicle fueling. CARB and the air pollution control/air quality management districts (air districts) share responsibility for implementing the vapor recovery program. CARB staff certifies prototype vaporrecovery systems installed at operating GDFs. State law requires that throughout California only CARB-certified systems be offered for sale, sold, and installed. Air district rules require GDF operators to install and maintain vapor recovery systems to prevent release of gasoline vapors that contribute to the formation of ozone and to reduce the public's exposure to benzene, a toxic air contaminant. Air district staff also conduct regular inspections to check that systems are operating as certified.

CARB staff is now proposing to make amendments to several of the existing vapor recovery certification procedures and definitions for those procedures that will standardize GDF nozzle spout and bellows dimensions. CARB staff proposes to refine the three spout dimensions already defined in the certification procedures as well as to include sixteen additional dimensions for the:

- Shape and position of the enhanced vapor recovery (EVR) and enhanced conventional (ECO) nozzles' spout and spout latch ring;
- Outside and inside diameter of the vapor collection bellows, face flatness, and contact angle, for EVR vacuum–assist and balance nozzles; and
- Outside diameter of the insertion interlock device for ECO nozzles.

CARB staff proposes that these dimensions and associated definitions be added to the certification procedures. In addition, CARB staff proposes that the following document be incorporated by reference once it has been updated to include these dimensions:

Society of Automotive Engineers (SAE). Surface Vehicle Recommended Practice SAE J285: "Dispenser Nozzle Spouts for Liquid Fuels Intended for Use with Spark Ignition and Compression Ignition Engines." (Update to be issued.)

The proposed nozzle dimensions also reference the following SAE recommended practice document:

Society of Automotive Engineers (SAE). Recommended Practice SAE J1140: "Filler Pipes and Openings of Motor Vehicle Fuel Tanks." (Update to be issued.)

The draft updated version of SAE J1140 has not yet completed the SAE approval process. For a review of proposed J1140 updates, see the CARB staff report, *Proposed Amendments to California Specifications for Fill Pipes and Openings of Motor Vehicle Fuel Tanks*, to be released September 7, 2018 [CARB, 2018c].

CARB may also consider other changes to the sections affected, as listed above, during the course of this rulemaking process. Any changes to the sections affected or the addition of further documents incorporated by reference will be publicly noticed and available for public comment for a period of no less than 15 days.

Objectives and Benefits of the Proposed Regulatory Action:

The proposed amendments are for new dimension requirements and definitions for nozzles used at gasoline dispensing facilities. The amendments are needed to improve nozzle compatibility with newer motor vehicle

fill pipes. This compatibility is necessary to reduce air ingestion at the nozzle, which will help reduce pressure driven emissions (overpressure emissions) caused by evaporation of gasoline within the GDF storage tank headspace. Unexpected pressure driven emissions cause GDF vapor recovery systems to not achieve the performance standards and emission reductions anticipated when EVR regulations were adopted. The proposed amendments would prevent the certification of new nozzles not meeting the proposed nozzle specifications.

Emission reductions will result from the statewide implementation of the Healy Model 900 assist nozzle that includes the "Enhanced ORVR-Vehicle Recognition" (EOR) spout assembly at GDFs with vacuumassist vapor recovery systems. The EOR spout assembly enables a better seal between the nozzle's vapor collection bellows and a fill pipe of a vehicle with an onboard refueling vapor recovery (ORVR) system, thereby reducing excess air ingestion. Approximately 52 percent of California GDFs are equipped with the vacuum assist system and there is only one manufacturer of assist nozzles certified for sale in California. The EOR version of the spout assembly meets the proposed dimensional standards. Based on ORVR recognition test data provided by CARB staff, the manufacturer of the Healy assist nozzle voluntarily developed the improved EOR spout assembly to help reduce air ingestion at the nozzle and no longer manufactures the prior version of the nozzle that does not meet the proposed dimensions. The remaining 48 percent of California GDFs are equipped with balance system nozzles. All currently certified balance nozzles meet the proposed spout assembly dimensions.

CARB staff estimates that statewide implementation of the assist EOR nozzle will improve air quality by reducing gasoline vapor (aka reactive organic gases, or ROG) emissions, which also contain benzene, by about one ton per day. Reducing ROG emissions is an integral part of California's program for reaching its goal of attaining and maintaining federal and State ozone standards. Reducing emissions is critical to reducing benzene health risk for people who live and work near gasoline dispensing facilities. The proposed amendments will preserve emission reductions anticipated to result from statewide implementation of the assist EOR nozzle by preventing the introduction of new nozzles with dimensions known to result in a poor seal at the nozzle interface with a vehicle fill pipe. Standardization of spout dimensions will also enable the automotive industry to more effectively design compatible fill pipes for future vehicle models.

In addition, reducing overpressure conditions will reduce the frequency of GDF In-Station Diagnostic (ISD) system overpressure alarms, which will reduce the frequency and cost of service calls for many GDFs with vacuum—assist vapor recovery systems. Improving compatibility between nozzles and fill pipes also will make it easier for many customers to fuel their vehicles by reducing the effort needed to insert the nozzle in the fill pipe. The proposed amendments will preserve the cost savings and other benefits associated with improving the compatibility between nozzles and fill pipes.

CARB staff's proposal was developed in conjunction with an extensive public process. Staff informed, involved, and updated public stakeholders on staff's progress developing the proposed amendments. Staff held public workshops and had other meetings with interested persons during the development of the proposed regulatory amendments. These informal prerulemaking discussions provided staff with useful information that they considered during development of the regulatory amendments that are now being proposed for formal public comment.

Between 2012 and 2017, CARB staff held eleven public workshops in northern and southern California about GDF storage tank overpressure problems, study designs and results, and potential solutions. These workshops engaged representatives from nozzle, fill pipe, and automotive manufacturers; GDF owners and operators; service contractors and consultants; petroleum refineries and distributors; air districts; tribes; environmental consultants; farm bureaus; and air quality agencies from outside of California. In addition, staff created a public webpage where related workshop materials and technical support documents were posted to keep stakeholders up to date on the latest developments in the regulatory process, and distributed announcements and workshop materials through the CARB list serves that, based on individual subscribers to the list serves, reach more than 4,000 individuals. Staff sent out multiple emails providing announcements to upcoming workshops, a description of the proposed amendments, and contact information for relevant staff.

Further, over the last two years, CARB staff participated in over a dozen meetings with the Society of Automotive Engineers (SAE) Fuel Systems J285/J1140 Task Force (SAE Task Force); which is comprised of nozzle, vehicle, and fill pipe manufacturers. The SAE Task Force is charged with developing and testing new dimension specifications to standardize the vapor recovery nozzle and fill—pipe interface to improve compatibility. The nozzle dimensions included in CARB staff's proposed amendments are the result of extensive deliberations of nozzle, vehicle, and fill pipe manufacturers who participated in the SAE Task Force. All the proposed dimensions have a range of values, rather than a single value, to increase flexibility and allow for innovation among nozzle manufacturers while at the same

time providing the constraint needed for the fill pipe manufacturers. The SAE Task Force will include the new specifications in an updated version of the SAE recommended practice document called: *J285: Dispenser Nozzle Spouts for Liquid Fuels Intended for Use with Spark Ignition and Compression Ignition Engines.*

Comparable Federal Regulations:

The three nozzle spout dimensions currently specified in CARB certification procedures CP-201, CP-206, and CP-207 are referenced in 40 CFR 80.22(f), where they are applied to nozzles that dispense unleaded gasoline. CARB staff proposes to refine these three dimensions as well as to include sixteen additional dimensions for the:

- Shape and position of the EVR and ECO nozzles' spout and spout latch ring;
- Outside and inside diameter of the vapor collection bellows, face flatness, and contact angle, for EVR assist and balance nozzles; and
- Outside diameter of the insertion interlock device for ECO nozzles.

However, there are no federal regulations or programs directly comparable to California's EVR program for GDFs, and there are no federal regulations establishing dimension specifications for vapor recovery and ECO nozzles, as would be required by the proposed regulatory amendments. California's existing EVR regulations already exceed federal requirements. Other states and countries often require the installation of vapor recovery systems certified by CARB. Thus, changes to CARB. EVR certification requirements may have a national and international impact.

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 search of any similar regulations on this topic and concluded these regulations are neither inconsistent nor incompatible with existing state regulations.

DISCLOSURE 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, subds. (a)(5)&(6)):

Under Government Code §§ 11346.5, subdivision (a)(5) and 11346.5, subdivision (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, costs or mandate to any local agency or school district, whether or not reimbursable by the State under Government Code, title 2, division 4, part 7 (commencing with § 17500), or 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, §§ 11.346.3, 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)):

A detailed assessment of the economic impacts of the proposed regulatory action can be found in Chapter VIII of the ISOR.

NON-MAJOR REGULATION: STATEMENT OF THE RESULTS OF THE ECONOMIC IMPACT ASSESSMENT (EIA)

<u>Benefits of the Regulation to the Health and Welfare of California Residents, Worker Safety, and the State's Environment:</u>

The objective of the proposed regulatory action is to standardize dimensions for GDF nozzles. CARB staff estimates that statewide implementation of the assist EOR nozzle will result in a reduction of ROG emissions, which also contain benzene, by about one ton per day. The proposed amendments will preserve the emission reductions anticipated to result from implementation of the assist EOR nozzle and will prevent the introduction of new nozzles with design features known to result in a poor seal at the interface between the nozzle and vehicle fill pipe. Reducing ROG emissions will benefit the health and welfare of California residents by reducing ambient ground level ozone and benzene exposure. Although the regulation will not directly affect worker safety, workers at GDFs with assist vapor recovery systems may experience reduced occupational exposure to benzene after the improved nozzles are installed. Reducing ambient ground level ozone also helps to reduce smog, which is a benefit for the state's environment.

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. A detailed assessment of the economic impacts of the proposed regulatory action can be found in the Economic Impact Assessment in the Initial Statement of Reasons (ISOR).

Benefits of the Proposed Regulation:

The objective of the proposed regulatory action is to standardize dimensions for GDF nozzles. The proposed amendments will preserve benefits anticipated to result from the voluntary improvement of the Healy assist EOR nozzle, which include reduced gasoline vapor emissions, reduced operating costs for many GDFs, and reduced effort for many customers to fuel their vehicles. Further, the proposed regulatory action will prevent the introduction of new nozzles with design features known to result in a poor seal at the interface between the nozzle and vehicle fill pipe.

A summary of these benefits is provided in this notice. Please refer to the "Objectives and Benefits" section, under the Informative Digest of Proposed Action and Policy Statement Overview.

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

Certain businesses that own GDFs with vacuum—assist vapor recovery systems may experience a savings because of implementation of the improved assist EOR nozzle, which may reduce the frequency of ISD overpressure alarms and associated frequency and cost of service calls for operators. CARB staff estimated an average cost savings of about \$962 per year per affected GDF. CARB staff predicts that over 300 GDFs may experience cost savings. These sum to about \$3.47 million in cost savings over the anticipated lifetime of the proposed regulations. The proposed amendments will preserve these cost savings by codifying dimensions that improve compatibility with vehicle fill pipes in case manufacturers consider developing new nozzles in the future.

Nozzle manufacturers may have a small increase in initial nozzle certification costs and certification re-

newal costs associated with the additional time needed for CARB certification staff to evaluate compliance with an increased number of nozzle dimensions. There are currently five manufacturers that either produce nozzles already certified by CARB for sale in California (three vapor recovery nozzles), or have submitted applications for nozzle certification (three ECO nozzle prototypes). Company profile information available for the five nozzle manufacturers indicates none meets the definition of small business and none is based in California. CARB staff estimated a total potential cost of \$2,280 for incorporating additional dimensions in the review of the six vapor recovery and ECO nozzles when nozzle manufacturers apply for certification renewal. The combined costs for nozzle manufacturers for recertification and certification renewal equate to an additional cost of about \$3,230 per nozzle model for the three vapor recovery nozzle models and three ECO nozzle prototypes over the 11-year lifetime of the proposed regulations. CARB staff estimated a total potential cost of about \$1,140 over 11 years for incorporating additional dimensions in the review of potential future prototype nozzles when nozzle manufacturers apply for initial certification and certification renewal. These costs sum to about \$20,520 over the 11-year lifetime of the proposed regulations. If nozzle manufacturers were able to pass on all costs along with an estimated 20 percent markup, this would result in \$24,624 in costs to California businesses over the 11-year lifetime of the regulation. This could result in approximately \$5 in additional cost per impacted California business (\$24,624 ÷ 5,305 impacted GDFs) over the 11-year lifetime, which is considered to be negligible.

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

The Executive Officer has also determined under California Code of Regulations, title 1, § 4, that the proposed regulatory action would not negatively impact small businesses. Statewide implementation of the Healy assist nozzle with the improved EOR spout assembly would have direct benefits (cost savings) for small business owners of GDFs with assist systems and ISD systems that have experienced frequent ISD overpressure alarms. Based on field study results (see Chapter II of the ISOR), CARB staff predicts that about 80 percent of these GDFs will experience substantially fewer overpressure alarms once they install an improved assist nozzle (e.g., the Healy nozzle that includes the EOR spout assembly). Because some GDF operators pay for authorized service providers to respond to every ISD overpressure alarm, rather than self-clear the alarms, reducing the number of overpressure alarms will result in reduced GDF operating costs.

CARB staff predicts that over 100 GDFs owned by small businesses may experience cost savings. The proposed amendments will preserve the anticipated cost savings associated with improving the compatibility between assist nozzles and fill pipes.

The proposed amendments also have an indirect effect on small businesses that own GDFs with assist systems because the proposed amendments require all GDFs with assist systems to replace the old version of the Healy Model 900 that does not have the improved EOR spout assembly. However, this proposed requirement has no cost impact for two reasons. First, Franklin Fueling Systems, the manufacturer of the Healy assist nozzle, no longer manufactures nor distributes the old model, and CARB staff's survey of parts distributors and service contractors indicates their inventory of the old model will be depleted by the end of 2018 (before the proposed amendments would become effective). Second, the proposed amendments provide an exception to existing certification procedure requirements that would allow GDF operators to use their old model nozzles until the end of their useful life, even if the useful life extends beyond four years. Therefore, there would be no new cost associated with replacing the old version of the assist nozzle with the new version.

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 costeffective to affected private persons and equally effective in implementing the statutory policy or other provisions of law. CARB staff considered reasonable alternatives to the proposed amendments, as described in Chapter IX of the ISOR.

ENVIRONMENTAL ANALYSIS

CARB, as the lead agency under the California Environmental Quality Act (CEQA), has reviewed the proposed regulatory amendments and concluded that the proposed action is exempt pursuant to CEQA Guidelines §15308, because the action is an action taken by regulatory agencies for the 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 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 Ia 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 envié 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 Retransmisión de Mensajes de California.

AGENCY CONTACT PERSONS

Inquiries concerning the substance of the proposed regulatory action may be directed to the agency representative, Michelle Wood, Air Pollution Specialist, Vapor Recovery Regulatory Development Section, at (916) 445–3641 or (designated back–up contact) Lou Dinkler, Manager, Vapor Recovery Regulatory Development Section, at (916) 324–9487.

AVAILABILITY OF DOCUMENTS

CARB staff has prepared a Staff Report: Initial Statement of Reasons (ISOR) for the proposed regulatory action, which include a summary of the economic and environmental impacts of the proposal. The report is entitled: *Proposed Amendments to Enhanced Vapor Recovery Regulations to Standardize Gas Station Nozzle*

Spout Dimensions to Help Address Storage Tank Overpressure.

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, California Air Resources Board, 1001 I Street, Visitors and Environmental Services Center, First Floor, Sacramento, California, 95814, on September 4, 2018.

Further, the agency representative to whom nonsubstantive inquiries concerning the proposed administrative action may be directed is Chris Hopkins, Regulations Coordinator, (916) 445–9564. CARB 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/gdfnozzles2018/gdfnozzles2018.htm.

TITLE 17. AIR RESOURCES BOARD

NOTICE OF PUBLIC HEARING TO CONSIDER PROPOSED AMENDMENTS TO THE REGULATION FOR THE MANDATORY REPORTING OF GREENHOUSE GAS EMISSIONS

The California Air Resources Board (CARB or Board) will conduct a public hearing at the time and place noted below to consider the proposed amendments to California's existing Regulation for the Mandatory Reporting of Greenhouse Gas Emissions (title 17, California Code of Regulations, section 95100 et seq.), which was developed pursuant to requirements of the California Global Warming Solutions Act of 2006.

DATE: October 25, 2018

TIME: 9:00 a.m.

LOCATION: California Environmental Protection Agency

California Air Resources Board

Byron Sher Auditorium

1001 I Street

Sacramento, California 95814

This item will be considered at a meeting of the Board, which will commence at 9:00 a.m., October 25, 2018, and may continue at 8:30 a.m., on October 26, 2018. Please consult the agenda for the hearing, which will be available at least ten days before October 25, 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 September 7, 2018. Written comments not physically submitted at the hearing must be submitted on or after September 7, 2018, and received no later than 5:00 p.m. on October 22, 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 that authority granted in California Health and Safety Code, sections 38510, 38530, 38560, 38562, 38564, 38570, 38571, 38580, 38597, 39600, 39601, 39602, 39607, 39607.4, and 41511. This action is proposed to implement, interpret and make specific sections 38501, 38505, 38510, 38530, 38560.5, 38564, 38565, 38570, 38580, 38597, 39600, 39601, 39602, 39607, 39607.4, 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 amendments to California Code of Regulations title 17, Subarticles 1, 2, and 5, Sections 95101(h)(1)(A)(4), and (h)(1)(B), 95101(i)(4) and (i)(5), 95102, 95103(h) and (o), 95111(h), 95115(n)(16), 95118(e), 95152(f)(5), (g)(3), and (h)(3), and 95153(b) and (p) and (p)(6)(B).

Background and Effect of the Proposed Regulatory Action:

In 2006, the Legislature passed and Governor Schwarzenegger signed the California Global Warming Solutions Act of 2006 (Assembly Bill 32 (AB 32);

Stats. 2006, chapter 488). In AB 32, the Legislature declared that global warming poses a serious threat to the economic well–being, public health, natural resources, and environment of California. AB 32 mandates statewide greenhouse gas (GHG) emissions to be reduced to 1990 levels by the year 2020, with reductions to be maintained and continued thereafter. In 2016, the Legislature passed and Governor Brown signed SB 32, which mandates at a 40 percent reduction below 1990 levels by 2030.

One of the requirements of AB 32 is that CARB must adopt a GHG reporting regulation. To comply with this requirement, the Board approved the Regulation for the Mandatory Reporting of Greenhouse Gas Emissions (reporting regulation or MRR) at its December 2007 Board meeting. The initial reporting regulation became effective on January 2, 2009.

Over the past nine years, CARB staff has implemented the California GHG reporting program established by the reporting regulation. Under the program, approximately 800 facilities and entities annually submit to CARB their GHG emissions data reports, the majority of which are verified as accurate and complete by CARB—accredited third—party verifiers. Information about the program can be found at: http://www.arb.ca.gov/cc/reporting/ghg—rep/ghg—rep.htm.

At its December 2010 public hearing, the Board approved amendments to the reporting regulation to support the California Cap on Greenhouse Gas Emissions and Market–Based Compliance Mechanisms (title 17, CCR, section 95800 et seq.) (Cap–and–Trade Regulation) data requirements, harmonize to the extent feasible with the United States Environmental Protection Agency's (U.S. EPA) Final Rule on Mandatory Reporting of Greenhouse Gases (U.S. EPA rule), and align with the Western Climate Initiative (WCI) reporting structure. Those amendments to the reporting regulation became effective on January 1, 2012.

In September 2012, the Board approved additional amendments to the reporting regulation, as well as updates to the definition sections of the AB 32 Cost of Implementation Fee Regulation and the Cap—and—Trade Regulation. These updates were necessary to streamline and avoid duplicate GHG reporting, to further align with U.S. EPA's rule, and to continue to provide the highest quality data needed to support California's Cap-and-Trade Regulation. These amendments to the reporting regulation became effective on January 1. 2013. In September 2013, the Board approved further amendments to the reporting regulation and the Capand-Trade Regulation, which became effective on January 1, 2014. In September 2014, the Board adopted amendments to clarify the reporting requirements, integrate the Cost of Implementation Fee Regulation (COI) reporting requirements, and collect additional information to support CARB's various climate change programs, such as the statewide GHG emissions inventory. These amendments to the reporting regulation became effective on January 1, 2015. In July 2017, the Board approved further amendments to the reporting regulation, which became effective on January 1, 2018. Links to the relevant rulemaking documents are located here: http://www.arb.ca.gov/cc/reporting/ghg-rep/regulation/mrr-regulation.htm.

CARB staff is proposing amendments to the reporting regulation to be heard at the Board's October 25, 2018 hearing. The proposed updates are needed to continue to support California's Cap—and—Trade Regulation to ensure consistency with the calculation of compliance obligations, to ensure that reported GHG emissions data are accurate and complete in order to support California's GHG reduction programs, including imported electricity emissions from the California Independent System Operator's (CAISO) Energy Imbalance Market (EIM), and to support the GHG inventory program.

Objectives and Benefits of the Proposed Regulatory Action:

The purpose of the proposed amendments to the reporting regulation is to carry out the goals of AB 32 and maintain a robust and accurate GHG reporting program. The data submitted by reporters under the reporting regulation allow CARB staff to track the emissions from reporting entities over time, demonstrating the progress in reducing GHG emissions.

The proposed amendments support the Cap—and—Trade Regulation with the highest quality of data by improving clarity for reporting entities as to their reporting requirements, collecting additional information for more complete and accurate GHG emissions estimates. This supports continued, robust methods for reporting emissions and product data to support the statewide greenhouse inventory program, and emissions reduction programs that directly improve the health and welfare of California residents, worker safety, the state's environment, and CARB's Cap—and—Trade Program.

Below is a summary of proposed updates to the reporting regulation. A more detailed description of the proposed updates appears in the Summary and Rationale section of the Initial Statement of Reasons (ISOR).

General:

Staff has proposed modifications in a number of sections to correct typographical errors, clerical oversights, and internal referencing. None of these minor modifications are intended to alter the requirements.

Cessation:

Staff has proposed modifications to clarify the provisions for the cessation of reporting and verification for specific entity types, including: entities that must report

regardless of emissions level (all-in facilities), electricity importers, and transportation fuel suppliers.

Definition Clarifications and Additions:

Staff is proposing clarifications to the definition of "facility" to incorporate a separate facility definition added in the 2016 MRR Rulemaking for onshore natural gas processing. This change is a non–substantive clarification. Staff is also proposing new definitions to support the EIM Purchaser requirements added for capturing GHG emissions associated with electricity imported through the EIM to serve California load.

Product Data Reporting:

Staff is proposing to clarify the requirements for reporting of dairy product data butter to ensure the requirements align with industry processes.

Electricity Imports in the Energy Imbalance Market:

Under AB 32, CARB must account for statewide GHG emissions, including all emissions resulting from the generation of electricity delivered to and consumed in California, whether that electricity is generated instate or imported to California to serve California load. In 2015, CARB found that the design of the Energy Imbalance Market (EIM) does not account for the full GHG emissions experienced by the atmosphere from imported electricity under EIM and results in emissions leakage. CARB refers to these emissions as EIM Outstanding Emissions. Beginning in 2016, CAISO and CARB began coordinating to address GHG accounting inaccuracies in the EIM.

In 2017, CARB adopted amendments to implement a "bridge solution" to account for the full GHG emissions experienced by the atmosphere from imported electricity under the EIM. The "bridge solution," provides a method to calculate EIM outstanding emissions by determining the amount of electricity transferred into California by EIM, and multiplying that amount by the default emission factor CARB uses for unspecified market transactions, and then subtracting known emissions associated with specific EIM imports. The current MRR for EIM-imported electricity requires EIM participating resource scheduling coordinators to reported deemed delivered electricity in EIM. Additional information provided by CAISO under an annual subpoena would allow CARB to calculate the amount of emissions ("EIM Outstanding Emissions") to support full accounting of GHG emissions emitted to the atmosphere when there is dispatch to serve California load during periods of imbalances. Under the "bridge solution," CARB retires unsold allowances equal to EIM Outstanding Emissions. This approach accounts for the EIM Outstanding Emissions under the emissions cap, but it does not assess a compliance obligation to any

covered entity. The "bridge solution" is currently in effect, but was put in place as a temporary solution.

In the proposed amendments, staff would implement an "EIM Purchaser" approach to assess a reporting and compliance obligation for EIM Outstanding Emissions. First proposed by CARB in 2016, this approach requires reporting and assigns a compliance obligation for EIM Outstanding Emissions directly to California EIM Purchasers as defined in the proposed amendments. This proposal is designed to ensure EIM Outstanding Emissions are based on data reported by purchasers of EIM electricity and are included as a compliance obligation for those entities serving California load through participation in the EIM. EIM Purchasers would include scheduling coordinators, such as electricity marketers and entities serving California load who purchase imported electricity in EIM. Under the proposed definition of EIM Purchaser, scheduling coordinators for electricity generators located in California with negative imbalances may also be considered EIM Purchasers, if they are serving those imbalances through imported electricity in EIM. There is no proposed minimum emissions threshold for this EIM Purchaser reporting obligation. The reporting obligation for EIM Purchasers would begin on April 1, 2019. This means that not later than June 1, 2020, EIM Purchasers would be required to report their EIM purchases for April 1, 2019, through December 31, 2019, and annually thereafter.

Nitric Acid Producers:

Staff is proposing revisions to the source testing frequency for nitric acid plants that are not subject to a compliance obligation under the Cap—and—Trade Regulation. Nitric acid facilities not subject to the Cap—and—Trade Regulation would only conduct one source test per year, instead of two as currently required.

Petroleum and Natural Gas Systems:

For compressor emissions, staff is proposing to remove the term "rod packing", when discussing venting from centrifugal compressors. Staff is also proposing to clarify the hours used in a year for calculating fugitive emissions to account for leap years.

Comparable Federal Regulations:

The U.S. EPA requires mandatory GHG reporting (Mandatory Reporting of Greenhouse Gases; Final Rule. 40 CFR Parts 86, 87, 89, 90, 94, and 98. United States Environmental Protection Agency. October 30, 2009). Staff believes the proposed amendments are consistent with existing federal law. The proposed amendments to the reporting regulation were developed to minimize, to the greatest extent possible, any redundant State and federal reporting, while also ensuring that CARB is collecting the necessary additional information required by California's various GHG pro-

grams, including the Cap—and—Trade Regulation, COl Fee Regulation, and the statewide GHG inventory.

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

Staff believes the proposed regulation is consistent and compatible with existing State regulations.

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.

DISCLOSURE REGARDING THE PROPOSED REGULATION

Fiscal Impact/Local Mandate Determination Regarding the Proposed Action (Gov. Code, §11346.5, subds. (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, subdivision (a)(5) and 11346.5, subdivision (a)(6), the Executive Officer has determined that the proposed regulatory action would create costs or savings to any State agency or in federal funding to the State, costs or mandate to any local agency or school district, whether or not reimbursable by the State under Government Code, title 2, division 4, part 7 (commencing with section 17500), or other nondiscretionary cost or savings to State or local agencies.

<u>Cost to any Local Agency or School District Requiring</u> <u>Reimbursement under section 17500 et seq.:</u>

None. Because the regulatory requirements apply equally to all reporting categories and unique requirements are not imposed on local agencies, the Executive Officer has determined that the proposed regulatory action imposes no costs on local agencies that are required to be reimbursed by the State pursuant to part 7 (commencing with section 17500), division 4, title 2 of the Government Code, and does not impose a mandate on local agencies that is required to be reimbursed pursuant to Section 6 of Article XIII B of the California Constitution. The proposed regulatory action would not create costs to any school district whether or not reimbursable by the state pursuant to Part 7 (commencing with section 17500), division 4, title 2 of the Government Code.

Cost or Savings for State Agencies:

One state government agency is affected by the proposed amendments. The state facility imports power to California and is therefore already subject to reporting and verification requirements. Proposed amendments Will mean that this agency would also report as an EIM purchaser, which will require an additional 10 hours of reporting in the initial year and five hours of reporting in future years. The costs to this agency are \$770 in the first year of implementation (Fiscal Year 2019/20) and \$385 every year after as the estimated cost for the facility operator to make minor changes to how the required GHG data is reported. These fiscal impacts are the result of generally applicable requirements and are not uniquely focused on state government entities.

CARB does not have a fiscal impact as a result of the proposed regulation changes because there is no new CARB workload, staffing, or other resources needed to implement the proposed MRR revisions.

Other Non-Discretionary Costs or Savings on Local Agencies:

The combined cost to 13 local agencies is estimated to be approximately \$85,214 over eight years, under the proposed EIM related amendments, and largely due to the verification costs for one local agency that is currently reporting and will become subject to verification. Each entity is estimated to have a cost increase of \$770 to make changes in how their GHG data are reported for the first year that the updates take effect. Each year thereafter, each facility is estimated to incur an additional ongoing cost of approximately \$385 to comply with the proposed amendments.

Cost or Savings in Federal Funding to the State:

Pursuant to Government Code sections 11346.5(a)(5) and 11346.5(a)(6), the Executive Officer has determined that the proposed regulatory action would not create costs or savings in federal funding to the state.

Adoption of the proposed amendments has no additional fiscal impact on CARB. No change in staffing level is needed to administer the program under the revised rule. CARB fiscal expenses needed for integrating the proposed amendments into the existing reporting systems are already accounted for in the current operational budget that was proposed in the previous amendment to the rule.

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.

NON-MAJOR REGULATION: STATEMENT OF THE RESULTS OF THE ECONOMIC IMPACT ASSESSMENT (EIA)

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. A detailed assessment of the economic impacts of the proposed regulatory action can be found in the Initial Statement of Reasons (ISOR).

Benefits of the Proposed Regulation:

The objective of the proposed regulatory action is to implement improved clarity for reporting obligations, provide more accurate GHG emissions estimates to support the accuracy of the statewide greenhouse inventory program and support CARB's Cap-and-Trade Regulation. These changes will support CARB's Capand-Trade Program and other related programs. The estimated benefits of the proposed amendments to the regulation are unquantified, which includes any benefits to the health and welfare of California residents, worker safety, and the state's environment. A summary of these benefits is provided under the "Objectives and Benefits of the Proposed Regulation", heading of the Informative Digest of Proposed Action and Policy Statement Overview Pursuant to Government Code 11346.5(a)(3) discussed previously.

Business Report (Gov. Code, §§11346.5, subd. (a)(11); 11346.3, subd. (d)):

In accordance with Government Code sections 11346.5, subdivisions (a)(11) and 11346.3, subdivision (d), the Executive Officer finds the reporting requirements of the proposed regulatory action which apply to businesses are 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. 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.

CARB staff performed an analysis of the reporters affected by the proposed amendments and determined that 63 unique businesses will have fiscal impacts resulting from the proposed changes. Some industrial sectors will have overall net cost increases, such as for purchasers of EIM energy. Other sectors will have cost savings, such as for certain electricity generators and nitric acid producers. Most businesses subject to the reporting regulation will not experience noticeable changes in cost of compliance as a result of the proposed amendments.

CARB staff estimates that over eight years, the estimated net impact is a savings of \$150,818, which is the sum of cost increases of \$446,050 for the added reporting requirements for EIM purchasers, and cost savings of \$(596,869) for the other proposed amendments.

The Executive Officer has made an initial determination that the proposed regulatory action would not have a significant statewide economic impact directly affecting representative private persons.

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

The Executive Officer has determined, pursuant to California Code of Regulations, title 1, section 4, that the proposed regulatory action would not affect small businesses because none of the affected companies are known to qualify for the small business status based on the California Government Code section 11342.610 definition.

Alternatives Statement (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 costeffective to affected private persons and equally effective in implementing the statutory policy or other provisions of law. The proposed amendments are made to the existing reporting regulation, and these proposed amendments do not have a significant adverse fiscal or economic impact. However, staff considered alternatives, including making no changes to the regulation,

gathering data from individual sources without adding regulatory requirements, or adopting performance standards. The specific alternatives are described in Section XI of the ISOR. These alternatives were evaluated, but dismissed as not being more effective than the proposed amendments in carrying out the purposes of the updates.

ENVIRONMENTAL ANALYSIS

CARB, as the lead agency under the California Environmental Quality Act (CEQA), has reviewed the proposed regulatory action and concluded that this is exempt pursuant to CEQA Guidelines §15061 (b)(3), because it can be seen with certainty that there is no possibility that the proposed action may have a significant adverse impact on the environment. A brief explanation of the basis for reaching this conclusion is included in Section VIII 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 envié 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 Retransmisión de Mensajes de California.

AGENCY CONTACT PERSONS

Inquiries concerning the substance of the proposed regulatory action may be directed to the agency representative Syd Partridge, Manager, Climate Change Reporting Section, at (916) 445–4292, or (designated back–up contact) Ryan Schauland, Manager, Emissions Data Quality Assurance Section, at (916) 324–1847.

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: Initial Statement of Reasons for Rulemaking — Proposed Amendments to the Regulation for the Mandatory Reporting of Greenhouse Gas Emissions.

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, California Air Resources Board, 1001 I Street, Visitors and Environmental Services Center, First Floor, Sacramento, California, 95814, on September 4, 2018.

Further, the agency representative to whom nonsubstantive inquiries concerning the proposed administrative action may be directed is Chris Hopkins, Regulations Coordinator, at (916) 445–9564. 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 vote on a resolution directing the Executive Officer to: make any proposed modified regulatory language that 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, and any additional supporting documents and information, available to the public for a period of at least 15 days; consider written comments submitted during this period; and make any further modifications as may be appropriate in light of the comments received available for further public comment. The Board may also direct the Executive Officer to:

evaluate all comments received during the public comment periods and prepare written responses to those comments; and present to the Board, at a subsequently scheduled public hearing, the final proposed regulatory language, and staff's written responses to comments.

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/ghg2018/ghg2018.htm.

TITLE 24. BUILDING STANDARDS COMMISSION

NOTICE OF PROPOSED ACTION TO
BUILDING STANDARDS OF THE BOARD OF
STATE AND COMMUNITY CORRECTIONS
REGARDING THE MINIMUM STANDARDS
FOR THE DESIGN AND CONSTRUCTION OF
LOCAL AND JUVENILE
DETENTION FACILITIES
CALIFORNIA CODE OF REGULATIONS,
TITLE 24, PART 1 AND 2
(BSCC 01/18)

Notice is hereby given that the California Building Standards Commission (CBSC) on behalf of The Board of State and Community Corrections (BSCC) proposes to adopt, approve, codify, and publish changes to building standards contained in the California Code of Regulations (CCR), Title 24, Part 1 and 2. The BSCC proposes building standards related to minimum standards for the design and construction of local and juvenile detention facilities.

PUBLIC COMMENT PERIOD

Reference: Government Code Section 11346.5(a)(17).

A public hearing has not been scheduled; however, written comments will be accepted from **September 7**, **2018**, until **5:00 p.m.** on **October 22**, **2018**. Please address your comments to:

California Building Standards Commission

Attention: Mia Marvelli, Executive Director 2525 Natomas Park Drive, Suite 130 Sacramento, CA 95833

Written comments may also be emailed to <u>CBSC@dgs.ca.gov</u>.

Any interested person or his or her duly authorized representative may request, no later than 15 days prior to the close of the written comment period that a public hearing be held.

The public will have an opportunity to provide both written and/or oral comments regarding the proposed action on building standards at a public meeting to be conducted by the California Building Standards Commission to be scheduled at a date near the end of the current adoption cycle. A meeting notice will be issued announcing the date, time and location of the public meeting.

POST-HEARING MODIFICATIONS TO THE TEXT OF THE REGULATIONS

Reference: Government Code Section 11346.5(a)(18).

Following the public comment period, CBSC may adopt the proposed building standards substantially as proposed in this notice or with modifications that are sufficiently related to the original proposed text and notice of proposed changes. If modifications are made, the full text of the proposed modifications, clearly indicated, will be made available to the public for at least 15 days prior to the date on which the CBSC adopts, amends, or repeals the regulation(s). CBSC will accept written comments on the modified building standards during the 15–day period.

NOTE: To be notified of any modifications, you must submit written/oral comments or request that you be notified of any modifications.

AUTHORITY AND REFERENCE

Reference: Government Code Section 11346.5(a)(2). The California Building Standards Commission proposes to adopt these building standards under the authority granted by Penal Code Section 6030, and Welfare and Institutions Code Sections 210 and 885. The purpose of these building standards is to implement, interpret, or make specific the provisions of Penal Code Sections 4032 and 6030, and Welfare and Institutions Code Sections 210 and 885.

INFORMATIVE DIGEST

Reference: Government Code Section 11346.5(a)(3).

Summary of Existing laws

Section 6030 of the California Penal Code and Sections 210 and 885 of the Welfare and Institutions Code authorize the BSCC to establish standards for local adult and juvenile detention facilities. The standards shall include but not be limited to the following: design and construction of local detention facilities, health and sanitary conditions, fire and life safety, security, rehabilitation programs, recreation, treatment of persons confined in local detention facilities and personnel training. Sections 6030 and 885 require the BSCC to review such standards biennially and make any appropriate revisions.

Summary of Existing Regulations

The BSCC promulgates existing standards which prescribe requirements for local adult and juvenile detention facilities. These requirements are contained in Title 24 of the California Code of Regulations (CCR); specifically, the Title 24 — Minimum Standards for the Design and Construction of Local Detention Facilities are comprised of Part 1, Section 13–102 and 13–201, and Part 2, Section 1230 and 1231.

Summary of Effect

The proposed action will update minimum standards regulations promulgated by the BSCC for juvenile and local detention facilities. Proposed amendments are intended to update terms and language to industry standard, provide improved protections for privacy and protection of staff and youth, improve accessibility of all areas of facilities, provide more home—like accommodations for youth, and ensure that areas contain proper and necessary elements, such as floor drains, examination tables, and adequate lighting.

Comparable Federal Statute or Regulations

There are no comparable federal regulations or statutes.

Policy Statement Overview

The broad objective of the proposed action is to update regulations for local adult and juvenile detention facilities in conformance with sound correctional practices and to ensure the safe and secure detention of incarcerated persons.

Evaluation of Consistency

The BSCC has determined that the proposed regulations are not inconsistent or incompatible with existing regulations.

OTHER MATTERS PRESCRIBED BY STATUTE APPLICABLE TO THE AGENCY OR TO ANY SPECIFIC REGULATION OR CLASS OF REGULATIONS

Reference: Government Code Section 11346.5(a)(4). There are no other matters prescribed by statute applicable to the BSCC or to any specific regulation or class of regulations.

MANDATE ON LOCAL AGENCIES OR SCHOOL DISTRICTS

Reference: Government Code Section 11346.5(a)(5). The BSCC has determined that the proposed regulatory action would not impose a mandate on local agencies or school districts.

ESTIMATE OF COST OR SAVINGS

Reference: Government Code Section 11346.5(a)(6). An estimate, prepared in accordance with instructions adopted by Department of Finance, of cost or savings to any state agency, local agency, or school district.

- A. Cost or Savings to any state agency: **NO**
- B. Cost to any local agency required to be reimbursed under Part 7 (commencing with Section 17500) of Division 4: **NO**
- C. Cost to any school district required to be reimbursed under Part 7 (commencing with Section 17500) of Division 4: **NO**
- D. Other nondiscretionary cost or savings imposed on local agencies: **NO**
- E. Cost or savings in federal funding to the state: **NO** Estimate: Not applicable.

INITIAL DETERMINATION OF NO SIGNIFICANT STATEWIDE ADVERSE ECONOMIC IMPACT ON BUSINESSES

Reference: Government Code Section 11346.5(a)(8). The BSCC has made an initial determination that the adoption/amendment/repeal of these regulations will not have a significant statewide adverse economic impact on businesses, including the ability of California businesses to compete with business in other states.

DECLARATION OF EVIDENCE

Reference: Government Code Section 11346.5(a)(8). The proposed regulatory action will not affect businesses because the scope of these regulations is specific

to the operation of local detention facilities in California.

FINDING OF NECESSITY FOR THE PUBLIC'S HEALTH, SAFETY, OR WELFARE

Reference: Government Code Section 11346.5(a)(11).

The proposed action does not require a report by any business or agency, so the BSCC has not made a finding of necessity for the public health, safety, or welfare.

COST IMPACT ON REPRESENTATIVE PRIVATE PERSON OR BUSINESS

Reference: Government Code Section 11346.5(a)(9). The BSCC is not aware of any cost impacts that a representative private person or business would necessarily incur in reasonable compliance with the proposed action.

ASSESSMENT OF EFFECT OF REGULATIONS UPON JOBS AND BUSINESS EXPANSION, ELIMINATION OR CREATION

Reference: Government Code Section 11346.5(a)(10).

The BSCC has assessed whether or not and to what extent this proposal will affect the following:

A. The creation or elimination of jobs within the State of California.

The BSCC has determined that the proposed regulatory action will not eliminate jobs in the State of California.

B. The creation of new businesses or the elimination of existing businesses within the State of California.

The BSCC has determined that the proposed regulatory action will not create or eliminate existing businesses within the State of California.

C. The expansion of businesses currently doing business within the State of California.

The BSCC has determined that the proposed regulatory action will not expand businesses currently doing business in the State of California.

D. The benefits of the regulation to the health and welfare of California residents, worker safety, and the state's environment.

The BSCC has determined that there may be a positive impact on the health and welfare of California residents and worker's safety. The welfare of incarcerated persons and worker safety will be affected positively by the implementation of more in–depth requirements for spaces accessible to disabled persons, visiting spaces, requirements that create more home–like environments, language pertaining to protection against sexual abuse and harassment, et cetera.

The BSCC has determined that the state's environment will not be affected by the adoption of these regulations because the regulation is the subject of minimum standards for local adult and juvenile detention facilities which do not address any factors which would cause a positive or negative effect on the environment.

ESTIMATED COST OF COMPLIANCE OF STANDARDS THAT WOULD IMPACT HOUSING

Reference: Government Code Section 11346.5(a)(12).

The proposed regulatory action will not impact housing because the scope of these regulations is specific to the operation of local detention facilities in California.

CONSIDERATION OF ALTERNATIVES

Reference: Government Code Section 11346.5(a)(13).

The BSCC has determine that no reasonable alternative considered by the BSCC or that has otherwise been identified and brought to the attention of the BSCC 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 provisions of law.

AVAILABILITY OF RULEMAKING DOCUMENTS

Reference: Government Code Sections 11346.5(a)(16) and 11346.5(a)(20).

All of the information upon which the proposed regulations are based is contained in the rulemaking file, which is available for public review, by contacting the person named below. This notice, the express terms and

initial statement of reasons can be accessed from the CBSC website: www.bsc.ca.gov.

Reference: Government Code Section 11346.5(a)(19).

Interested parties may obtain a copy of the final statement of reasons, once it has been prepared, by making a written request to the contact person named below or at the CBSC website: www.bsc.ca.gov.

Reference: Government Code Section 11346.5(a)(21).

The BSCC shall provide, upon request, a description of proposed changes included in the proposed action, in the manner provided by Section 11346.6, to accommodate a person with a visual or other disability for which effective communication is required under state or federal law and that providing the description of proposed changes may require extending the period of public comment for the proposed action.

CBSC CONTACT PERSON FOR PROCEDURAL AND ADMINISTRATIVE QUESTIONS

Reference: Government Code Section 11346.5(a)(14).

General questions regarding procedural and administrative issues should be addressed to:

Michael L. Nearman, Deputy Executive Director 2525 Natomas Park Drive, Suite 130 Sacramento, CA 95833 Telephone: (916) 263–0916 Michael.Nearman@dgs.ca.gov

PROPOSING STATE AGENCY CONTACT PERSON FOR SUBSTANTIVE AND/OR TECHNICAL QUESTIONS ON THE PROPOSED CHANGES TO BUILDING STANDARDS

Specific questions regarding the substantive and/or technical aspects of the proposed changes to the building standards should be addressed to:

Ginger Wolfe, Standards and Compliance Officer Board of State and Community Corrections 2590 Venture Oaks Way, Suite 200 Sacramento, CA 95833 ginger.wolfe@bscc.ca.gov Telephone: (916) 621–2886 Facsimile: (916) 322–2461

(or)

Eloisa Tuitama, Field Representative Board of State and Community Corrections 2590 Venture Oaks Way, Suite 200 Sacramento, CA 95833 eloisa.tuitama@bscc.ca.gov

Telephone: (916) 341–7328

TITLE 24. BUILDING STANDARDS COMMISSION

NOTICE OF PROPOSED ACTION TO PROPOSED BUILDING STANDARDS OF THE DIVISION OF THE STATE ARCHITECT (DSA-AC)

REGARDING PROPOSED CHANGES TO THE CALIFORNIA BUILDING CODE CALIFORNIA CODE OF REGULATIONS, TITLE 24, PART 2 (01/18)

Note to agencies: The laws associated with the instructions in this form are found primarily in Government Code Section 11346.5 et sequentes. For clarity during the administrative review process, do not remove the headings or statutory references to applicable sections being completed.

Notice is hereby given that the California Building Standards Commission (CBSC) on behalf of the Division of the State Architect proposes to adopt, approve, codify, and publish changes to building standards contained in the California Code of Regulations (CCR), Title 24, Part 2. The DSA–AC is proposing building standards related to the accessibility provisions of the 2019 California Building Code.

PUBLIC COMMENT PERIOD

Reference: Government Code Section 11346.5(a)(17).

A public hearing has not been scheduled; however, written comments will be accepted from **September 7**, **2018**, until **5:00 p.m.** on **September 22**, **2018**.

Please address your comments to:

California Building Standards Commission

Attention: Mia Marvelli, Executive Director 2525 Natomas Park Drive, Suite 130 Sacramento, CA 95833

Written comments may also be emailed to CBSC@dgs.ca.gov.

Any interested person, or his or her duly authorized representative, may request no later than 15 days prior to the close of the written comment period that a public hearing be held.

The public will have an opportunity to provide both written and/or oral comments regarding the proposed action on building standards at a public meeting to be conducted by the CBSC to be scheduled at a date near the end of the current adoption cycle. A meeting notice will be issued announcing the date, time and location of the public meeting.

POST-HEARING MODIFICATIONS TO THE TEXT OF THE REGULATIONS

Reference: Government Code Section 11346.5(a)(18).

Following the public comment period, CBSC may adopt the proposed building standards substantially as proposed in this notice or with modifications that are sufficiently related to the original proposed text and notice of proposed changes. If modifications are made, the full text of the proposed modifications, clearly indicated, will be made available to the public for at least 15 days prior to the date on which the CBSC adopts, amends, or repeals the regulation(s). CBSC will accept written comments on the modified building standards during the 15–day period.

NOTE: To be notified of any modifications, you must submit written/oral comments or request that you be notified of any modifications.

AUTHORITY AND REFERENCE

Reference: Government Code Section 11346.5(a)(2). The CBSC proposes to adopt these building standards under the authority granted by Health and Safety Code Section 18928. The purpose of these building standards is to implement, interpret, or make specific the provisions of Government Code Sections 4450 through 4461, 12955.1 and 14679; Health and Safety Code Sections 18949.1 and 19952 through 19959; and Vehicle Code Section 22511.8.

The Division of the State Architect is proposing this regulatory action based on Government Code Section 4450.

INFORMATIVE DIGEST

Reference: Government Code Section 11346.5(a)(3).

Summary of Existing Laws

Government Code Section 4450 authorizes the State Architect to develop regulations for making buildings,

structures, sidewalks, curbs, and related facilities accessible to and usable by persons with disabilities.

Summary of Existing Regulations

Existing regulations promulgated by the DSA-AC are contained in the California Building Code (Title 24, Part 2). These regulations are applicable to:

- Publicly funded buildings, structures, sidewalks, curbs and related facilities;
- Privately funded public accommodations and commercial facilities;
- 3) Public housing and private housing available for public use;
- 4) Any portable buildings leased or owned by a school district; and
- Temporary and emergency buildings and facilities.

Summary of Effect

The proposed action would update the California Code of Regulations, Title 24, Part 2 by:

- Adoption of new accessibility requirements for adult changing facilities.
- Amendments to clarify existing accessibility requirements.

Comparable Federal Statute or Regulations

Comparable federal statutes and regulations include:

 Regulations for Title II and Title III of the Americans with Disabilities Act of 1990, as adopted by the US Department of Justice. The regulations provide enforceable standards for accessible design, known as the 2010 ADA.

Standards for Accessible Design, in three parts:

- 1) 2010 Standards for State and Local Government Facilities: Title II Regulations at 28 CFR Part 35.151;
- 2010 Standards for Public Accommodations and Commercial Facilities: Title III Regulations at 28 CFR Part 36, Subpart D; and
- 2010 Standards for Title II and III Facilities: 2004 ADAAG.
- Fair Housing Amendments Act of 1988.

Policy Statement Overview

The proposed building standards are intended to implement new accessibility provisions and clarify existing accessibility provisions contained in the 2016 California Building Code to ensure that publicly funded buildings, structures, sidewalks, curbs, and related facilities shall be accessible to and usable by persons with disabilities; privately funded public accommodations and commercial facilities shall be accessible to and usable by persons with disabilities; and public housing and private housing available for public use shall be accessible to and usable by persons with disabilities.

Evaluation of Consistency

There are no inconsistent or incompatible regulations proposed.

OTHER MATTERS PRESCRIBED BY STATUTE APPLICABLE TO THE AGENCY OR TO ANY SPECIFIC REGULATION OR CLASS OF REGULATIONS

Reference: Government Code Section 11346.5(a)(4). There are no other matters prescribed by statute applicable to the DSA–AC, or to any specific regulation or class of regulations.

MANDATE ON LOCAL AGENCIES OR SCHOOL DISTRICTS

Reference: Government Code Section 11346.5(a)(5). DSA-AC has determined that the proposed regulatory action WOULD NOT impose a mandate on local agencies or school districts.

ESTIMATE OF COST OR SAVINGS

Reference: Government Code Section 11346.5(a)(6). An estimate, prepared in accordance with instructions adopted by Department of Finance, of cost or savings to any state agency, local agency, or school district.

- A. Cost or Savings to any state agency: **NO**
- B. Cost to any local agency required to be reimbursed under Part 7 (commencing with Section 17500) of Division 4: **NO**
- C. Cost to any school district required to be reimbursed under Part 7 (commencing with Section 17500) of Division 4: **NO**
- D. Other nondiscretionary cost or savings imposed on local agencies: **NO**
- E. Cost or savings in federal funding to the state: **NO** Estimate: N/A

INITIAL DETERMINATION OF NO SIGNIFICANT STATEWIDE ADVERSE ECONOMIC IMPACT ON BUSINESSES

Reference: Government Code Section 11346.5(a)(8). DSA-AC has made an initial determination that the adoption/amendment/repeal of this regulation will not have a significant statewide adverse economic impact on businesses, including the ability of California businesses to compete with businesses in other states.

DECLARATION OF EVIDENCE

Reference: Government Code Section 11346.5(a)(8). In making the declaration, the agency shall provide in the record of facts, evidence, documents, testimony, or other evidence that the agency relies upon to support its initial determination of no effect.

No facts, evidence, documents, testimony or other evidence have been relied upon to support the initial determination of no effect.

FINDING OF NECESSITY FOR THE PUBLIC'S HEALTH, SAFETY, OR WELFARE

Reference: Government Code Section 11346.5(a)(11).

Any regulation that requires a report shall not apply to businesses, unless the agency makes a finding that it is necessary for the health, safety, or welfare of the public that the regulations apply to businesses.

N/A

COST IMPACT ON REPRESENTATIVE PRIVATE PERSON OR BUSINESS

Reference: Government Code Section 11346.5(a)(9). Describe all cost impacts that a representative private person or business would necessarily incur in reasonable compliance with the proposed action. If no cost impact, provide the following statement:

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

ASSESSMENT OF EFFECT OF REGULATIONS UPON JOBS AND BUSINESS EXPANSION, ELIMINATION OR CREATION

Reference: Government Code Section 11346.5(a)(10).

The DSA-AC has assessed whether or not and to what extent this proposal will affect the following:

- A. The creation or elimination of jobs within the State of California.
 - DSA-AC has determined that the proposed action has no effect.
- B. The creation of new businesses or the elimination of existing businesses within the State of California.
 - DSA-AC has determined that the proposed action has no effect.
- C. The expansion of businesses currently doing business within the State of California.

DSA-AC has determined that the proposed action has no effect.

D. The benefits of the regulation to the health and welfare of California residents, worker safety, and the state's environment.

DSA-AC has determined that the proposal establishes minimum requirements to safeguard the public health, safety and general welfare through access to persons with disabilities.

ESTIMATED COST OF COMPLIANCE OF STANDARDS THAT WOULD IMPACT HOUSING

Reference: Government Code Section 11346.5(a)(12).

The DSA-AC has made an initial determination that this proposal would not have a significant effect on housing costs. DSA-AC is coordinating the 2018 California Building Code Triennial Code Cycle with the Department of Housing and Community Development.

CONSIDERATION OF ALTERNATIVES

Reference: Government Code Section 11346.5(a)(13).

DSA-AC has determined that no reasonable alternative considered by DSA-AC or that has otherwise been identified and brought to the attention of DSA-AC 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 provisions of law.

AVAILABILITY OF RULEMAKING DOCUMENTS

Reference: Government Code Sections 11346.5(a)(16) and 11346.5(a)(20).

All of the information upon which the proposed regulations are based is contained in the rulemaking file, which is available for public review, by contacting the person named below. This notice, the express terms and initial statement of reasons can be accessed from the CBSC website: www.bsc.ca.gov.

Reference: Government Code Section 11346.5(a)(19).

Interested parties may obtain a copy of the final statement of reasons, once it has been prepared, by making a written request to the contact person named below or at the CBSC website: www.bsc.ca.gov.

Reference: Government Code Section 11346.5(a)(21).

DSA-AC shall provide, upon request, a description of proposed changes included in the proposed action, in the manner provided by Section 11346.6, to accommodate a person with a visual or other disability for which effective communication is required under state or federal law and that providing the description of proposed changes may require extending the period of public comment for the proposed action.

CBSC CONTACT PERSON FOR PROCEDURAL AND ADMINISTRATIVE QUESTIONS

Reference: Government Code Section 11346.5(a)(14).

General questions regarding procedural and administrative issues should be addressed to:

Brandon Estes Associate Construction Analyst 2525 Natomas Park Drive, Suite 130 Sacramento, CA 95833 Telephone: (916) 263–0916

PROPOSING STATE AGENCY CONTACT PERSON FOR SUBSTANTIVE AND/OR TECHNICAL QUESTIONS ON THE PROPOSED CHANGES TO BUILDING STANDARDS

Specific questions regarding the substantive and/or technical aspects of the proposed changes to the building standards should be addressed to:

Ida A. Clair, Principal Architect Ph. (916) 322–2490 Ida.Clair@dgs.ca.gov

Derek M. Shaw, Senior Architect Ph. (916) 324–7178 Derek.Shaw@dgs.ca.gov

Division of the State Architect — Headquarters 1102 Q Street, Suite 5100 Sacramento, CA 95811

TITLE 24. BUILDING STANDARDS COMMISSION

NOTICE OF PROPOSED ACTION
TO BUILDING STANDARDS OF THE
CALIFORNIA DEPARTMENT OF
PUBLIC HEALTH
REGARDING THE 2019 CALIFORNIA
BUILDING CODE, CALIFORNIA CODE OF
REGULATIONS, TITLE 24, PART 2
(CDPH 01/18)

Note to agencies: The laws associated with the instructions in this form are found primarily in Government Code Section 11346.5 et sequentes. For clarity during the administrative review process, do not remove the headings or statutory references to applicable sections being completed.

Notice is hereby given that the California Building Standards Commission (CBSC) on behalf of California Department Of Public Health (CDPH) proposes to adopt, approve, codify, and publish changes to building standards contained in the California Code of Regulations (CCR), Title 24, Part 2. The CDPH is proposing building standards related to 2019 California Building Code.

PUBLIC COMMENT PERIOD

Reference: Government Code Section 11346.5(a)(17).

A public hearing has not been scheduled; however, written comments will be accepted from **September 7**, **2018**, until **5:00 p.m. on October 22**, **2018**. Please address your comments to:

California Building Standards Commission

Attention: Mia Marvelli, Executive Director 2525 Natomas Park Drive, Suite 130 Sacramento, CA 95833

Written comments may also be emailed to CBSC@dgs.ca.gov.

Any interested person, or his or her duly authorized representative, may request no later than 15 days prior to the close of the written comment period that a public hearing be held.

The public will have an opportunity to provide both written and/or oral comments regarding the proposed action on building standards at a public meeting to be conducted by the CBSC to be scheduled at a date near the end of the current adoption cycle. A meeting notice will be issued announcing the date, time and location of the public meeting.

POST-HEARING MODIFICATIONS TO THE TEXT OF THE REGULATIONS

Reference: Government Code Section 11346.5(a)(18).

Following the public comment period, CBSC may adopt the proposed building standards substantially as proposed in this notice or with modifications that are sufficiently related to the original proposed text and notice of proposed changes. If modifications are made, the full text of the proposed modifications, clearly indicated, will be made available to the public for at least 15 days prior to the date on which the CBSC adopts, amends, or repeals the regulation(s). CBSC will accept written comments on the modified building standards during the 15–day period.

NOTE: To be notified of any modifications, you must submit written/oral comments or request that you be notified of any modifications.

AUTHORITY AND REFERENCE

Reference: Government Code Section 11346.5(a)(2). The CBSC proposes to adopt these building standards under the authority granted by Health and Safety Code (H & SC) §§18934.5 and 18942(b) and Government Code (GC) §14617. The purpose of these building standards is to implement, interpret, or make specific the provisions of H & SC §§16600, 16601, 18928, 18928.1, 18930.5 18934.5, 18938 and 18940.5.

The CDPH is proposing this regulatory action based on HSC Sections 116035, 116043, and 116050.

INFORMATIVE DIGEST

Reference: Government Code Section 11346.5(a)(3). **Summary of Existing Laws**

HSC Section 1797.182 requires that all ocean, public beach, and public swimming pool lifeguards and all firefighters in the state, except those whose duties are primarily clerical or administrative, shall be trained to administer first aid and cardiopulmonary resuscitation.

HSC Sections 116025 to 116068 require that every public swimming pool be operated and maintained in a manner that is sanitary, healthful, and safe and that ensures the safety of swimming pool users.

HSC Sections 116028 and 116033 require lifeguards to have been trained to administer first aid and to possess, as minimum qualifications, current certificates from an American Red Cross or YMCA of the U.S.A. lifeguard training program or to have equivalent qualifications, as determined by CDPH.

HSC Section 115952 requires a wave pool operator to comply with several specified safety requirements to ensure that there are consistent safety standards to reduce or eliminate drowning and near—drowning cases.

Summary of Existing Regulations

CCR, Title 24, Part 2, Chapter 31B, requires certain standards for the construction, installation, alteration, addition, relocation, replacement, or use of any public swimming pool including its appurtenant auxiliary areas, facilities, mechanical equipment, and related piping.

Summary of Effect

The proposed amendments seek to provide clarity to the CCR in order to achieve greater alignment between federal and state anti-discrimination laws, the California Building Standards Code's signage requirements for public swimming pools, and the Department's duty to protect the health and safety of persons using public swimming pools.

Comparable Federal Statute or Regulations

The Virginia Graeme Baker Pool and Spa Safety Act, Title 15 United States Code sections 8001 to 8008, requires that each public pool in the United States be equipped with anti-entrapment devices or systems that comply with a specified performance standard, and each public pool and spa in the United States that has a single main drain other than an unblockable drain be equipped with, at minimum, one or more specified devices or systems designed to prevent entrapment by pool or spa drains.

Policy Statement Overview

This proposal seeks to amend existing requirements to achieve greater alignment and consistency with federal and state standards governing housing discrimination.

Evaluation of Consistency

The proposed regulation is compatible with existing regulations.

OTHER MATTERS PRESCRIBED BY STATUTE APPLICABLE TO THE AGENCY OR TO ANY SPECIFIC REGULATION OR CLASS OF REGULATIONS

Reference: Government Code Section 11346.5(a)(4). None.

MANDATE ON LOCAL AGENCIES OR SCHOOL DISTRICTS

Reference: Government Code Section 11346.5(a)(5). CDPH has determined that the proposed regulatory action would not impose a mandate on local agencies or school districts.

ESTIMATE OF COST OR SAVINGS

Reference: Government Code Section 11346.5(a)(6). CDPH has provided an estimate, prepared in accordance with instructions adopted by the Department of Finance, of cost or savings to any state agency, local agency, or school district as part of its "Economic and Fiscal Impact Statement" (Form 399).

- A Cost or Savings to any state agency: No
- B. Cost to any local agency required to be reimbursed under Part 7 (commencing with Section 17500) of Division 4: **No**
- C. Cost to any school district required to be reimbursed under Part 7 (commencing with Section 17500) of Division 4: **No**
- D. Other nondiscretionary cost or savings imposed on local agencies: **No**
- E. Cost or savings in federal funding to the state: **No** Estimates:

\$0 for newly constructed pool sites. Existing regulations already require that a warning sign be posted at a public swimming pool or spa pool where no lifeguard service is provided; it is not anticipated that a change to the language on the required warning sign will affect the cost of the sign.

\$96,890 for existing public pools for which the owner elects to purchase new pool signs. For existing pool sites, replacement of the pool signs is not statutorily required. (Health & Safety Code, § 116050.) It can be anticipated that because the signage changes covered by these proposed amendments are not statutorily required that less than one percent of pool owners of existing pool sites would be expected to purchase a new sign upon adoption of the proposed amendments. Even assuming that two percent of pool owners of existing pool sites will choose to purchase new signs, the average statewide cost would be \$96,890.

INITIAL DETERMINATION OF NO SIGNIFICANT STATEWIDE ADVERSE ECONOMIC IMPACT ON BUSINESSES

Reference: Government Code Section 11346.5(a)(8). If the agency makes an initial determination that the adoption/amendment/repeal of this regulation 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, it shall make a declaration to that effect.

CDPH has made an initial determination that the amendment of this regulation will not have a significant statewide adverse economic impact on businesses, including the ability of California businesses to compete with businesses in other states.

DECLARATION OF EVIDENCE

Reference: Government Code Section 11346.5(a)(8). In making the declaration, the agency shall provide in the record of facts, evidence, documents, testimony, or other evidence that the agency relies upon to support its initial determination of no effect.

CDPH has determined that there are minimal facts, evidence, documents, testimony, or other evidence upon which the agency relied to support its initial determination of no effect pursuant to Government Code, section 11346.5, subdivision (a)(8). The public is welcome to submit any information, facts, or documents either supporting or contradicting CDPH's initial determination.

FINDING OF NECESSITY FOR THE PUBLIC'S HEALTH, SAFETY, OR WELFARE

Reference: Government Code Section 11346.5(a)(11).

Any regulation that requires a report shall not apply to businesses, unless the agency makes a finding that it is necessary for the health, safety, or welfare of the public that the regulations apply to businesses.

CDPH has made a determination that the proposed regulatory amendment does not require a report.

COST IMPACT ON REPRESENTATIVE PRIVATE PERSON OR BUSINESS

Reference: Government Code Section 11346.5(a)(9). Describe all cost impacts that a representative private person or business would necessarily incur in reasonable compliance with the proposed action. If no cost impact, provide the following statement:

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

ASSESSMENT OF EFFECT OF REGULATIONS UPON JOBS AND BUSINESS EXPANSION, ELIMINATION OR CREATION

Reference: Government Code Section 11346.5(a)(10).

The CDPH has assessed whether or not and to what extent this proposal will affect the following:

A. The creation or elimination of jobs within the State of California.

The proposed regulations will not create or eliminate jobs within the State of California.

B. The creation of new businesses or the elimination of existing businesses within the State of California.

The proposed regulations will not create new businesses or eliminate existing businesses within the State of California.

C. The expansion of businesses currently doing business within the State of California.

The proposed regulations will not expand businesses currently doing business with the State of California.

D. The benefits of the regulation to the health and welfare of California residents, worker safety, and the state's environment.

The proposed regulations will benefit the health and welfare of California residents in that the changes will achieve a better alignment between the protection of the health and safety of members of the public who use public swimming pools in the state and the federal and state anti discrimination laws that protect the rights of children and their families.

ESTIMATED COST OF COMPLIANCE OF STANDARDS THAT WOULD IMPACT HOUSING

Reference: Government Code Section 11346.5(a)(12).

CDPH has made an initial determination that this proposal would not have a significant effect on housing costs.

CONSIDERATION OF ALTERNATIVES

Reference: Government Code Section 11346.5(a)(13).

CDPH has determined that no reasonable alternative considered by CDPH or that has otherwise been identified and brought to the attention of CDPH 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 provisions of law.

AVAILABILITY OF RULEMAKING DOCUMENTS

Reference: Government Code Sections 11346.5(a)(16) and 11346.5(a)(20).

All of the information upon which the proposed regulations are based is contained in the rulemaking file, which is available for public review, by contacting the person named below. This notice, the express terms and initial statement of reasons can be accessed from the CBSC website: www.bsc.ca.gov.

Reference: Government Code Section 11346.5(a)(19).

Interested parties may obtain a copy of the final statement of reasons, once it has been prepared, by making a written request to the contact person named below or at the CBSC website: www.bsc.ca.gov.

Reference: Government Code Section 11346.5(a)(21).

CDPH shall provide, upon request, a description of proposed changes included in the proposed action, in the manner provided by Section 11346.6, to accommodate a person with a visual or other disability for which effective communication is required under state or federal law and that providing the description of proposed changes may require extending the period of public comment for the proposed action.

CBSC CONTACT PERSON FOR PROCEDURAL AND ADMINISTRATIVE QUESTIONS

Reference: Government Code Section 11346.5(a)(14).

General questions regarding procedural and administrative issues should be addressed to:

Gary Fabian, Associate Architect 2525 Natomas Park Drive, Suite 130 Sacramento, CA 95833 Gary.Fabian@dgs.ca.gov Telephone: (916) 263–0916

PROPOSING STATE AGENCY CONTACT PERSON FOR SUBSTANTIVE AND/OR TECHNICAL QUESTIONS ON THE PROPOSED CHANGES TO BUILDING STANDARDS

Specific questions regarding the substantive and/or technical aspects of the proposed changes to the building standards should be addressed to:

Eric Trevena, REHS California Department of Public Health (916) 449–5695 Eric.Trevena@cdph.ca.gov

TITLE 24. BUILDING STANDARDS COMMISSION

NOTICE OF PROPOSED ACTION TO BUILDING STANDARDS OF THE CALIFORNIA BUILDING STANDARDS COMMISSION REGARDING THE 2019 CALIFORNIA ADMINISTRATIVE CODE CALIFORNIA CODE OF REGULATIONS, TITLE 24, PART 1 (BSC 01/18)

Notice is hereby given that the California Building Standards Commission (CBSC) proposes to adopt, approve, codify, and publish changes to building standards contained in the California Code of Regulations (CCR), Title 24, Part 1. The CBSC is proposing building standards related to the 2019 California Administrative Code (California Code Regulations, Title 24, Part 1).

PUBLIC COMMENT PERIOD

Reference: Government Code Section 11346.5(a)(17).

A public hearing has not been scheduled; however, written comments will be accepted from **September 7**, **2018**, until **5:00 p.m.** on **October 22**, **2018**. Please address your comments to:

California Building Standards Commission 2525 Natomas Park Drive, Suite 130 Sacramento, CA 95833 Attention: Mia Marvelli, Executive Director

Written Comments may be E-mailed to CBSC@dgs.ca.gov.

Any interested person or his or her duly authorized representative may request, no later than 15 days prior to the close of the written comment period that a public hearing be held.

The public will have an opportunity to provide both written and/or oral comments regarding the proposed action on building standards at a public meeting to be conducted by the California Building Standards Commission to be scheduled at a date near the end of the current adoption cycle. A meeting notice will be issued announcing the date, time and location of the public meeting.

POST HEARING MODIFICATIONS TO THE TEXT OF THE REGULATIONS

Reference: Government Code Section 11346.5(a)(18).

Following the public comment period, CBSC may adopt the proposed building standards substantially as proposed in this notice or with modifications that are sufficiently related to the original proposed text and notice of proposed changes. If modifications are made, the full text of the proposed modifications, clearly indicated, will be made available to the public for at least 15 days prior to the date on which the CBSC adopts, amends, or repeals the regulation(s). CBSC will accept written comments on the modified building standards during the 15–day period.

NOTE: To be notified of any modifications, you must submit written/oral comments or request that you be notified of any modifications.

AUTHORITY AND REFERENCE

Reference: Government Code Section 11346.5(a)(2). The California Building Standards Commission proposes to adopt these building standards under the authority granted by Government Code Sections 11000 and 11340 et seq. and Health .and Safety Code Sections 18909, 18929, 18929.1, 18930, 18930.5, 18931, 18934, 18934.8, 18935, 18937, 18942, 18945, 18946, 18949, 18949.1, 18941.2, 18949.3, 18949.5, and 18949.6.

The purpose of these building standards is to implement, interpret, or make specific the provisions of Government Code Sections 11000 and 11340 et seq. and Health and Safety Code Sections 1826, 18927, 18929–18932, 18934, 18934.8, 18935, 18936, 18937, 18938, 18945, 18946, 18949, 18949.1, 18949.2, 18949.3, 18949.5 and 18949.6.

INFORMATIVE DIGEST

Reference: Government Code Section 11346.5(a)(3). Summary of Existing Laws

Government Code Section 11000 defines commissions and other referenced departments as "state agencies."

Government Code Section 11346.1 allows for regulations to be adopted on an emergency basis within defined parameters and holds that emergency building regulations be filed with CBSC and not with the Office of Administrative Law (OAL).

Government Code Section 11346.5 establishes requirements for public notices of proposed regulatory adoption, including economic impact statements, statements of potential impact on California businesses, effect on housing costs, and where and how to obtain copies of the proposed regulations.

Health and Safety Code Section 18909 defines what is and is not a building standard.

Health and Safety Code Section 18925 provides for CSSC to appoint an Executive Director with defined responsibilities.

Health and Safety Code Section 1926 sets forth CBSC authority and state agency responsibilities relative to the duties of the Coordinating Council, and state agencies comprising the Coordinating Council.

Health and Safety Code Section 18927 permits CBSC to appoint advisory panels composed of volunteers from professions most likely to be knowledgeable in and affected by building standards, to advise CBSC.

Health and Safety Code Section 18928 authorizes CBSC to adopt the most recent editions of the model codes, national standards or specifications within one year of publication.

Health and Safety Code Section 18928.1 sets forth that CBSC shall incorporate text of the model codes, applicable national standards or published specifications in whole or in part, only by reference, with appropriate additions or deletions in a publication agreement between the commission and the model code organizations.

Health and Safety Code Sections 18929-18932 outline the duties of CBSC in its review of building standards proposed by state agencies; criteria to be used for acceptance; authority of CBSC to propose green building standards where no other agency has authority or expertise; procedural duties of CBSC; reimbursement by state agencies for review and development of building standards; establishment of a local fee on building permits to be used by CBSC and other specific state agencies in the development, adoption, publication, and updating of green building standards and training of local building officials; authorization for CBSC to accept grants, gifts, donations, bequests or other funding to perform its duties; the code identifies the state agencies having lawful authority for administration of the building standards; and the code content and authority of CBSC for its format.

Health and Safety Code Section 18934 sets forth a mandate that authorizes CBSC to adopt and the commission adopt regulations establishing procedures to ensure public participation in the development of building standards and regulations.

Health and Safety Code Section 18934.5 authorizes CBSC to adopt and publish building standards applicable to state buildings, including state university buildings and, to the extent permitted by law, University of California buildings.

Health and Safety Code Section 18934.8 authorizes CBSC to adopt and publish emergency building standards caused by model code amendments adopted on an emergency basis by the code publisher.

Health and Safety Code Section 18935 provides for CBSC authority to review and approve proposing and

adopting agency notices and initial statements of reasons; publish notices with the Office of Administrative Law; coordinate hearings held by adopting agencies.

Health and Safety Code Section 18936 sets forth CBSC responsibilities for delivery of notices of meetings within a specified time and, at a minimum, to whom these notices are to be sent.

Health and Safety Code Section 18937 provides CBSC with authority to act on emergency building standards with specific conditions being met for filing and a timeframe.

Health and Safety Code Section 18938 sets forth that model codes as referenced in the California Building Standards Code, Title 24, CCR shall apply to all occupancies throughout the state and shall become effective 180 days after publication or a later date. as established by the commission.

Health and Safety Code 18942 requires CBSC to publish, or cause to be published, editions of the code in its entirety once in every three years and supplements as necessary during the intervening period.

Health and Safety Code Section 18945 sets forth CBSC appeals responsibilities and the regulated public's right to appeal if adversely affected by the application of building standards by a state agency or local agency.

Health and Safety Code Section 18946 sets forth CBSC appeal hearing requirements to include designating hearing committees, officers or the commission itself.

Health and Safety Code Section 18949 authorizes CBSC to develop a schedule of fees to pay for the costs associated with processing and conducting appeals hearings.

Health and Safety Code Section 18949.1 through 18949.5 transferred authority to adopt, or review and approve building standards to CBSC for specific state agencies.

Health and Safety Code 18949.6 requires CBSC to adopt procedural regulations for the adoption of building standards and administrative regulations; the adoption process is required to facilitate the triennial adoption of model codes; and, requires the procedural regulations allow for public review of proposed building standards and administrative regulations.

Summary of Existing Regulations

Chapter 1 of the 2016 California Administrative Code (California Code Regulations, Title 24, Part 1, Chapter 1) contains regulations that explain the various responsibilities and functions of CBSC addressing the development, adoption and publication of building standards in Title 24, California Code of Regulations. It also includes requirements for state proposing agencies

and state adopting agencies involved in the development of building standards.

Summary of Effect

The Initial Statement of Reasons (ISOR) provides a complete description of the proposed building standards effect.

Comparable Federal Statute or Regulations

There are no comparable federal statutes or regulations related to the CBSC proposed action.

Policy Statement Overview

The proposed additions, amendments, and deletions to Chapter 1 of the 2019. California Administrative Code address necessary procedures relative to clarity and consistency within the regulations pertaining to reference statutes. The proposals are purposed to assist the public and state proposing agencies and state adopting agencies with the requirements and processes regarding rulemaking, enforcement, Commission actions on proposed or adopted building standards, appeals and petitions. Renumbering may be necessary in order to accommodate new provisions necessitating separate numbering for organizational reasons to include sequence of rulemaking proceedings.

Evaluation of consistency

CBSC has determined that the proposed administrative regulations are not inconsistent or incompatible with existing state regulations.

OTHER MATTERS PRESCRIBED BY STATUTE APPLICABLE TO THE AGENCY OR TO ANY SPECIFIC REGULATION OR CLASS OF REGULATIONS

Reference: Government Code Section 11346.5(a)(4). CBSC has determined that there are no other matters prescribed by statute applicable to the agency or to any specific regulation or class of regulations.

MANDATE ON LOCAL AGENCIES OR SCHOOL DISTRICTS

Reference: Government Code Section 11346.5(a)(5). CBSC has determined that the proposed regulatory action would not impose a mandate on local agencies or school districts.

CBSC does not have authority to impose building standards or regulations on school districts. Further, the proposed regulatory actions are administrative in nature and would not enact a mandate on local agencies or school districts.

ESTIMATE OF COST OR SAVINGS

Reference: Government Code Section 11346.5(a)(6).

An estimate, prepared in accordance with instructions adopted by Department of Finance, of cost or savings to any state agency, local agency, or school district. Provide a copy of the "Economic and Fiscal Impact Statement" (Form 399).

- A. Cost or Savings to any state agency: **No**
- B. Cost to any local agency required to be reimbursed under Part 7 (commencing with Section 17500) of Division 4: **No**
- C. Cost to any school district required to be reimbursed under Part 7 (commencing with Section 17500) of Division 4: **No**
- D. Other nondiscretionary cost or savings imposed on local agencies: **No**
- E. Cost or savings in federal funding to the state: **No**Estimate: Any additional expenditure resulting from this proposed action would be minor and absorbable within the existing budget and resources of CBSC.

INITIAL DETERMINATION OF NO SIGNIFICANT STATEWIDE ADVERSE ECONOMIC IMPACT ON BUSINESSES

Reference: Government Code, Section 11346.5 (a)(8).

If the agency makes an initial determination that the adoption/amendment/repeal of this regulation 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, it shall make a declaration to that effect.

CBSC Statement

CBSC has made an initial determination that the adoption/amendment/repeal of this regulation will not have a significant statewide adverse economic impact on businesses, including the ability of California businesses to compete with business in other states.

DECLARATION OF EVIDENCE

Reference: Government Code Section 11346.5(a)(8). The declaration the agency shall provide in the record of facts, evidence, documents, testimony, or other evidence that the agency relies upon to support its initial determination of no effect.

CBSC Statement

CBSC has determined that there are no obtainable facts, evidence, documents, testimony, or other evidence upon which CBSC relied to support its initial determination of no effect pursuant to Government Code

Section 11346.5(a)(8). The public may submit information, facts, or documents either supporting CBSC's initial determination or finding to the contrary.

FINDING OF NECESSITY FOR THE PUBLIC'S HEALTH, SAFETY, OR WELFARE

Reference: Government Code Section 11346.5(a)(11).

Any regulation that requires a report shall not apply to businesses, unless the agency makes a finding that it is necessary for the health, safety, or welfare of the public that the regulations apply to businesses.

CBSC Statement

The provision of Government Code Section 11346.3(d) is not applicable. No report is required for the adoption/amendment/repeal of these proposed administrative regulations.

COST IMPACT ON REPRESENTATIVE PRIVATE PERSON OR BUSINESS

Reference: Government Code Section 11346.5(a)(9). Describe all cost impacts that a representative private person or business would necessarily incur in reasonable compliance with the proposed action. If no cost impact, provide the following statement:

CBSC Statement

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

ASSESSMENT OF EFFECT OF REGULATIONS UPON JOBS AND BUSINESS EXPANSION, ELIMINATION OR CREATION

Reference: Government Code Section 11346,5(a)(10).

The California Building Standards Commission has assessed whether or not and to what extent this proposal will affect the following:

A. The creation or elimination of jobs within the State of California.

CBSC Statement

These regulations will not affect the creation or cause the elimination .of jobs within the State of California

B. The creation of new businesses or the elimination of existing businesses within the State of California.

CBSC Statement

These regulations will not affect the creation or the elimination of existing business within the State of California.

C. The expansion of businesses currently doing business within the State of California.

CBSC Statement

These regulations will not affect the expansion of businesses currently doing business within the State of California. The benefits of the regulation to the health and welfare of California residents, worker safety, and the state's environment.

D. The benefits of the regulation to the health and welfare of California residents, worker safety, and the state's environment.

CBSC Statement

The proposed regulations will update, clarify and improve the administrative regulations in the California Administrative Code, which will provide increased protection of public health and safety, worker safety, and the environment.

ESTIMATED COST OF COMPLIANCE OF STANDARDS THAT WOULD IMPACT HOUSING

Reference: Government Code Section 11346.5(a)(12).

CBSC has determined that this proposal would not have a significant effect on housing costs. CBSC does not have authority to impose building standards or regulations affecting housing. Further, the proposed regulatory actions are administrative in nature and would not enact a mandate affecting housing.

CONSIDERATION OF ALTERNATIVES

Reference: Government Code Section 11346.5(a)(13).

CBSC has determine that no reasonable alternative considered by CBSC or that has otherwise been identified and brought to the attention of CBSC 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 provisions of law.

AVAILABILITY OF RULEMAKING DOCUMENTS

Reference: Government Code Sections 11346.5(a)(16) and 11346.5(a)(20).

All of the information upon which the proposed regulations are based is contained in the rulemaking file, which is available for public review, by contacting the person named below. This notice, the express terms and initial statement of reasons can be accessed from the California Building Standards Commission website: http://www.bsc.ca.gov/

Reference: Government Code Section 11346.5(a)(19).

Interested parties may obtain a copy of the final statement of reasons, once it has been prepared, by making a written request to the contact person named below or at the California Building Standards Commission website.

Reference: Government Code Section 11346.5(a)(21).

CBSC shall provide, upon request, a description of proposed changes included in the proposed action, in the manner provided by Section 11346.6, to accommodate a person with a visual or other disability for which effective communication is required under state or federal law and that providing the description of proposed changes may require extending the period of public comment for the proposed action.

CBSC CONTACT PERSON FOR PROCEDURAL AND ADMINISTRATIVE QUESTIONS

Reference: Government Code Section 11346.5(a)(14).

General questions regarding procedural and administrative issues should be addressed to:

Gary Fabian, Associate Architect 2525 Natomas Park Drive, Suite 130 Sacramento, CA 95833 Telephone No.: (916) 263–0916 E-mail: gary.fabian@dgs.ca.gov

PROPOSING STATE AGENCY CONTACT PERSON FOR SUBSTANTIVE AND/OR TECHNICAL QUESTIONS ON THE PROPOSED CHANGES TO BUILDING STANDARDS

Specific questions regarding the substantive and/or technical aspects of the proposed changes to the building standards should be addressed to:

Brandon Estes, Associate Construction Analyst California Building Standards Commission 2525 Natomas Park Drive, Suite 130 Sacramento, CA 95833

Telephone No.: (916) 263–0916 E-mail: <u>brandon.estes@dgs.ca.gov</u>

Designated Back-Up Contact Person

Michael L. Nearman, Deputy Executive Director California Building Standards Commission 2525 Natomas Park Drive, Suite 130 Sacramento, CA 95833

Telephone No.: (916) 263-0916

E-mail: Michael.Nearman@dgs.ca.gov

TITLE 24. BUILDING STANDARDS COMMISSION

NOTICE OF PROPOSED ACTION TO BUILDING STANDARDS OF THE CALIFORNIA BUILDING STANDARDS COMMISSION REGARDING THE 2019 CALIFORNIA BUILDING CODE CALIFORNIA CODE OF REGULATIONS, TITLE 24, PART 2 (BSC 02/18)

Notice is hereby given that the California Building Standards Commission (CBSC) on behalf of itself proposes to adopt. approve, codify, and publish changes to building standards contained in the California Code of Regulations (CCR), Title 24, Part 2. The California Building Standards Commission is proposing building standards related to 2019 California Building Code.

PUBLIC COMMENT PERIOD

Reference: Government Code Section 11346.5(a)(17).

A public hearing has not been scheduled; however, written comments will be accepted from **September 7**, **2018**, until **5:00 p.m.** on **October 22**, **2018**. Please address your comments to:

California Building Standards Commission

Attention: Mia Marvelli, Executive Director 2525 Natomas Park Drive, Suite 130 Sacramento, CA 95833

Written comments may also be emailed to <u>CBSC@dgs.ca.gov</u>.

Any interested person or his or her duly authorized representative may request, no later than 15 days prior to the close of the written comment period that a public hearing be held.

The public will have an opportunity to provide both written and/or oral comments regarding the proposed action on building standards at a public meeting to be conducted by the California Building Standards Commission to be scheduled at a date near the end of the current adoption cycle. A meeting notice will be issued announcing the date, time and location of the public meeting.

POST-HEARING MODIFICATIONS TO THE TEXT OF THE REGULATIONS

Reference: Government Code Section 11346.5(a)(18).

Following the public comment period, CBSC may adopt the proposed building standards substantially as proposed in this notice or with modifications that are sufficiently related to the original proposed text and notice of proposed changes. If modifications are made, the full text of the proposed modifications, clearly indicated, will be made available to the public for at least 15 days prior to the date on which the CBSC adopts, amends, or repeals the regulation(s). CBSC will accept written comments on the modified building standards during the 15–day period.

NOTE: To be notified of any modifications, you must submit written/oral comments or request that you be notified of any modifications.

AUTHORITY AND REFERENCE

Reference: Government Code Section 11346.5(a)(2). The CBSC proposes to adopt these building standards under the authority granted by Health and Safety Code (H & SC) §§18934.5 and 18942(b) and Government Code (GC) §14617. The purpose of these building standards is to implement, interpret, or make specific the provisions of H & SC §§16600, 16601, 18928, 18928.1, 18930.5, 18934.5, 18938 and 18940.5.

INFORMATIVE DIGEST

Reference: Government Code Section 11346.5(a)(3). An informative digest drafted in plain English in a format similar to the Legislative Counsel's Digest shall include the following:

Summary of Existing Laws

Government Code Section 11346.1 allows for regulations to be adopted on an emergency basis within defined parameters and holds that emergency building regulations be filed with CBSC and not with the Office of Administrative Law (OAL).

Government Code Section 11346.5 establishes requirements for public notices of proposed regulatory

adoption, including economic impact statements, statements of potential impact on California businesses, effect on housing costs, and where and how to obtain copies of the proposed regulations.

Health and Safety Code Section 16600 authorizes CBSC to adopt the most recent editions of the model codes, national standards or specifications within one year of publication.

Health and Safety Code Section 16601 authorizes CBSC to review and approve the seismic retrofit building standards as developed by the State Architect and the State Building Standards Commission pursuant to Section 16600.

Health and Safety Code Section 18909 defines what is and is not a building standard.

Health and Safety Code Section 18928 authorizes CBSC to adopt the most recent editions of the model codes, national standards or specifications within one year of publication.

Health and Safety Code Section 18928.1 sets forth that CBSC shall incorporate text of the model codes, applicable national standards or published specifications, in whole or in part, only by reference, with appropriate additions or deletions in a publication agreement between the commission and the model code organizations.

Health and Safety Code Section 18930.5 authorizes CBSC to approve or adopt building standards; perform analysis and utilize criteria; review considerations; and make factual determinations regarding the proposed regulations.

Health and Safety Code Section 18934.5 authorizes CBSC to adopt and publish building standards applicable to state buildings, including state university buildings and, to the extent permitted by law, University of California buildings.

Health and Safety Code Section 18935 provides for CBSC authority to review and approve proposing and adopting agency notices and initial statements of reasons; publish notices with the Office of Administrative law; coordinate hearing held by adopting agencies.

Health and Safety Code Section 18938 sets forth that model codes as referenced in the California Building Standards Code, Title 24, CCR shall apply to all occupancies throughout the state and shall become effective 180 days after publication or later date as established by the commission.

Health and Safety Code 18941.8 requires CBSC to publish building standards for construction, installation, and alteration of graywater systems in nonresidential occupancies; considerations; effect on authority of Department of Water Resources.

Health and Safety Code 18942 requires CBSC to publish, or cause to be published, editions of the code in its entirety once in every three years and supplements as necessary during the intervening period.

Summary of Existing Regulations

The California Building Code, Part 2 of Title 24 of the California Code of Regulations (CCR), also known as the California Building Standards Code, adopted by reference the 2018 International Building Code (IBC), with California amendments, effective on January 1, 2020.

The purpose of the California Building Code is to establish minimum building standards to safeguard public welfare for local jurisdictions within the state of California and for state buildings and buildings constructed by the University of California and California State Universities. It contains references to other codes, such as the fire code, mechanical code, and plumbing code that are adopted for use in California.

Summary of Effect

CBSC is mandated to adopt the most current editions of the model codes. This proposed action by CBSC will make effective the 2018 IBC for occupancies pursuant to H & SC §18934.5, 180 days after publication of the next triennial edition of the California Building Code. This proposed action will also:

Repeal the 2015 IBC and adopt the 2018 IBC;

Relocate from the 2016 CBC, and proposed administrative and scoping provisions for occupancies under the authority of state agencies in California;

Relocate from the 2016 CBC provisions for campus lighting and private swimming pools which are not addressed by the IBC;

Correlate references to model codes that California does not adopt with those that California proposes for adoption.

A thorough description of the amendment effects may be found in the Initial Statement of Reasons.

Comparable Federal Statute or Regulations

There are no comparable federal statutes or regulations related to the proposed action by CBSC.

Policy Statement Overview

The proposed adoption of the 2018 IBC makes applicable to state building projects and projects permitted by local agencies the most current edition of the IBC by reference through CCR, Title 24, Part 2. It defines administrative regulations for state agencies. It carries forward CBSC campus lighting and private swimming pool provisions which are not addressed in the IBC. It correlates model code references within the 2018 IBC, which will eliminate conflict and provide internal con-

sistency among model codes adopted by reference in CCR Title 24.

Evaluation of Consistency

CBSC has determined that the proposed regulations are not inconsistent or incompatible with existing state regulations.

OTHER MATTERS PRESCRIBED BY STATUTE APPLICABLE TO THE AGENCY OR TO ANY SPECIFIC REGULATION OR CLASS OF REGULATIONS

Reference: Government Code Section 11346.5(a)(4). CBSC has determined that there are no other matters prescribed by statute applicable to the agency or to any specific regulation or class of regulations.

MANDATE ON LOCAL AGENCIES OR SCHOOL DISTRICTS

Reference: Government Code Section 11346.5(a)(5). The CBSC has determined that the proposed regulatory action would not impose a mandate on local agencies or school districts. CBSC does not have authority to impose building standards or regulations on school districts.

ESTIMATE OF COST OR SAVINGS

Reference: Government Code Section 11346.5(a)(6). An estimate, prepared in accordance with instructions adopted by Department of Finance, of cost or savings to any state agency, local agency, or school district.

- A. Cost or Savings to any state agency: **NO**
- B. Cost to any local agency required to be reimbursed under Part 7 (commencing with Section 17500) of Division 4: **NO**
- C. Cost to any school district required to be reimbursed under Part 7 (commencing with Section 17500) of Division 4: **NO**
- D. Other nondiscretionary cost or savings imposed on local agencies: **NO**
- E. Cost or savings in federal funding to the state: **NO**Estimate: Any additional expenditure resulting from this proposed action will be minimal and will be absorbed within the existing budget and resources.

INITIAL DETERMINATION OF NO SIGNIFICANT STATEWIDE ADVERSE ECONOMIC IMPACT ON BUSINESSES

Reference: Government Code Section 11346.5(a)(8). The CBSC has made an initial determination that the adoption/amendment/repeal of this regulation will not have a significant statewide adverse economic impact on businesses, including the ability of California businesses to compete with business in other state.

DECLARATION OF EVIDENCE

Reference: Government Code Section 11346.5(a)(8). The CBSC has determined that there are minimal facts, evidence, documents, testimony, or other evidence upon which the agency relied to support its initial determination of no effect pursuant to Government Code Section 11346.5(a)(8). The public is welcome to submit any information, facts, or documents either supporting CBSC's initial determination or finding to the contrary.

FINDING OF NECESSITY FOR THE PUBLIC'S HEALTH, SAFETY, OR WELFARE

Reference: Government Code Section 11346.5(a)(11).

The CBSC has determined that no report is required for this regulation.

COST IMPACT ON REPRESENTATIVE PRIVATE PERSON OR BUSINESS

Reference: Government Code Section 11346.5(a)(9). The CBSC has determined that no report is required for this regulation.

ASSESSMENT OF EFFECT OF REGULATIONS UPON JOBS AND BUSINESS EXPANSION, ELIMINATION OR CREATION

Reference: Government Code Section 11346.5(a)(10).

The California Building Standards Commission has assessed whether or not and to what extent this proposal will affect the following:

- A. The creation or elimination of jobs within the State of California.
 - This regulation will not affect the creation or elimination of jobs within the State of California.
- B. The creation of new businesses or the elimination of existing businesses within the State of California.

This regulation will not affect the creation or elimination of existing businesses within the State of California.

C. The expansion of businesses currently doing business within the State of California.

This regulation will not affect the expansion of businesses currently doing business with the State of California.

D. The benefits of the regulation to the health and welfare of California residents, worker safety, and the state's environment.

These regulations will update and clarity minimum building standards, which will provide increased protection of public health and safety, worker safety and the environment.

ESTIMATED COST OF COMPLIANCE OF STANDARDS THAT WOULD IMPACT HOUSING

Reference: Government Code Section 11346.5(a)(12).

The CBSC has determined this proposal would not have a significant effect on housing costs. CBSC does not have authority to impose building standards or regulations affecting housing.

CONSIDERATION OF ALTERNATIVES

Reference: Government Code Section 11346.5(a)(13).

CSSC has determined that no reasonable alternative considered by CBSC or that has otherwise been identified and brought to the attention of CBSC 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 provisions of law.

AVAILABILITY OF RULEMAKING DOCUMENTS

Reference: Government Code Sections 11346.5(a)(16) and 11346.5(a)(20).

All of the information upon which the proposed regulations are based is contained in the rulemaking file, which is available for public review, by contacting the person named below. This notice, the express terms and initial statement of reasons can be accessed from the CBSC website: www.bsc.ca.gov.

Reference: Government Code Section 11346.5(a)(19).

Interested parties may obtain a copy of the final statement of reasons, once it has been prepared, by making a written request to the contact person named below or at the CBSC website: www.bsc.ca.gov.

Reference: Government Code Section 11346.5(a)(21).

CBSC shall provide, upon request, a description of proposed changes included in the proposed action, in the manner provided by Section 11346.6, to accommodate a person with a visual or other disability for which effective communication is required under state or federal law and that providing the description of proposed changes may require extending the period of public comment for the proposed action.

CBSC CONTACT PERSON FOR PROCEDURAL AND ADMINISTRATIVE QUESTIONS

Reference: Government Code Section 11346.5(a)(14).

General questions regarding procedural and administrative issues should be addressed to:

Michael L. Nearman, Deputy Executive Director 2525 Natomas Park Drive, Suite 130 Sacramento, CA 95833 Telephone: (916) 263–0916 Michael.Nearman@dgs.ca.gov

PROPOSING STATE AGENCY CONTACT PERSON FOR SUBSTANTIVE AND/OR TECHNICAL QUESTIONS ON THE PROPOSED CHANGES TO BUILDING STANDARDS

Specific questions regarding the substantive and/or technical aspects of the proposed changes to the building standards should be addressed to:

Gary Fabian, Associate Architect California Building Standards Commission Telephone: (916) 263–0916 Email Address: <u>Gary.Fabian@dgs.ca.gov</u>

Back-up:

Brandon Estes, Associate Construction Analyst California Building Standards Commission Telephone: (916) 263–0916 Brandon.Estes@dgs.ca.gov

TITLE 24. BUILDING STANDARDS COMMISSION

NOTICE OF PROPOSED ACTION TO BUILDING STANDARDS OF THE DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT (HCD) REGARDING THE 2019 CALIFORNIA BUILDING CODE CALIFORNIA CODE OF REGULATIONS, TITLE 24, PART 2 (HCD 03/18)

Note to agencies: The laws associated with the instructions in this form are found primarily in Government Code Section 11346.5 et sequentes. For clarity during the administrative review process, do not remove the headings or statutory references to applicable sections being completed.

Notice is hereby given that the California Building Standards Commission (CBSC) on behalf of Housing and Community Development (HCD) proposes to adopt, approve, codify, and publish changes to building standards contained in the California Code of Regulations (CCR), Title 24, Part 2. HCD is proposing building standards related to the adoption of the 2018 International Building Code (IBC).

PUBLIC COMMENT PERIOD

Reference: Government Code Section 11346.5(a)(17).

A public hearing has not been scheduled; however, written comments will be accepted from **September 7**, **2018**, until 5:00 p.m. on October 22, 2018.

Please address your comments to:

California Building Standards Commission

Attention: Mia Marvelli, Executive Director 2525 Natomas Park Drive, Suite 130 Sacramento, CA 95833

Written comments may also be emailed to CBSC@dgs.ca.gov.

Any interested person, or his or her duly authorized representative, may request no later than 15 days prior to the close of the written comment period that a public hearing be held.

The public will have an opportunity to provide both written and/or oral comments regarding the proposed action on building standards at a public meeting to be conducted by the CBSC to be scheduled at a date near the end of the current adoption cycle. A meeting notice will be issued announcing the date, time and location of the public meeting.

POST-HEARING MODIFICATIONS TO THE TEXT OF THE REGULATIONS

Reference: Government Code Section 11346.5(a)(18).

Following the public comment period, CBSC may adopt the proposed building standards substantially as proposed in this notice or with modifications that are sufficiently related to the original proposed text and notice of proposed changes. If modifications are made, the full text of the proposed modifications, clearly indicated, will be made available to the public for at least 15 days prior to the date on which the CBSC adopts, amends, or repeals the regulation(s). CBSC will accept written comments on the modified building standards during the 15–day period.

NOTE: To be notified of any modifications, you must submit written/oral comments or request that you be notified of any modifications.

AUTHORITY AND REFERENCE

Reference: Government Code Section 11346.5(a)(2). The CBSC proposes to adopt these building standards under the authority granted by Health and Safety Code Section 18949.5. The purpose of these building standards is to implement, interpret, or make specific the provisions of Health and Safety Code Sections 17000–17062.5, 17910–17995.5, 18200–18700, 18860–18874, and 19960–19997; Civil Code Sections 1101.4 and 1101.5; and Government Code Sections 12955.1 and 12955.1.1.

HCD is proposing this regulatory action based on Health and Safety Code Sections 17040, 17050, 17920.9, 17921, 17921.5, 17921.6, 17921.10, 17922, 17922.6, 17922.12, 17922.14, 17927, 17928, 18300, 18552, 18554, 18620, 18630, 18640, 18670, 18690, 18691, 18865, 18871.3, 18871.4, 18873, 18873.1, 18873.2, 18873.3, 18873.4, 18873.5, 18938.3, 18944.11, and 19990; and Government Code Section 12955.1.

INFORMATIVE DIGEST

Reference: Government Code Section 11346.5(a)(3). **Summary of Existing Laws**

Health and Safety Code Section 17921 and Government Code Section 12955.1 require HCD to propose the adoption, amendment, or repeal of building standards by the CBSC.

Health and Safety Code Section 17922 requires that the building standards be essentially the same as the most recent editions of the uniform industry codes. The CBSC is authorized to adopt these building standards under the authority granted by Health and Safety Code Section 18949.5.

Health and Safety Code Section 17922 states that the most recent editions of the uniform codes referred to in the section shall be considered to be adopted one year after the date of publication of the uniform codes.

Health and Safety Code Section 17040 requires HCD to adopt building standards for employee housing for ". . . the protection of the public health, safety, and general welfare of employees and the public, governing the erection, construction, enlargement, conversion, alteration, repair, occupancy, use, sanitation, ventilation, and maintenance of all employee housing."

Health and Safety Code Section 19990 requires HCD to adopt building standards for factory—built housing.

Health and Safety Code Sections 18300 and 18865 require HCD to adopt building standards for mobile-home parks and special occupancy parks.

Summary of Existing Regulations

The 2016 California Building Code (CBC), Part 2 of Title 24 of the California Code of Regulations (CCR), also known as the California Building Standards Code, adopted by reference the 2015 IBC with California amendments, effective on January 1, 2017.

Summary of Effect

HCD proposes to adopt by reference the 2018 edition of the IBC, with California amendments, into the 2019 CBC, Title 24, Part 2, of the California Code of Regulations for the following programs:

- (a) State Housing Law Program: relative to residential occupancies, buildings or structures accessory thereto and as provided for through the Federal Fair Housing Amendment Act's and state law accessibility requirements, except where the application is for public use only.
- (b) Employee Housing Program: relative to the use of any buildings or structures on the property in accordance with Health and Safety Code Section 17040.
- (c) Mobilehome Parks and Special Occupancy Parks Programs: relative to the design or construction of permanent buildings and accessory buildings and structures within the park in accordance with Health and Safety Code Sections 18300 and 18865.
- (d) Factory–Built Housing Program: relative to residential buildings, dwellings or portions thereof, or building component, or manufactured assemblies in accordance with Health and Safety Code Section 19990.

The standards provide consistency with model code format, state and federal laws and regulations, and conditions unique to California. In addition, the amendments provide clarity and specificity, and give direction for the code user. A discussion of the effect of the regulations may be found in the Initial Statement of Reasons.

Comparable Federal Statute or Regulations

There are no comparable federal statutes or regulations.

Policy Statement Overview

The proposed regulations as part of the update to the 2016 California Building Standards Code, will adopt, amend or repeal existing building standards and establish new building standards, which will affect residential occupancies and buildings or structures accessory thereto, as provided for by federal and state accessibility requirements; the use of general design, structural, and fire and life safety requirements in housing construction, buildings and structures accessory thereto; and permanent buildings in mobilehome parks and special occupancy parks.

The benefits anticipated from this proposed regulatory action include updating building standards, which will result in the protection of public health and safety, worker safety, the environment and general welfare of California residents. In addition, providing for use of the most recent building technology, methods and materials and applying those building standards on a statewide basis, as required by statute, results in uniformity in residential construction and promotes affordable costs.

Evaluation of Consistency

HCD has determined that the proposed regulations are not inconsistent or incompatible with existing state regulations.

OTHER MATTERS PRESCRIBED BY STATUTE APPLICABLE TO THE AGENCY OR TO ANY SPECIFIC REGULATION OR CLASS OF REGULATIONS

Reference: Government Code Section 11346.5(a)(4). None.

MANDATE ON LOCAL AGENCIES OR SCHOOL DISTRICTS

Reference: Government Code Section 11346.5(a)(5). HCD has determined that the proposed regulatory action would not impose a mandate on local agencies or school districts. HCD's proposal does not mandate state reimbursement pursuant to Part 7 (commencing with Section 17500) of Division 4 of the Government Code.

ESTIMATE OF COST OR SAVINGS

Reference: Government Code Section 11346.5(a)(6). See HCD's "Economic and Fiscal Impact Statement" (Form 399).

- A. Cost or Savings to any state agency: **NO**Health and Safety Code Section 17921 requires
 HCD to propose the adoption, amendment or
 repeal of building standards to CBSC pursuant to
 the provisions of Chapter 4 (commencing with
 Section 18935) of Part 2.5 of the Government
 Code. Part 2.5 of the Government Code requires
 state agencies to ensure that regulatory language
 meets the requirements of clarity and
 non-duplication. This proposed rulemaking
 incorporates specific provisions into one location
 with the California Building Standards Code to
 meet these requirements. This action will result in
 a minimal cost to HCD which will be absorbed in
 the current budget.
- B. Cost to any local agency required to be reimbursed under Part 7 (commencing with Section 17500) of Division 4: **NO**Health and Safety Code Section 17951 provides that local enforcement agencies may prescribe fees to defray the costs of enforcement of the State Housing Law including compliance with these regulations.
- C. Cost to any school district required to be reimbursed under Part 7 (commencing with Section 17500) of Division 4: **NO**
- D. Other nondiscretionary cost or savings imposed on local agencies: **NO**
- E. Cost or savings in federal funding to the state: **NO**

Estimate: HCD believes that any additional expenditure resulting from this proposed action will be minimal and will be able to be absorbed within existing budgets and resources.

Pursuant to Government Code Section 11346.2(b)(5)(B)(ii) adoption of the model codes is exempt from identification of the estimated cost of compliance, the estimated potential benefits, and the related assumptions used to determine the estimates in the Initial Statement of Reasons.

INITIAL DETERMINATION OF NO SIGNIFICANT STATEWIDE ADVERSE ECONOMIC IMPACT ON BUSINESSES

Reference: Government Code Section 11346.5(a)(8). HCD has made an initial determination that the adoption/amendment/repeal of these regulations will not have a significant statewide adverse economic impact on businesses, including the ability of California businesses to compete with business in other states.

DECLARATION OF EVIDENCE

Reference: Government Code Section 11346.5(a)(8). In making the declaration, the agency shall provide in the record of facts, evidence, documents, testimony, or other evidence that the agency relies upon to support its initial determination of no effect.

HCD has determined that there are minimal facts, evidence, documents, testimony, or other evidence upon which the agency relied to support its initial determination of no effect pursuant to Government Code Section 11346.5(a)(8). The public is welcome to submit any information, facts or documents either supporting HCD's initial determination or finding to the contrary.

FINDING OF NECESSITY FOR THE PUBLIC'S HEALTH, SAFETY, OR WELFARE

Reference: Government Code Section 11346.5(a)(11).

Any regulation that requires a report shall not apply to businesses, unless the agency makes a finding that it is necessary for the health, safety, or welfare of the public that the regulations apply to businesses.

N/A. HCD has made an assessment of the proposal regarding the economic impact of recordkeeping and reporting requirements and has determined that a report pursuant to Government Code Section 11346.3(c) is not required.

COST IMPACT ON REPRESENTATIVE PRIVATE PERSON OR BUSINESS

Reference: Government Code Section 11346.5(a)(9). Describe all cost impacts that a representative private person or business would necessarily incur in reasonable compliance with the proposed action. If no cost impact, provide the following statement:

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

ASSESSMENT OF EFFECT OF REGULATIONS UPON JOBS AND BUSINESS EXPANSION, ELIMINATION OR CREATION

Reference: Government Code Section 11346.5(a)(10).

HCD has assessed whether or not and to what extent this proposal will affect the following:

A. The creation or elimination of jobs within the State of California.

These regulations will not affect the creation, or cause the elimination, of jobs within the State of California.

B. The creation of new businesses or the elimination of existing businesses within the State of California.

These regulations will not affect the creation or the elimination of businesses within the State of California.

C. The expansion of businesses currently doing business within the State of California.

These regulations will not affect the expansion of businesses currently doing business within the State of California.

D. The benefits of the regulation to the health and welfare of California residents, worker safety, and the state's environment.

These regulations will update and improve building standards related to the construction and maintenance of residential structures.

ESTIMATED COST OF COMPLIANCE OF STANDARDS THAT WOULD IMPACT HOUSING

Reference: Government Code Section 11346.5(a)(12).

HCD has made an initial determination that this proposal would not have a significant effect on housing costs. The CBSC contact person designated below will make HCD's initial evaluation of the effect of the proposed regulatory action on housing costs available upon request. (See Economic Impact of the Proposed California Building Code Regulations on Private Persons and Businesses in the State of California in the rulemaking file.)

CONSIDERATION OF ALTERNATIVES

Reference: Government Code Section 11346.5(a)(13).

HCD has determined that no reasonable alternative considered by HCD or that has otherwise been identified and brought to the attention of HCD 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 provisions of law.

AVAILABILITY OF RULEMAKING DOCUMENTS

Reference: Government Code Sections 11346.5(a)(16) and 11346.5(a)(20).

All of the information upon which the proposed regulations are based is contained in the rulemaking file, which is available for public review, by contacting the person named below. This notice, the express terms and initial statement of reasons can be accessed from the CBSC website: www.bsc.ca.gov.

In addition, rulemaking documents will be posted on http://www.hcd.ca.gov/building-code/index.shtml

Reference: Government Code Section 11346.5(a)(19).

Interested parties may obtain a copy of the final statement of reasons, once it has been prepared, by making a written request to the contact person named below or at the CBSC website: www.bsc.ca.gov.

Reference: Government Code Section 11346.5(a)(21).

HCD shall provide, upon request, a description of proposed changes included in the proposed action, in the manner provided by Section 11346.6, to accommodate a person with a visual or other disability for which effective communication is required under state or federal law and that providing the description of proposed changes may require extending the period of public comment for the proposed action.

CBSC CONTACT PERSON FOR PROCEDURAL AND ADMINISTRATIVE QUESTIONS

Reference: Government Code Section 11346.5(a)(14).

General questions regarding procedural and administrative issues should be addressed to:

Michael Nearman, Deputy Executive Director 2525 Natomas Park Drive, Suite 130 Sacramento, CA 95833 Telephone: (916) 263–0916

PROPOSING STATE AGENCY CONTACT PERSON FOR SUBSTANTIVE AND/OR TECHNICAL QUESTIONS ON THE PROPOSED CHANGES TO BUILDING STANDARDS

Specific questions regarding the substantive and/or technical aspects of the proposed changes to the building standards should be addressed to:

Stoyan Bumbalov, Codes and
Standards Administrator I
Department of Housing and
Community Development
Division of Codes and Standards
Telephone: (916) 263–4715
Email: Stoyan.Bumbalov@hcd.ca.gov

Fax: (916) 327-4712

Emily Withers, Codes and Standards Administrator II
Department of Housing and Community Development
Division of Codes and Standards
Telephone: (916) 263–2998

Email: <u>Emily.Withers@hcd.ca.gov</u>

Fax: (916) 327-4712

TITLE 24. BUILDING STANDARDS COMMISSION

NOTICE OF PROPOSED ACTION TO BUILDING STANDARDS OF THE DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT (HCD) REGARDING THE 2019 CALIFORNIA RESIDENTIAL CODE CALIFORNIA CODE OF REGULATIONS, TITLE 24, PART 2.5 (HCD 04/18)

Note to agencies: The laws associated with the instructions in this form are found primarily in Government Code Section 11346.5 et sequentes. For clarity during the administrative review process, do not remove the headings or statutory references to applicable sections being completed.

Notice is hereby given that the California Building Standards Commission (CBSC) on behalf of Housing and Community Development (HCD) proposes to adopt, approve, codify, and publish changes to building standards contained in the California Code of Regulations (CCR), Title 24, Part 2.5. HCD is proposing building standards related to the adoption of the 2018 International Residential Code (IRC).

PUBLIC COMMENT PERIOD

Reference: Government Code Section 11346.5(a)(17).

A public hearing has not been scheduled; however, written comments will be accepted from **September 7**, **2018**, **until 5:00 p.m.** on **October 22**, **2018**.

Please address your comments to:

California Building Standards Commission

Attention: Mia Marvelli, Executive Director 2525 Natomas Park Drive, Suite 130 Sacramento, CA 95833

Written comments may also be emailed to <u>CBSC@dgs.ca.gov</u>.

Any interested person, or his or her duly authorized representative, may request no later than 15 days prior to the close of the written comment period that a public hearing be held.

The public will have an opportunity to provide both written and/or oral comments regarding the proposed action on building standards at a public meeting to be conducted by the CBSC to be scheduled at a date near the end of the current adoption cycle. A meeting notice will be issued announcing the date, time and location of the public meeting.

POST-HEARING MODIFICATIONS TO THE TEXT OF THE REGULATIONS

Reference: Government Code Section 11346.5(a)(18).

Following the public comment period, CBSC may adopt the proposed building standards substantially as proposed in this notice or with modifications that are sufficiently related to the original proposed text and notice of proposed changes. If modifications are made, the full text of the proposed modifications, clearly indicated, will be made available to the public for at least 15 days prior to the date on which the CBSC adopts, amends, or repeals the regulation(s). CBSC will accept written comments on the modified building standards during the 15–day period.

NOTE: To be notified of any modifications, you must submit written/oral comments or request that you be notified of any modifications.

AUTHORITY AND REFERENCE

Reference: Government Code Section 11346.5(a)(2). The CBSC proposes to adopt these building standards under the authority granted by Health and Safety Code Section 18949.5. The purpose of these building standards is to implement, interpret, or make specific the provisions of Health and Safety Code Sections 17000–17062.5, 17910–17995.5,18200–18700, 18860–18874, and 19960–19997; Civil Code Sections 1101.4 and 1101.5; and Government Code Sections 12955.1 and 12955.1.1.

HCD is proposing this regulatory action based on Health and Safety Code Sections 17040, 17050, 17920.9, 17921, 17921.5, 17921.6, 17921.10, 17922, 17922.6, 17922.12, 17922.14, 17927, 17928, 18300, 18552, 18554, 18620, 18630, 18640, 18670, 18690, 18691, 18865, 18871.3, 18871.4, 18873, 18873.1, 18873.2, 18873.3, 18873.4, 18873.5, 18938.3, 18944.11, and 19990; and Government Code Section 12955.1.

INFORMATIVE DIGEST

Reference: Government Code Section 11346.5(a)(3).

Summary of Existing laws

Health and Safety Code Section 17921 and Government Code Section 12955.1 require HCD to propose the adoption, amendment, or repeal of building standards by the CBSC.

Health and Safety Code Section 17922 requires that the building standards be essentially the same as the most recent editions of the uniform industry codes. The CBSC is authorized to adopt these building standards under the authority granted by Health and Safety Code Section 18949.5.

Health and Safety Code Section 17922 states that the most recent editions of the uniform codes referred to in the section shall be considered to be adopted one year after the date of publication of the uniform codes.

Health and Safety Code Section 17040 requires HCD to adopt building standards for employee housing for ". . . the protection of the public health, safety, and general welfare of employees and the public, governing the erection, construction, enlargement, conversion, alteration, repair, occupancy, use, sanitation, ventilation, and maintenance of all employee housing."

Health and Safety Code Section 19990 requires HCD to adopt building standards for factory—built housing.

Health and Safety Code Sections 18300 and 18865 require HCD to adopt building standards for mobile-home parks and special occupancy parks.

Summary of Existing Regulations

The 2016 California Residential Code (CRC), Part 2.5 of Title 24 of the California Code of Regulations (CCR), also known as the California Building Standards Code, adopted by reference the 2015 IRC with California amendments, effective on January 1, 2017.

Summary of Effect

HCD proposes to adopt by reference the 2018 edition of the IRC, with California amendments, into the 2019 CRC, Title 24, Part 2.5, of the California Code of Regulations for the following programs:

- (a) State Housing Law Program: relative to residential occupancies, buildings or structures accessory thereto and as provided for through the Federal Fair Housing Amendment Act's and state law accessibility requirements, except where the application is for public use only.
- (b) Employee Housing Program: relative to the use of any buildings or structures on the property in accordance with Health and Safety Code Section 17040.
- (c) Mobilehome Parks and Special Occupancy Parks Programs: relative to the design or construction of permanent buildings and accessory buildings and struc-

tures within the park in accordance with Health and Safety Code Sections 18300 and 18865.

(d) Factory–Built Housing Program: relative to residential buildings, dwellings or portions thereof, or building component, or manufactured assemblies in accordance with Health and Safety Code Section 19990.

The standards provide consistency with model code format, state and federal laws and regulations, and conditions unique to California. In addition, the amendments provide clarity and specificity, and give direction for the code user. A discussion of the effect of the regulations may be found in the Initial Statement of Reasons

Comparable Federal Statute or Regulations

There are no comparable federal statutes or regulations.

Policy Statement Overview

The proposed regulations as part of the update to the 2016 California Building Standards Code, will adopt, amend or repeal existing building standards and establish new building standards, which will affect residential occupancies and buildings or structures accessory thereto, as provided for by federal and state accessibility requirements; the use of general design, structural, and fire and life safety requirements in housing construction, buildings and structures accessory thereto; and permanent buildings in mobilehome parks and special occupancy parks.

The benefits anticipated from this proposed regulatory action include updating building standards, which will result in the protection of public health and safety, worker safety, the environment and general welfare of California residents. In addition, providing for use of the most recent building technology, methods and materials and applying those building standards on a statewide basis, as required by statute, results in uniformity in residential construction and promotes affordable costs.

Evaluation of Consistency

HCD has determined that the proposed regulations are not inconsistent or incompatible with existing state regulations.

OTHER MATTERS PRESCRIBED BY STATUTE APPLICABLE TO THE AGENCY OR TO ANY SPECIFIC REGULATION OR CLASS OF REGULATIONS

Reference: Government Code Section 11346.5(a)(4). None.

MANDATE ON LOCAL AGENCIES OR SCHOOL DISTRICTS

Reference: Government Code Section 11346.5(a)(5).

HCD has determined that the proposed regulatory action would not impose a mandate on local agencies or school districts. HCD's proposal does not mandate state reimbursement pursuant to Part 7 (commencing with Section 17500) of Division 4 of the Government Code.

ESTIMATE OF COST OR SAVINGS

Reference: Government Code Section 11346.5(a)(6). See HCD's "Economic and Fiscal Impact Statement" (Form 399).

- A. Cost or Savings to any state agency: **NO**Health and Safety Code Section 17921 requires
 HCD to propose the adoption, amendment or
 repeal of building standards to CBSC pursuant to
 the provisions of Chapter 4 (commencing with
 Section 18935) of Part 2.5 of the Government
 Code. Part 2.5 of the Government Code requires
 state agencies to ensure that regulatory language
 meets the requirements of clarity and
 non-duplication. This proposed rulemaking
 incorporates specific provisions into one location
 with the California Building Standards Code to
 meet these requirements. This action will result in
 a minimal cost to HCD which will be absorbed in
 the current budget.
- B. Cost to any local agency required to be reimbursed under Part 7 (commencing with Section 17500) of Division 4: **NO**Health and Safety Code Section 17951 provides that local enforcement agencies may prescribe fees to defray the costs of enforcement of the State Housing Law including compliance with these regulations.
- C. Cost to any school district required to be reimbursed under Part 7 (commencing with Section 17500) of Division 4: **NO**
- D. Other nondiscretionary cost or savings imposed on local agencies: **NO**
- E. Cost or savings in federal funding to the state: **NO**Estimate: HCD believes that any additional expenditure resulting from this proposed action will be minimal and will be able to be absorbed within existing budgets and resources.

Pursuant to Government Code Section 11346.2(b)(5)(B)(ii) adoption of the model codes is exempt from identification of the estimated cost of compliance, the estimated potential benefits, and the related assumptions used to determine the estimates in the Initial Statement of Reasons.

INITIAL DETERMINATION OF NO SIGNIFICANT STATEWIDE ADVERSE ECONOMIC IMPACT ON BUSINESSES

Reference: Government Code Section 11346.5(a)(8). HCD has made an initial determination that the adoption/amendment/repeal of these regulations will not have a significant statewide adverse economic impact on businesses, including the ability of California businesses to compete with business in other states.

DECLARATION OF EVIDENCE

Reference: Government Code Section 11346.5(a)(8). In making the declaration, the agency shall provide in the record of facts, evidence, documents, testimony, or other evidence that the agency relies upon to support its initial determination of no effect.

HCD has determined that there are minimal facts, evidence, documents, testimony, or other evidence upon which the agency relied to support its initial determination of no effect pursuant to Government Code Section 11346.5(a)(8). The public is welcome to submit any information, facts or documents either supporting HCD's initial determination or finding to the contrary.

FINDING OF NECESSITY FOR THE PUBLIC'S HEALTH, SAFETY, OR WELFARE

Reference: Government Code Section 11346.5(a)(11).

Any regulation that requires a report shall not apply to businesses, unless the agency makes a finding that it is necessary for the health, safety, or welfare of the public that the regulations apply to businesses.

N/A. HCD has made an assessment of the proposal regarding the economic impact of recordkeeping and reporting requirements and has determined that a report pursuant to Government Code Section 11346.3(c) is not required.

COST IMPACT ON REPRESENTATIVE PRIVATE PERSON OR BUSINESS

Reference: Government Code Section 11346.5(a)(9). Describe all cost impacts that a representative private person or business would necessarily incur in reasonable compliance with the proposed action. If no cost impact, provide the following statement:

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

ASSESSMENT OF EFFECT OF REGULATIONS UPON JOBS AND BUSINESS EXPANSION, ELIMINATION OR CREATION

Reference: Government Code Section 11346.5(a)(10).

HCD has assessed whether or not and to what extent this proposal will affect the following:

A. The creation or elimination of jobs within the State of California.

These regulations will not affect the creation, or cause the elimination, of jobs within the State of California.

B. The creation of new businesses or the elimination of existing businesses within the State of California.

These regulations will not affect the creation or the elimination of businesses within the State of California.

C. The expansion of businesses currently doing business within the State of California.

These regulations will not affect the expansion of businesses currently doing business within the State of California

D. The benefits of the regulation to the health and welfare of California residents, worker safety, and the state's environment.

These regulations will update and improve building standards related to the construction and maintenance of residential structures.

ESTIMATED COST OF COMPLIANCE OF STANDARDS THAT WOULD IMPACT HOUSING

Reference: Government Code Section 11346.5(a)(12).

HCD has made an initial determination that this proposal would not have a significant effect on housing costs. The CBSC contact person designated below will make HCD's initial evaluation of the effect of the proposed regulatory action on housing costs available upon request. (See Economic Impact of the Proposed California Building Code Regulations on Private Persons and Businesses in the State of California in the rulemaking file).

CONSIDERATION OF ALTERNATIVES

Reference: Government Code Section 11346.5(a)(13).

HCD has determined that no reasonable alternative considered by HCD or that has otherwise been identi-

fied and brought to the attention of HCD 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 provisions of law.

AVAILABILITY OF RULEMAKING DOCUMENTS

Reference: Government Code Sections 11346.5(a)(16) and 11346.5(a)(20).

All of the information upon which the proposed regulations are based is contained in the rulemaking file, which is available for public review, by contacting the person named below. This notice, the express terms and initial statement of reasons can be accessed from the CBSC website: www.bsc.ca.gov.

In addition, rulemaking documents will be posted on <u>HCD's website</u>: <u>http://www.hcd.ca.gov/building</u>—standards/building—code/index.shtml

Reference: Government Code Section 11346.5(a)(19).

Interested parties may obtain a copy of the final statement of reasons, once it has been prepared, by making a written request to the contact person named below or at the CBSC website: www.bsc.ca.gov.

Reference: Government Code Section 11346.5(a)(21).

HCD shall provide, upon request, a description of proposed changes included in the proposed action, in the manner provided by Section 11346.6, to accommodate a person with a visual or other disability for which effective communication is required under state or federal law and that providing the description of proposed changes may require extending the period of public comment for the proposed action.

CBSC CONTACT PERSON FOR PROCEDURAL AND ADMINISTRATIVE QUESTIONS

Reference: Government Code Section 11346.5(a)(14).

General questions regarding procedural and administrative issues should be addressed to:

Michael L. Nearman, Deputy Executive Director 2525 Natomas Park Drive, Suite 130 Sacramento, CA 95833

Telephone: (916) 263-0916

PROPOSING STATE AGENCY CONTACT PERSON FOR SUBSTANTIVE AND/OR TECHNICAL QUESTIONS ON THE PROPOSED CHANGES TO BUILDING STANDARDS

Specific questions regarding the substantive and/or technical aspects of the proposed changes to the building standards should be addressed to:

Stoyan Bumbalov, Codes and
Standards Administrator I
Department of Housing and
Community Development
Division of Codes and Standards
Telephone: (916) 263–4715
Email: Stoyan.Bumbalov@hcd.ca.gov

Fax: (916) 327–4712

Emily Withers, Codes and Standards Administrator II
Department of Housing and Community Development
Division of Codes and Standards
Telephone: (916) 263–2998
Email: Emily.Withers@hcd.ca.gov

Fax: (916) 327–4712

TITLE 24. BUILDING STANDARDS COMMISSION

NOTICE OF PROPOSED ACTION TO BUILDING STANDARDS OF THE OFFICE OF THE STATE FIRE MARSHAL REGARDING THE 2019 CALIFORNIA BUILDING CODE CALIFORNIA CODE OF REGULATIONS, TITLE 24, PART 2 (SFM 01/18)

Notice is hereby given that the California Building Standards Commission (CBSC) on behalf of The Office of the State Fire Marshal (OSFM) proposes to adopt, approve, codify, and publish changes to building standards contained in the California Code of Regulations (CCR), Title 24, Part 2. The OSFM is proposing building standards related to 2018 Triennial Rulemaking and Code Adoption Cycle.

PUBLIC COMMENT PERIOD

Reference: Government Code Section 11346.5(a)(17).

A public hearing has not been scheduled; however, written comments will be accepted from **September 7**, until **5:00 p.m.** on **October 22, 2018**.

Please address your comments to:

California Building Standards Commission

Attention: Mia Marvelli, Executive Director 2525 Natomas Park Drive, Suite 130 Sacramento, CA 95833

Written comments may also be emailed to CBSC@dgs.ca.gov.

Any interested person, or his or her duly authorized representative, may request no later than 15 days prior to the close of the written comment period that a public hearing be held.

The public will have an opportunity to provide both written and/or oral comments regarding the proposed action on building standards at a public meeting to be conducted by the CBSC to be scheduled at a date near the end of the current adoption cycle. A meeting notice will be issued announcing the date, time and location of the public meeting.

POST-HEARING MODIFICATIONS TO THE TEXT OF THE REGULATIONS

Reference: Government Code Section 11346.5(a)(18).

Following the public comment period, CBSC may adopt the proposed building standards substantially as proposed in this notice or with modifications that are sufficiently related to the original proposed text and notice of proposed changes. If modifications are made, the full text of the proposed modifications, clearly indicated, will be made available to the public for at least 15 days prior to the date on which the CBSC adopts, amends, or repeals the regulation(s). CBSC will accept written comments on the modified building standards during the 15–day period.

NOTE: To be notified of any modifications, you must submit written/oral comments or request that you be notified of any modifications.

AUTHORITY AND REFERENCE

Reference: Government Code Section 11346.5(a)(2). The CBSC proposes to adopt these building standards under the authority granted by Health and Safety Code (HSC) Section 18949.2. The purpose of these building standards is to implement, interpret, or make specific the provisions of HSC Section 18928.

The Office of The State Fire Marshal is proposing this regulatory action based on HSC 13108, 13211, 13113, 13113.5, 13114, 13132.7, 13133, 13135, 13143, 13143.1, 13143.6, 13143.9, 13146, 17921 and 18897.3, and Government Code (GOV) Section 11152.5.

INFORMATIVE DIGEST

Reference: Government Code Section 11346.5(a)(3).

Summary of Existing Laws

HSC Section 13108(a) The State Fire Marshal shall prepare and adopt building standards related to the means of egress, the installation of fire alarms and fire extinguishing systems in any state—owned building or in any state—occupied building.

HSC Section 13113 An automatic sprinkler system shall be installed in all 24—hour institutional type occupancies, and homes for the care of aged or senile persons.

HSC Section 13113.5 The State Fire Marshal shall adopt regulations requiring the installation of automatic smoke detectors in all facilities which provide 24—hour per day care, which house six or fewer persons, and which do not have automatic sprinkler systems.

HSC Section 13114(a) The State Fire Marshal shall adopt regulations and standards to control the quality and installation of fire alarm systems and fire alarm devices marketed, distributed, offered for sale, or sold in this state, and that no person shall market, distribute, offer for sale, or sell any fire alarm system or fire alarm device in this state unless the system or device has been approved and listed by the State Fire Marshal.

HSC Section 13132 Every person, firm, or corporation maintaining or operating any facility for the care of the mentally handicapped shall file a statement with the fire authority having jurisdiction within five days of the admission or readmission of a patient stating that such patient is an ambulatory or a nonambulatory person and enumerating the reasons for such classification. Such a statement shall also be filed for each existing patient within 30 days of the effective date of this section.

Any statement required to be filed pursuant to this section shall be certified as to its correctness by the person attending such patient.

It shall be unlawful for any person, firm, or corporation required to file a statement pursuant to this section to include false statements therein. Any such act shall be in violation of this section and subject to the provisions of Section 13112.

HSC Section 13132.7 Mandates fire retardant roof coverings in fire hazard severity zones.

HSC Section 13133(a) The State Fire Marshal shall develop and adopt regulations establishing new occupancy classifications and specific fire safety standards appropriate for residential facilities, and residential care facilities for the elderly. These fire safety standards shall apply uniformly throughout the state.

HSC Section 13135 The State Fire Marshal shall adopt regulations for alcoholism or drug abuse recovery

or treatment facilities based on whether the residents or patients of the facilities are non-ambulatory.

HSC Section 13143 grants the State Fire Marshal authority to prepare and adopt regulations establishing minimum requirements for the prevention of fire and for the protection of life and property against fire and panic in any building or structure used or intended for use as an asylum, jail, mental hospital, hospital, home for the elderly, children's nursery, children's home or institution not otherwise excluded from the coverage of this subdivision, school, or any similar occupancy of any capacity, and in any assembly occupancy where 50 or more persons may gather together in a building, room, or structure for the purpose of amusement, entertainment, instruction, deliberation, worship, drinking or dining, awaiting transportation, or education.

HSC Section 13143.1(a) The State Fire Marshal shall prepare, adopt, and submit building standards for establishing minimum requirements for the prevention of fire and for the protection of life and property against fire and panic in any motion picture or television production facility.

HSC Section 13143.6(a) The State Fire Marshal shall prepare and adopt regulations establishing minimum standards for the prevention of fire and for the protection of life and property against fire in any building or structure used intended for use as a home or institution for the housing of any person of any age for protective social care and supervision services by any governmental agency, certified family care homes, out—of—home placement facilities, and halfway houses.

HSC Section 13143.9(a) The State Fire Marshal shall prepare, adopt, and submit building standards and other fire and life safety regulations establishing minimum requirements for the storage, handling, and use of hazardous materials.

HSC Section 13211 The State Fire Marshal shall prepare and adopt building standards relating to fire and panic safety in high—rise structures.

HSC Section 17921(b) The State Fire Marshal shall adopt, amend, or repeal and submit building standards for approval pursuant to the provisions of Chapter 4 (commencing with Section 18935) of Part 2.5, and the State Fire Marshal shall adopt, amend, and repeal other rules and regulations for fire and panic safety in all hotels, motels, lodging houses, apartment houses and dwellings, buildings, and structures accessory thereto. These building standards and regulations shall be enforced pursuant to Sections 13145 and 13146; however, this section is not intended to require an inspection by a local fire agency of each single—family dwelling prior to its occupancy.

HSC Section 18928(a) requires each state agency adopting or proposing adoption of a model code, na-

tional standards, or specification shall reference the most recent edition of applicable model codes, national standards, or specifications.

HSC Section 18897.3 Except as provided in Section 18930, the State Fire Marshal shall adopt minimum fire safety regulations for organized camps in accordance with the provisions of Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code. The State Fire Marshal shall adopt and submit building standards for approval pursuant to Chapter 4 (commencing with Section 18935) of Part 2.5 of this division for the purposes described in this section.

HSC Section 18949.2(b) The State Fire Marshal shall remain the state agency responsible for developing building standards to implement the state's fire and life safety policy. In its role as the fire and life safety standard developing agency, the State Fire Marshal shall continue its existing activities and forums designed to facilitate compromise and consensus among the various individuals and groups involved in development of the state's codes related to fire and life safety.

HSC Section 18949.2(c) The state's fire and life safety building standards, as developed by the State Fire Marshal and as adopted by the commission, shall continue to be based on the state's fire and life safety policy goals and mandates as they existed prior to the enactment of this chapter and as they are amended.

Summary of Existing Regulations

The OSFM currently adopts by reference the California Code of Regulations, Title 24, Part 2, 2016 California Building Code with OSFM amendments relating to regulations that establish minimum requirements for the prevention of fire and for the protection of life and property against fire and in any existing buildings or structures used or intended for use as defined in each of the Health and Safety Code references shown above.

Summary of Effect

The general purpose of this proposed action is principally intended to adopt and codify a new edition of the California Building Code (California Code of Regulations, Title 24, Part 2) based upon a model code. This proposed action:

Adopt by reference the 2018 International Building Code for application and effectiveness in the 2019 California Building Code.

Adopt new building standards or necessary amendments to the 2018 International Building Code that address inadequacies of the 2018 International Building Code as they pertain to California laws.

Bring forward previously existing California building standards or amendments, which represent no change in their effect from the 2019 California Building Code.

Comparable Federal Statute or Regulations

The OSFM has determined that there are no comparable federal regulations or statues addressing the fire and life safety requirements as presented in this notice.

Policy Statement Overview

The broad objectives of these proposed regulations are to specifically comply with HSC Section 18928 that requires each proposing state agency to act on the model code within one year after its publication.

The intent of this proposed action is to adopt by reference the 2018 International Building Code and amend said document with new and existing 2019 OSFM amendments. The OSFM further proposes to offer new amendments where necessary to ensure that the regulations of the 2019 California Building Code, establish and or maintain minimum requirements for the prevention of fire and for the protection of life and property against fire and in any building or structure used or intended for use as defined in each of the Health and Safety Code references shown above in the summary of existing laws.

Evaluation of Consistency

The OSFM has determined that that the proposed regulations are not inconsistent or incompatible with existing state regulations addressing the fire and life safety requirements as presented in this notice.

OTHER MATTERS PRESCRIBED BY STATUTE APPLICABLE TO THE AGENCY OR TO ANY SPECIFIC REGULATION OR CLASS OF REGULATIONS

Reference: Government Code Section 11346.5(a)(4). The OSFM has determined that there are no other prescribed statutes or to any specific regulation or class of regulation applicable to the adoption by reference and the amendments relating to the 2018 International Building Code.

MANDATE ON LOCAL AGENCIES OR SCHOOL DISTRICTS

Reference: Government Code Section 11346.5(a)(5). OSFM has determined that the proposed regulatory action would not impose a mandate on local agencies or school districts.

ESTIMATE OF COST OR SAVINGS

Reference: Government Code Section 11346.5(a)(6). An estimate, prepared in accordance with instructions adopted by Department of Finance, of cost or savings to any state agency, local agency, or school district.

A. Cost or Savings to any state agency: **NO**

- B. Cost to any local agency required to be reimbursed under Part 7 (commencing with Section 17500) of Division 4: **NO**
- C. Cost to any school district required to be reimbursed under Part 7 (commencing with Section 17500) of Division 4: **NO**
- D. Other nondiscretionary cost or savings imposed on local agencies: **NO**
- E. Cost or savings in federal funding to the state: **NO**

Estimate: N/A

INITIAL DETERMINATION OF NO SIGNIFICANT STATEWIDE ADVERSE ECONOMIC IMPACT ON BUSINESSES

Reference: Government Code Section 11346.5(a)(8). If the agency makes an initial determination that the adoption/amendment/repeal of this regulation 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, it shall make a declaration to that effect.

OSFM has made an initial determination that the adoption/amendment/repeal of this regulation 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.

DECLARATION OF EVIDENCE

Reference: Government Code Section 11346.5(a)(8). In making the declaration, the agency shall provide in the record of facts, evidence, documents, testimony, or other evidence that the agency relies upon to support its initial determination of no effect.

The OSFM affirms that this rulemaking action complies specifically with the mandates of HSC Sections 13143, 18928, 18949.2(b), 18949(c) and the mandates of the statutory authority of the OSFM as shown in the Informative Digest.

Therefore, the OSFM's initial determination of no significant, statewide adverse economic impact directly affecting business in California and their ability to compete with businesses in other states does not require any additional evidence, documents or other evidence to support this action.

FINDING OF NECESSITY FOR THE PUBLIC'S HEALTH, SAFETY, OR WELFARE

Reference: Government Code Section 11346.5(a)(11).

Any regulation that requires a report shall not apply to businesses, unless the agency makes a finding that it is necessary for the health, safety, or welfare of the public that the regulations apply to businesses.

N/A

COST IMPACT ON REPRESENTATIVE PRIVATE PERSON OR BUSINESS

Reference: Government Code Section 11346.5(a)(9). Describe all cost impacts that a representative private person or business would necessarily incur in reasonable compliance with the proposed action. If no cost impact, provide the following statement:

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

ASSESSMENT OF EFFECT OF REGULATIONS UPON JOBS AND BUSINESS EXPANSION, ELIMINATION OR CREATION

Reference: Government Code Section 11346.5(a)(10).

The OSFM has assessed whether or not and to what extent this proposal will affect the following:

A. The creation or elimination of jobs within the State of California.

N/A

B. The creation of new businesses or the elimination of existing businesses within the State of California.

N/A

- C. The expansion of businesses currently doing business within the State of California. N/A
- D. The benefits of the regulation to the health and welfare of California residents, worker safety, and the state's environment.

 N/A

ESTIMATED COST OF COMPLIANCE OF STANDARDS THAT WOULD IMPACT HOUSING

Reference: Government Code Section 11346.5(a)(12).

The OSFM has made an initial determination that this proposal would not have a significant effect on housing costs.

CONSIDERATION OF ALTERNATIVES

Reference: Government Code Section 11346.5(a)(13).

OSFM has determined that no reasonable alternative considered by OSFM or that has otherwise been identified and brought to the attention of OSFM 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 provisions of law.

AVAILABILITY OF RULEMAKING DOCUMENTS

Reference: Government Code Sections 11346.5(a)(16) and 11346.5(a)(20).

All of the information upon which the proposed regulations are based is contained in the rulemaking file, which is available for public review, by contacting the person named below. This notice, the express terms and initial statement of reasons can be accessed from the CBSC website: www.bsc.ca.gov.

Reference: Government Code Section 11346.5(a)(19).

Interested parties may obtain a copy of the final statement of reasons, once it has been prepared, by making a written request to the contact person named below or at the CBSC website: www.bsc.ca.gov.

Reference: Government Code Section 11346.5(a)(21).

OSFM shall provide, upon request, a description of proposed changes included in the proposed action, in the manner provided by Section 11346.6, to accommodate a person with a visual or other disability for which effective communication is required under state or federal law and that providing the description of proposed changes may require extending the period of public comment for the proposed action.

CBSC CONTACT PERSON FOR PROCEDURAL AND ADMINISTRATIVE QUESTIONS

Reference: Government Code Section 11346.5(a)(14).

General questions regarding procedural and administrative issues should be addressed to:

Michael Nearman, Deputy Executive Director 2525 Natomas Park Drive, Suite 130 Sacramento, CA 95833 Telephone: (916) 263–0916

PROPOSING STATE AGENCY CONTACT PERSON FOR SUBSTANTIVE AND/OR TECHNICAL QUESTIONS ON THE PROPOSED CHANGES TO BUILDING STANDARDS

Specific questions regarding the substantive and/or technical aspects of the proposed changes to the building standards should be addressed to:

Greg Andersen, Division Chief Office of the State Fire Marshal Code Development and Analysis Division (916) 568–2915 Greg.andersen@fire.ca.gov (916) 568–3807 FAX

Crystal Sujeski, Senior Deputy State Fire Marshal Office of the State Fire Marshal Code Development and Analysis Division (916) 568–2916

Crystal.sujeski@fire.ca.gov
(916) 568–3807 FAX

TITLE 24. BUILDING STANDARDS COMMISSION

NOTICE OF PROPOSED ACTION TO BUILDING STANDARDS OF THE OFFICE OF THE STATE FIRE MARSHAL REGARDING THE 2019 CALIFORNIA RESIDENTIAL CODE CALIFORNIA CODE OF REGULATIONS, TITLE 24, PART 2.5

2018 TRIENNIAL RULEMAKING CYCLE (SFM 02/18)

Notice is hereby given that the California Building Standards Commission (CBSC) on behalf of The Office of the State Fire Marshal (OSFM) proposes to adopt, approve, codify, and publish changes to building standards contained in the California Code of Regulations (CCR), Title 24, Part 2.5. The OSFM is proposing building standards related to 2018 Triennial Rulemaking and Code Adoption Cycle.

PUBLIC COMMENT PERIOD

Reference: Government Code Section 11346.5(a)(17).

A public hearing has not been scheduled; however, written comments will be accepted from **September 7**, until **5:00 p.m. on October 22, 2018**.

Please address your comments to:

California Building Standards Commission

Attention: Mia Marvelli, Executive Director 2525 Natomas Park Drive, Suite 130 Sacramento, CA 95833

Written comments may also be emailed to <u>CBSC@dgs.ca.gov</u>.

Any interested person, or his or her duly authorized representative, may request no later than 15 days prior to the close of the written comment period that a public hearing be held.

The public will have an opportunity to provide both written and/or oral comments regarding the proposed action on building standards at a public meeting to be conducted by the CBSC to be scheduled at a date near the end of the current adoption cycle. A meeting notice will be issued announcing the date, time and location of the public meeting.

POST-HEARING MODIFICATIONS TO THE TEXT OF THE REGULATIONS

Reference: Government Code Section 11346.5(a)(18).

Following the public comment period, CBSC may adopt the proposed building standards substantially as proposed in this notice or with modifications that are sufficiently related to the original proposed text and notice of proposed changes. If modifications are made, the full text of the proposed modifications, clearly indicated, will be made available to the public for at least 15 days prior to the date on which the CBSC adopts, amends, or repeals the regulation(s). CBSC will accept written comments on the modified building standards during the 15–day period.

NOTE: To be notified of any modifications, you must submit written/oral comments or request that you be notified of any modifications.

AUTHORITY AND REFERENCE

Reference: Government Code Section 11346.5(a)(2). The CBSC proposes to adopt these building standards under the authority granted by Health and Safety Code (HSC) Section 18749.2. The purpose of these building standards is to implement, interpret, or make specific the provisions of HSC Section 18928.

The Office of the State Fire Marshal is proposing this regulatory action based on HSC Sections 13108, 13211, 13113, 13113.5, 13114, 13132.7, 13133, 13135,

13143.1, 13143.6, 13146, 17921 and 18897.3, and Government Code (GOV) Section 11152.5.

INFORMATIVE DIGEST

Reference: Government Code Section 11346.5(a)(3).

Summary of Existing Laws

HSC Section 13108(a) The State Fire Marshal shall prepare and adopt building standards related to the means of egress, the installation of fire alarms and fire extinguishing systems in any state—owned building or in any state—occupied building.

HSC Section 13113 A automatic sprinkler system shall be installed in all 24—hour institutional type occupancies, and homes for the care of aged or senile persons

HSC Section 13113.5 The State Fire Marshal shall adopt regulations requiring the installation of automatic smoke detectors in all facilities which provide 24–hour per day care, which house six or fewer persons, and which do not have automatic sprinkler systems.

HSC Section 13114(a) The State Fire Marshal shall adopt regulations and standards to control the quality and installation of fire alarm systems and fire alarm devices marketed, distributed, offered for sale, or sold in this state, and that no person shall market, distribute, offer for sale, or sell any fire alarm system or fire alarm device in this state unless the system or device has been approved and listed by the State Fire Marshal.

HSC Section 13132 Every person, firm, or corporation maintaining or operating any facility for the care of the mentally handicapped shall file a statement with the fire authority having jurisdiction within five days of the admission or readmission of a patient stating that such patient is an ambulatory or a non–ambulatory person and enumerating the reasons for such classification. Such a statement shall also be filed for each existing patient within 30 days of the effective date of this section.

Any statement required to be filed pursuant to this section shall be certified as to its correctness by the person attending such patient.

It shall be unlawful for any person, firm, or corporation required to file a statement pursuant to this section to include false statements therein. Any such act shall be in violation of this section and subject to the provisions of Section 13112.

HSC Section 13132.7 Mandates fire retardant roof coverings in fire hazard severity zones.

HSC Section 13133(a) The State Fire Marshal shall develop and adopt regulations establishing new occupancy classifications and specific fire safety standards appropriate for residential facilities, and residential care facilities for the elderly. These fire safety standards shall apply uniformly throughout the state.

HSC Section 13135 The State Fire Marshal shall adopt regulations for alcoholism or drug abuse recovery or treatment facilities based on whether the residents or patients of the facilities are non–ambulatory.

HSC Section 13143 grants the State Fire Marshal authority to prepare and adopt regulations establishing minimum requirements for the prevention of fire and for the protection of life and property against fire and panic in any building or structure used or intended for use as an asylum, jail, mental hospital, hospital, home for the elderly, children's nursery, children's home or institution not otherwise excluded from the coverage of this subdivision, school, or any similar occupancy of any capacity, and in any assembly occupancy where 50 or more persons may gather together in a building, room, or structure for the purpose of amusement, entertainment, instruction, deliberation, worship, drinking or dining, awaiting transportation, or education.

HSC Section 13143.1(a) The State Fire Marshal shall prepare, adopt, and submit building standards for establishing minimum requirements for the prevention of fire and for the protection of life and property against fire and panic in any motion picture or television production facility.

HSC Section 13143.6(a) The State Fire Marshal shall prepare and adopt regulations establishing minimum standards for the prevention of fire and for the protection of life and property against fire in any building or structure used intended for use as a home or institution for the housing of any person of any age for protective social care and supervision services by any governmental agency, certified family care homes, out—of—home placement facilities, and halfway houses.

HSC Section 13143.9(a) The State Fire Marshal shall prepare, adopt, and submit building standards and other fire and life safety regulations establishing minimum requirements for the storage, handling, and use of hazardous materials.

HSC Section 13211 The State Fire Marshal shall prepare and adopt building standards relating to fire and panic safety in high—rise structures.

HSC Section 17921(b) The State Fire Marshal shall adopt, amend, or repeal and submit building standards for approval pursuant to the provisions of Chapter 4 (commencing with Section 18935) of Part 2.5, and the State Fire Marshal shall adopt, amend, and repeal other rules and regulations for fire and panic safety in all hotels, motels, lodging houses, apartment houses and dwellings, buildings, and structures accessory thereto. These building standards and regulations shall be enforced pursuant to Sections 13145 and 13146; however, this section is not intended to require an inspection by a local fire agency of each single—family dwelling prior to its occupancy.

HSC Section 18928(a) requires each state agency adopting or proposing adoption of a model code, national standards, or specification shall reference the most recent edition of applicable model codes, national standards, or specifications.

HSC Section 18897.3 Except as provided in Section 18930, the State Fire Marshal shall adopt minimum fire safety regulations for organized camps in accordance with the provisions of Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code. The State Fire Marshal shall adopt and submit building standards for approval pursuant to Chapter 4 (commencing with Section 18935) of Part 2.5 of this division for the purposes described in this section.

HSC Section 18949.2(b) The State Fire Marshal shall remain the state agency responsible for developing building standards to implement the state's fire and life safety policy. In its role as the fire and life safety standard developing agency, the State Fire Marshal shall continue its existing activities and forums designed to facilitate compromise and consensus among the various individuals and groups involved in development of the state's codes related to fire and life safety.

HSC Section 18949.2(c) The state's fire and life safety building standards, as developed by the State Fire Marshal and as adopted by the commission, shall continue to be based on the state's fire and life safety policy goals and mandates as they existed prior to the enactment of this chapter and as they are amended.

Summary of Existing Regulations

The State Fire Marshal currently adopts by reference the California Code of Regulations, Title 24, Part 2.5, 2016 California Residential Code with State Fire Marshal amendments relating to regulations that establish minimum requirements for the prevention of fire and for the protection of life and property against fire in any existing buildings or structures used or intended for use as defined in each of the Health and Safety Code references shown above.

Summary of Effect

The general purpose of this proposed action is principally intended to adopt and codify a new edition of the California Residential Code (California Code of Regulations, Title 24, Part 2.5) based upon a model code. This proposed action:

Adopt by reference the 2018 International Residential Code for application and effectiveness in the 2019 California Residential Code.

Adopt new building standards or necessary amendments to the 2018 International Residential Code that address inadequacies of the 2016 International Residential Code as they pertain to California laws.

Bring forward previously existing California building standards or amendments, which represent no change in their effect from the 2016 California Residential Code.

Comparable Federal Statute or Regulations

The State Fire Marshal has determined that there are no comparable federal regulations or statues addressing the fire and life safety requirements as presented in this notice.

Policy Statement Overview

The broad objectives of these proposed regulations are to specifically comply with HSC Section 18928 that requires each proposing state agency to act on the model code within one year after its publication.

The intent of this proposed action is to adopt by reference the 2018 International Residential Code and amend said document with new and existing 2019 California amendments. The State Fire Marshal further proposes to offer new amendments where necessary to ensure that the regulations of the California Residential Code, establish and or maintain minimum requirements for the prevention of fire and for the protection of life and property against fire and in any building or structure used or intended for use as defined in each of the Health and Safety Code references shown above in the summary of existing laws.

Evaluation of Consistency

The State Fire Marshal has determined that that the proposed regulations are not inconsistent or incompatible with existing state regulations addressing the fire and life safety requirements as presented in this notice.

OTHER MATTERS PRESCRIBED BY STATUTE APPLICABLE TO THE AGENCY OR TO ANY SPECIFIC REGULATION OR CLASS OF REGULATIONS

Reference: Government Code Section 11346.5(a)(4). The Office of the State Fire Marshal has determined that there are no other prescribed statutes or to any specific regulation or class of regulation applicable to the adoption by reference and the amendments relating to the 2018 International Residential Code.

MANDATE ON LOCAL AGENCIES OR SCHOOL DISTRICTS

Reference: Government Code Section 11346.5(a)(5).

OSFM has determined that the proposed regulatory action would not impose a mandate on local agencies or school districts.

ESTIMATE OF COST OR SAVINGS

Reference: Government Code Section 11346.5(a)(6). An estimate, prepared in accordance with instructions adopted by Department of Finance, of cost or savings to any state agency, local agency, or school district.

- A. Cost or Savings to any state agency: **NO**
- B. Cost to any local agency required to be reimbursed under Part 7 (commencing with Section 17500) of Division 4: **NO**
- C. Cost to any school district required to be reimbursed under Part 7 (commencing with Section 17500) of Division 4: **NO**
- D. Other nondiscretionary cost or savings imposed on local agencies: **NO**

E. Cost or savings in federal funding to the state: **NO** Estimate: N/A

INITIAL DETERMINATION OF NO SIGNIFICANT STATEWIDE ADVERSE ECONOMIC IMPACT ON BUSINESSES

Reference: Government Code Section 11346.5(a)(8). If the agency makes an initial determination that the adoption/amendment/repeal of this regulation 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, it shall make a declaration to that effect.

OSFM has made an initial determination that the adoption/amendment/repeal of this regulation will not have a significant statewide adverse economic impact on businesses, including the ability of California businesses to compete with businesses in other states.

DECLARATION OF EVIDENCE

Reference: Government Code Section 11346.5(a)(8). In making the declaration, the agency shall provide in the record of facts, evidence, documents, testimony, or other evidence that the agency relies upon to support its initial determination of no effect.

The Office of the State Fire Marshal affirms that this rulemaking action complies specifically with the mandates of HSC Sections 13143, 18928, 18949.2(b), 18949(c) and the mandates of the statutory authority of the State Fire Marshal as shown in the Informative Digest.

Therefore, the Office of the State Fire Marshal's initial determination of no significant, statewide adverse

economic impact directly affecting business in California and their ability to compete with businesses in other states does not require any additional evidence, documents or other evidence to support this action.

FINDING OF NECESSITY FOR THE PUBLIC'S HEALTH, SAFETY, OR WELFARE

Reference: Government Code Section 11346.5(a)(11).

Any regulation that requires a report shall not apply to businesses, unless the agency makes a finding that it is necessary for the health, safety, or welfare of the public that the regulations apply to businesses.

N/A

COST IMPACT ON REPRESENTATIVE PRIVATE PERSON OR BUSINESS

Reference: Government Code Section 11346.5(a)(9). Describe all cost impacts that a representative private person or business would necessarily incur in reasonable compliance with the proposed action. If no cost impact, provide the following statement:

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

ASSESSMENT OF EFFECT OF REGULATIONS UPON JOBS AND BUSINESS EXPANSION, ELIMINATION OR CREATION

Reference: Government Code Section 11346.5(a)(10).

The Office of The State Fire Marshal has assessed whether or not and to what extent this proposal will affect the following:

A. The creation or elimination of jobs within the State of California.

N/A

- B. The creation of new businesses or the elimination of existing businesses within the State of California.

 N/A
- C. The expansion of businesses currently doing business within the State of California.

 N/A
- D. The benefits of the regulation to the health and welfare of California residents, worker safety, and the state's environment.

 N/A

ESTIMATED COST OF COMPLIANCE OF STANDARDS THAT WOULD IMPACT HOUSING

Reference: Government Code Section 11346.5(a)(12).

The OSFM has made an initial determination that this proposal would not have a significant effect on housing costs.

CONSIDERATION OF ALTERNATIVES

Reference: Government Code Section 11346.5(a)(13).

OSFM has determined that no reasonable alternative considered by OSFM or that has otherwise been identified and brought to the attention of OSFM 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 provisions of law.

AVAILABILITY OF RULEMAKING DOCUMENTS

Reference: Government Code Sections 11346.5(a)(16) and 11346.5(a)(20).

All of the information upon which the proposed regulations are based is contained in the rulemaking file, which is available for public review, by contacting the person named below. This notice, the express terms and initial statement of reasons can be accessed from the CBSC website: www.bsc.ca.gov.

Reference: Government Code Section 11346.5(a)(19).

Interested parties may obtain a copy of the final statement of reasons, once it has been prepared, by making a written request to the contact person named below or at the CBSC website: www.bsc.ca.gov.

Reference: Government Code Section 11346.5(a)(21).

OSFM shall provide, upon request, a description of proposed changes included in the proposed action, in the manner provided by Section 11346.6, to accommodate a person with a visual or other disability for which effective communication is required under state or federal law and that providing the description of proposed changes may require extending the period of public comment for the proposed action.

CBSC CONTACT PERSON FOR PROCEDURAL AND ADMINISTRATIVE QUESTIONS

Reference: Government Code Section 11346.5(a)(14).

General questions regarding procedural and administrative issues should be addressed to:

Gary Fabian, Associate Architect 2525 Natomas Park Drive, Suite 130 Sacramento, CA 95833 Telephone: (916) 263–0916

PROPOSING STATE AGENCY CONTACT PERSON FOR SUBSTANTIVE AND/OR TECHNICAL QUESTIONS ON THE PROPOSED CHANGES TO BUILDING STANDARDS

Specific questions regarding the substantive and/or technical aspects of the proposed changes to the building standards should be addressed to:

Greg Andersen, Division Chief Office of the State Fire Marshal Code Development and Analysis Division (916) 568–2915 Greg andersen@fire.ca.gov (916) 568–3807 FAX

Crystal Sujeski, Senior Deputy State Fire Marshal Office of the State Fire Marshal Code Development and Analysis Division (916) 568–2916

Crystal.sujeski@fire.ca.gov
(916) 568–3807 FAX

TITLE 24. BUILDING STANDARDS COMMISSION

NOTICE OF PROPOSED ACTION TO BUILDING STANDARDS OF THE OFFICE OF THE STATE FIRE MARSHAL REGARDING THE 2019 CALIFORNIA FIRE CODE CALIFORNIA CODE OF REGULATIONS, TITLE 24, PART 9 (SFM 06/18)

Notice is hereby given that the California Building Standards Commission (CBSC) on behalf of the Office of the State Fire Marshal (OSFM) proposes to adopt, approve, codify, and publish changes to building standards contained in the California Code of Regulations (CCR), Title 24, Part 9. The OSFM is proposing building standards related to 2018 Triennial Rulemaking and Code Adoption Cycle.

PUBLIC COMMENT PERIOD

Reference: Government Code Section 11346.5(a)(17).

A public hearing has not been scheduled; however, written comments will be accepted from **September 7**, until **5:00 p.m.** on **October 22**, **2018**.

Please address your comments to:

California Building Standards Commission

Attention: Mia Marvelli, Executive Director 2525 Natomas Park Drive, Suite 130 Sacramento, CA 95833

Written comments may also be emailed to CBSC@dgs.ca.gov.

Any interested person, or his or her duly authorized representative, may request no later than 15 days prior to the close of the written comment period that a public hearing be held.

The public will have an opportunity to provide both written and/or oral comments regarding the proposed action on building standards at a public meeting to be conducted by the CBSC to be scheduled at a date near the end of the current adoption cycle. A meeting notice will be issued announcing the date, time and location of the public meeting.

POST-HEARING MODIFICATIONS TO THE TEXT OF THE REGULATIONS

Reference: Government Code Section 11346.5(a)(18).

Following the public comment period, CBSC may adopt the proposed building standards substantially as proposed in this notice or with modifications that are sufficiently related to the original proposed text and notice of proposed changes. If modifications are made, the full text of the proposed modifications, clearly indicated, will be made available to the public for at least 15 days prior to the date on which the CBSC adopts, amends, or repeals the regulation(s). CBSC will accept written comments on the modified building standards during the 15–day period.

NOTE: To be notified of any modifications, you must submit written/oral comments or request that you be notified of any modifications.

AUTHORITY AND REFERENCE

Reference: Government Code Section 11346.5(a)(2). The CBSC proposes to adopt these building standards under the authority granted by Health and Safety Code (HSC) Section 18949.2. The purpose of these building standards is to implement, interpret, or make specific the provisions of HSC Section 18928.

The Office of The State Fire Marshal is proposing this regulatory action based on HSC 13108, 13211, 13113, 13113.5, 13114, 13132.7, 13133, 13135, 13143, 13143.1, 13143.6, 13143.9, 13146, 17921 and 18897.3 and Government Code (GOV) Section 11152.5.

INFORMATIVE DIGEST

Reference: Government Code Section 11346.5(a)(3). **Summary of Existing Laws**

HSC Section 13108(a) The State Fire Marshal shall prepare and adopt building standards related to the means of egress, the installation of fire alarms and fire extinguishing systems in any state—owned building or in any state—occupied building.

HSC Section 13113 A automatic sprinkler system shall be installed in all 24—hour institutional type occupancies, and homes for the care of aged or senile persons.

HSC Section 13113.5 The State Fire Marshal Shall adopt regulations requiring the installation of automatic smoke detectors in all facilities which provide 24—hour per day care, which house six or fewer persons, and which do not have automatic sprinkler systems.

HSC Section 13114(a) The State Fire Marshal shall adopt regulations and standards to control the quality and installation of fire alarm systems and fire alarm devices marketed, distributed, offered for sale, or sold in this state, and that no person shall market, distribute, offer for sale, or sell any fire alarm system or fire alarm device in this state unless the system or device has been approved and listed by the State Fire Marshal.

HSC Section 13132 Every person, firm, or corporation maintaining or operating any facility for the care of the mentally handicapped shall file a statement with the fire authority having jurisdiction within five days of the admission or readmission of a patient stating that such patient is an ambulatory or a nonambulatory person and enumerating the reasons for such classification. Such a statement shall also be filed for each existing patient within 30 days of the effective date of this section.

Any statement required to be filed pursuant to this section shall be certified as to its correctness by the person attending such patient.

It shall be unlawful for any person, firm, or corporation required to file a statement pursuant to this section to include false statements therein. Any such act shall be in violation of this section and subject to the provisions of Section 13112.

HSC Section 13132.7 Mandates fire retardant roof coverings in fire hazard severity zones.

HSC Section 13133(a) The State Fire Marshal shall develop and adopt regulations establishing new occupancy classifications and specific fire safety standards

appropriate for residential facilities, and residential care facilities for the elderly. These fire safety standards shall apply uniformly throughout the state.

HSC Section 13135 The State Fire Marshal shall adopt regulations for alcoholism or drug abuse recovery or treatment facilities based on whether the residents or patients of the facilities are non–ambulatory.

HSC Section 13143 grants the State Fire Marshal authority to prepare and adopt regulations establishing minimum requirements for the prevention of fire and for the protection of life and property against fire and panic in any building or structure used or intended for use as an asylum, jail, mental hospital, hospital, home for the elderly, children's nursery, children's home or institution not otherwise excluded from the coverage of this subdivision, school, or any similar occupancy of any capacity, and in any assembly occupancy where 50 or more persons may gather together in a building, room, or structure for the purpose of amusement, entertainment, instruction, deliberation, worship, drinking or dining, awaiting transportation, or education.

HSC Section 13143.1(a) The State Fire Marshal shall prepare, adopt, and submit building standards for establishing minimum requirements for the prevention of fire and for the protection of life and property against fire and panic in any motion picture or television production facility.

HSC Section 13143.6(a) The State Fire Marshal shall prepare and adopt regulations establishing minimum standards for the prevention of fire and for the protection of life and property against fire in any building or structure used intended for use as a home or institution for the housing of any person of any age for protective social care and supervision services by any governmental agency, certified family care homes, out—of—home placement facilities, and halfway houses.

HSC Section 13143.9(a) The State Fire Marshal shall prepare, adopt, and submit building standards and other fire and life safety regulations establishing minimum requirements for the storage, handling, and use of hazardous materials.

HSC Section 13211 The State Fire Marshal shall prepare and adopt building standards relating to fire and panic safety in high—rise structures.

HSC Section 17921(b) The State Fire Marshal shall adopt, amend, or repeal and submit building standards for approval pursuant to the provisions of Chapter 4 (commencing with Section 18935) of Part 2.5, and the State Fire Marshal shall adopt, amend, and repeal other rules and regulations for fire and panic safety in all hotels, motels, lodging houses, apartment houses and dwellings, buildings, and structures accessory thereto. These building standards and regulations shall be enforced pursuant to Sections 13145 and 13146; however, this section is not intended to require an inspection by a

local fire agency of each single—family dwelling prior to its occupancy.

HSC Section 18928(a) requires each state agency adopting or proposing adoption of a model code, national standards, or specification shall reference the most recent edition of applicable model codes, national standards, or specifications.

HSC Section 18897.3 Except as provided in Section 18930, the State Fire Marshal shall adopt minimum fire safety regulations for organized camps in accordance with the provisions of Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code. The State Fire Marshal shall adopt and submit building standards for approval pursuant to Chapter 4 (commencing with Section 18935) of Part 2.5 of this division for the purposes described in this section

HSC Section 18949.2(b) The State Fire Marshal shall remain the state agency responsible for developing building standards to implement the state's fire and life safety policy. In its role as the fire and life safety standard developing agency, the State Fire Marshal shall continue its existing activities and forums designed to facilitate compromise and consensus among the various individuals and groups involved in development of the state's codes related to fire and life safety.

HSC Section 18949.2(c) The state's fire and life safety building standards, as developed by the State Fire Marshal and as adopted by the commission, shall continue to be based on the state's fire and life safety policy goals and mandates as they existed prior to the enactment of this chapter and as they are amended.

Summary of Existing Regulations

The OSFM currently adopts by reference the California Code of Regulations, Title 24, Part 9, 2016 California Building Code with OSFM amendments relating to regulations that establish minimum requirements for the prevention of fire and for the protection of life and property against fire and in any existing buildings or structures used or intended for use as defined in each of the Health and Safety Code references shown above.

Summary of Effect

The general purpose of this proposed action is principally intended to adopt and codify a new edition of the California Fire Code (California Code of Regulations, Title 24, Part 9) based upon a model code. This proposed action:

Adopt by reference the 2018 International Fire Code for application and effectiveness in the 2019 California Fire Code.

Adopt new building standards or necessary amendments to the 2018 International Fire Code that address inadequacies of the 2018 International Fire Code as they pertain to California laws.

Bring forward previously existing California building standards or amendments, which represent no change in their effect from the 2016 California Fire Code

Comparable Federal Statute or Regulations

The OSFM has determined that there are no comparable federal regulations or statues addressing the fire and life safety requirements as presented in this notice.

Policy Statement Overview

The broad objectives of these proposed regulations are to specifically comply with HSC Section 18928 that requires each proposing state agency to act on the model code within one year after its publication.

The intent of this proposed action is to adopt by reference the 2018 International Fire Code and amend said document with new and existing 2019 OSFM amendments. The OSFM further proposes to offer new amendments where necessary to ensure that the regulations of the California Fire Code, establish and or maintain minimum requirements for the prevention of fire and for the protection of life and property against fire and in any building or structure used or intended for use as defined in each of the Health and Safety Code references shown above in the summary of existing laws.

Evaluation of Consistency

The OSFM has determined that that the proposed regulations are not inconsistent or incompatible with existing state regulations addressing the fire and life safety requirements as presented in this notice.

OTHER MATTERS PRESCRIBED BY STATUTE APPLICABLE TO THE AGENCY OR TO ANY SPECIFIC REGULATION OR CLASS OF REGULATIONS

Reference: Government Code Section 11346.5(a)(4). The OSFM has determined that there are no other prescribed statutes or to any specific regulation or class of regulation applicable to the adoption by reference and the amendments relating to the 2018 International Fire Code.

MANDATE ON LOCAL AGENCIES OR SCHOOL DISTRICTS

Reference: Government Code Section 11346.5(a)(5). OSFM has determined that the proposed regulatory action would not impose a mandate on local agencies or school districts.

ESTIMATE OF COST OR SAVINGS

Reference: Government Code Section 11346.5(a)(6). An estimate, prepared in accordance with instructions adopted by Department of Finance, of cost or savings to any state agency, local agency, or school district.

- A. Cost or Savings to any state agency: **NO**
- B. Cost to any local agency required to be reimbursed under Part 7 (commencing with Section 17500) of Division 4: **NO**
- C. Cost to any school district required to be reimbursed under Part 7 (commencing with Section 17500) of Division 4: **NO**
- D. Other nondiscretionary cost or savings imposed on local agencies: **NO**
- E. Cost or savings in federal funding to the state: NO Estimate: N/A

INITIAL DETERMINATION OF NO SIGNIFICANT STATEWIDE ADVERSE ECONOMIC IMPACT ON BUSINESSES

Reference: Government Code Section 11346.5(a)(8). If the agency makes an initial determination that the adoption/amendment/repeal of this regulation 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, it shall make a declaration to that effect.

OSFM has made an initial determination that the adoption/amendment/repeal of this regulation will not have a significant statewide adverse economic impact on businesses, including the ability of California businesses to compete with businesses in other states.

DECLARATION OF EVIDENCE

Reference: Government Code Section 11346.5(a)(8). In making the declaration, the agency shall provide in the record of facts, evidence, documents, testimony, or other evidence that the agency relies upon to support its initial determination of no effect.

The OSFM affirms that this rulemaking action complies specifically with the mandates of HSC Sections 13143, 18928, 18949.2(b), 18949(c) and the mandates of the statutory authority of the OSFM as shown in the Informative Digest.

Therefore, the OSFM's initial determination of no significant, statewide adverse economic impact directly affecting business in California and their ability to compete with businesses in other states does not require any additional evidence, documents or other evidence to support this action.

FINDING OF NECESSITY FOR THE PUBLIC'S HEALTH, SAFETY, OR WELFARE

Reference: Government Code Section 11346.5(a)(11).

Any regulation that requires a report shall not apply to businesses, unless the agency makes a finding that it is necessary for the health, safety, or welfare of the public that the regulations apply to businesses.

N/A

COST IMPACT ON REPRESENTATIVE PRIVATE PERSON OR BUSINESS

Reference: Government Code Section 11346.5(a)(9). Describe all cost impacts that a representative private person or business would necessarily incur in reasonable compliance with the proposed action. If no cost impact, provide the following statement:

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

ASSESSMENT OF EFFECT OF REGULATIONS UPON JOBS AND BUSINESS EXPANSION, ELIMINATION OR CREATION

Reference: Government Code Section 11346.5(a)(10).

The Office of The State Fire Marshal has assessed whether or not and to what extent this proposal will affect the following:

A. The creation or elimination of jobs within the State of California.

N/A

B. The creation of new businesses or the elimination of existing businesses within the State of California.

N/A

- C. The expansion of businesses currently doing business within the State of California. N/A
- D. The benefits of the regulation to the health and welfare of California residents, worker safety, and the state's environment.

 N/A

ESTIMATED COST OF COMPLIANCE OF STANDARDS THAT WOULD IMPACT HOUSING

Reference: Government Code Section 11346.5(a)(12).

The OSFM has made an initial determination that this proposal would not have a significant effect on housing costs.

CONSIDERATION OF ALTERNATIVES

Reference: Government Code Section 11346.5(a)(13).

OSFM has determined that no reasonable alternative considered by OSFM or that has otherwise been identified and brought to the attention of OSFM 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 provisions of law..

AVAILABILITY OF RULEMAKING DOCUMENTS

Reference: Government Code Sections 11346.5(a)(16) and 11346.5(a)(20).

All of the information upon which the proposed regulations are based is contained in the rulemaking file, which is available for public review, by contacting the person named below. This notice, the express terms and initial statement of reasons can be accessed from the CBSC website: www.bsc.ca.gov.

Reference: Government Code Section 11346.5(a)(19).

Interested parties may obtain a copy of the final statement of reasons, once it has been prepared, by making a written request to the contact person named below or at the <u>CBSC</u> website: www.bsc.ca.gov.

Reference: Government Code Section 11346.5(a)(21).

OSFM shall provide, upon request, a description of proposed changes included in the proposed action, in the manner provided by Section 11346.6, to accommodate a person with a visual or other disability for which effective communication is required under state or federal law and that providing the description of proposed changes may require extending the period of public comment for the proposed action.

CBSC CONTACT PERSON FOR PROCEDURAL AND ADMINISTRATIVE QUESTIONS

Reference: Government Code Section 11346.5(a)(14).

General questions regarding procedural and administrative issues should be addressed to:

Gary Fabian, Associate Architect 2525 Natomas Park Drive, Suite 130 Sacramento, CA 95833 Telephone: (916) 263–0916

PROPOSING STATE AGENCY CONTACT PERSON FOR SUBSTANTIVE AND/OR TECHNICAL QUESTIONS ON THE PROPOSED CHANGES TO BUILDING STANDARDS

Specific questions regarding the substantive and/or technical aspects of the proposed changes to the building standards should be addressed to:

Greg Andersen, Division Chief Office of the State Fire Marshal Code Development and Analysis Division (916) 327–4998 <u>Greg.andersen@fire.ca.gov</u> (916) 445–8459 FAX

Crystal Sujeski, Senior Deputy State Fire Marshal Office of the State Fire Marshal Code Development and Analysis Division (916) 568–2916

Crystal.sujeski@fire.ca.gov
(916) 568–3807 FAX

TITLE 24. BUILDING STANDARDS COMMISSION

NOTICE OF PROPOSED ACTION TO BUILDING STANDARDS OF THE OFFICE OF THE STATE FIRE MARSHAL REGARDING THE 2019 CALIFORNIA EXISTING BUILDING CODE CALIFORNIA CODE OF REGULATIONS, TITLE 24, PART 10 (SFM 07/18)

Notice is hereby given that the California Building Standards Commission (CBSC) on behalf of the Office of the State Fire Marshal (OSFM) proposes to adopt, approve, codify, and publish changes to building standards contained in the California Code of Regulations (CCR), Title 24, Part 10. The OSFM is proposing building standards related to 2018 Triennial Rulemaking and Code Adoption Cycle.

PUBLIC COMMENT PERIOD

Reference: Government Code Section 11346.5(a)(17).

A public hearing has not been scheduled; however, written comments will be accepted from **September 7**, until **5:00 p.m.** on **October 22**, **2018**.

Please address your comments to:

California Building Standards Commission

Attention: Mia Marvelli, Executive Director 2525 Natomas Park Drive, Suite 130 Sacramento, CA 95833

Written comments may also be emailed to <u>CBSC@dgs.ca.gov.</u>

Any interested person, or his or her duly authorized representative, may request no later than 15 days prior to the close of the written comment period that a public hearing be held.

The public will have an opportunity to provide both written and/or oral comments regarding the proposed action on building standards at a public meeting to be conducted by the CBSC to be scheduled at a date near the end of the current adoption cycle. A meeting notice will be issued announcing the date, time and location of the public meeting.

POST-HEARING MODIFICATIONS TO THE TEXT OF THE REGULATIONS

Reference: Government Code Section 11346.5(a)(18).

Following the public comment period, CBSC may adopt the proposed building standards substantially as proposed in this notice or with modifications that are sufficiently related to the original proposed text and notice of proposed changes. If modifications are made, the full text of the proposed modifications, clearly indicated, will be made available to the public for at least 15 days prior to the date on which the CBSC adopts, amends, or repeals the regulation(s). CBSC will accept written comments on the modified building standards during the 15–day period.

NOTE: To be notified of any modifications, you must submit written/oral comments or request that you be notified of any modifications.

AUTHORITY AND REFERENCE

Reference: Government Code Section 11346.5(a)(2). The CBSC proposes to adopt these building standards under the authority granted by Health and Safety Code (HSC) Section 18949.2. The purpose of these building standards is to implement, interpret, or make specific the provisions of HSC Section 18928.

The Office of the State Fire Marshal is proposing this regulatory action based on HSC 13108, 13211, 13113, 13113.5, 13114, 13132.7, 13133, 13135, 13143,

13143.1, 13143.6, 13143.9, 13146, 17921 and 18897.3 and Government Code (GOV) Section 11152.5.

INFORMATIVE DIGEST

Reference: Government Code Section 11346.5(a)(3).

Summary of Existing Laws

HSC Section 13108(a) The State Fire Marshal shall prepare and adopt building standards related to the means of egress, the installation of fire alarms and fire extinguishing systems in any state—owned building or in any state—occupied building.

HSC Section 13113 A automatic sprinkler system shall be installed in all 24—hour institutional type occupancies, and homes for the care of aged or senile persons

HSC Section 13113.5 The State Fire Marshal shall adopt regulations requiring the installation of automatic smoke detectors in all facilities which provide 24–hour per day care, which house six or fewer persons, and which do not have automatic sprinkler systems.

HSC Section 13114(a) The State Fire Marshal shall adopt regulations and standards to control the quality and installation of fire alarm systems and fire alarm devices marketed, distributed, offered for sale, or sold in this state, and that no person shall market, distribute, offer for sale, or sell any fire alarm system or fire alarm device in this state unless the system or device has been approved and listed by the State Fire Marshal.

HSC Section 13132 Every person, firm, or corporation maintaining or operating any facility for the care of the mentally handicapped shall file a statement with the fire authority having jurisdiction within five days of the admission or readmission of a patient stating that such patient is an ambulatory or a nonambulatory person and enumerating the reasons for such classification. Such a statement shall also be filed for each existing patient within 30 days of the effective date of this section.

Any statement required to be filed pursuant to this section shall be certified as to its correctness by the person attending such patient.

It shall be unlawful for any person, firm, or corporation required to file a statement pursuant to this section to include false statements therein. Any such act shall be in violation of this section and subject to the provisions of Section 13112.

HSC Section 13132.7 Mandates fire retardant roof coverings in fire hazard severity zones.

HSC Section 13133(a) The State Fire Marshal shall develop and adopt regulations establishing new occupancy classifications and specific fire safety standards appropriate for residential facilities, and residential care facilities for the elderly. These fire safety standards shall apply uniformly throughout the state.

HSC Section 13135 The State Fire Marshal shall adopt regulations for alcoholism or drug abuse recovery or treatment facilities based on whether the residents or patients of the facilities are non–ambulatory.

HSC Section 13143 grants the State Fire Marshal authority to prepare and adopt regulations establishing minimum requirements for the prevention of fire and for the protection of life and property against fire and panic in any building or structure used or intended for use as an asylum, jail, mental hospital, hospital, home for the elderly, children's nursery, children's home or institution not otherwise excluded from the coverage of this subdivision, school, or any similar occupancy of any capacity, and in any assembly occupancy where 50 or more persons may gather together in a building, room, or structure for the purpose of amusement, entertainment, instruction, deliberation, worship, drinking or dining, awaiting transportation, or education.

HSC Section 13143.1(a) The State Fire Marshal shall prepare, adopt, and submit building standards for establishing minimum requirements for the prevention of fire and for the protection of life and property against fire and panic in any motion picture or television production facility.

HSC Section 13143.6(a) The State Fire Marshal shall prepare and adopt regulations establishing minimum standards for the prevention of fire and for the protection of life and property against fire in any building or structure used intended for use as a home or institution for the housing of any person of any age for protective social care and supervision services by any governmental agency, certified family care homes, out—of—home placement facilities, and halfway houses.

HSC Section 13143.9(a) The State Fire Marshal shall prepare, adopt, and submit building standards and other fire and life safety regulations establishing minimum requirements for the storage, handling, and use of hazardous materials.

HSC Section 13211 The State Fire Marshal shall prepare and adopt building standards relating to fire and panic safety in high—rise structures.

HSC Section 17921(b) The State Fire Marshal shall adopt, amend, or repeal and submit building standards for approval pursuant to the provisions of Chapter 4 (commencing with Section 18935) of Part 2.5, and the State Fire Marshal shall adopt, amend, and repeal other rules and regulations for fire and panic safety in all hotels, motels, lodging houses, apartment houses and dwellings, buildings, and structures accessory thereto. These building standards and regulations shall be enforced pursuant to Sections 13145 and 13146; however, this section is not intended to require an inspection by a local fire agency of each single—family dwelling prior to its occupancy.

HSC Section 18928(a) requires each state agency adopting or proposing adoption of a model code, national standards, or specification shall reference the most recent edition of applicable model codes, national standards, or specifications.

HSC Section 18897.3 Except as provided in Section 18930, the State Fire Marshal shall adopt minimum fire safety regulations for organized camps in accordance with the provisions of Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code. The State Fire Marshal shall adopt and submit building standards for approval pursuant to Chapter 4 (commencing with Section 18935) of Part 2.5 of this division for the purposes described in this section.

HSC Section 18949.2(b) The State Fire Marshal shall remain the state agency responsible for developing building standards to implement the state's fire and life safety policy. In its role as the fire and life safety standard developing agency, the State Fire Marshal shall continue its existing activities and forums designed to facilitate compromise and consensus among the various individuals and groups involved in development of the state's codes related to fire and life safety.

HSC Section 18949.2(c) The state's fire and life safety building standards, as developed by the State Fire Marshal and as adopted by the commission, shall continue to be based on the state's fire and life safety policy goals and mandates as they existed prior to the enactment of this chapter and as they are amended.

Summary of Existing Regulations

The OSFM currently adopts by reference the California Code of Regulations, Title 24, Part 10, 2016 California Existing Building Code with OSFM amendments relating to regulations that establish minimum requirements for the prevention of fire and for the protection of life and property against fire in any existing buildings or structures used or intended for use as defined in each of the Health and Safety Code references shown above.

Summary of Effect

The general purpose of this proposed action is principally intended to adopt and codify a new edition of the California Existing Building Code (California Code of Regulations, Title 24, Part 10) based upon a model code. Previously, existing building requirements were contained within Chapter 34 of the 2016 California Building Code. Existing Amendments contained within Chapter 34 of the CBC will be relocated to the new California Existing Building Code. This proposed action:

Adopt by reference the 2018 International Existing Building Code for application and effectiveness in the 2019 California Existing Building Code.

Adopt new building standards or necessary amendments to the 2018 International Existing Building Code that address inadequacies of the 2018 International Existing Building Code as they pertain to California laws.

Bring forward previously existing California building standards or amendments, which represent no change in their effect from the 2019 California Existing Building Code.

Comparable Federal Statute or Regulations

The OSFM has determined that there are no comparable federal regulations or statues addressing the fire and life safety requirements as presented in this notice.

Policy Statement Overview

The broad objectives of these proposed regulations are to specifically comply with HSC Section 18928 that requires each proposing state agency to act on the model code within one year after its publication.

The intent of this proposed action is to adopt by reference the 2018 International Existing Building Code and amend said document with new and existing 2019 OSFM amendments. The OSFM further proposes to offer new amendments where necessary to ensure that the regulations of the 2019 California Existing Building Code, establish and or maintain minimum requirements for the prevention of fire and for the protection of life and property against fire and in any building or structure used or intended for use as defined in each of the Health and Safety Code references shown above in the summary of existing laws.

Evaluation of Consistency

The OSFM has determined that that the proposed regulations are not inconsistent or incompatible with existing state regulations addressing the fire and life safety requirements as presented in this notice.

OTHER MATTERS PRESCRIBED BY STATUTE APPLICABLE TO THE AGENCY OR TO ANY SPECIFIC REGULATION OR CLASS OF REGULATIONS

Reference: Government Code Section 11346.5(a)(4). The OSFM has determined that there are no other prescribed statutes or to any specific regulation or class of regulation applicable to the adoption by reference and the amendments relating to the 2018 International Existing Building Code.

MANDATE ON LOCAL AGENCIES OR SCHOOL DISTRICTS

Reference: Government Code Section 11346.5(a)(5). OSFM has determined that the proposed regulatory action would not impose a mandate on local agencies or school districts.

ESTIMATE OF COST OR SAVINGS

Reference: Government Code Section 11346.5(a)(6). An estimate, prepared in accordance with instructions adopted by Department of Finance, of cost or savings to any state agency, local agency, or school district.

- A. Cost or Savings to any state agency: NO
- B. Cost to any local agency required to be reimbursed under Part 7 (commencing with Section 17500) of Division 4: NO
- C. Cost to any school district required to be reimbursed under Part 7 (commencing with Section 17500) of Division 4: NO
- D. Other nondiscretionary cost or savings imposed on local agencies: NO
- E. Cost or savings in federal funding to the state: NO Estimate: N/A

INITIAL DETERMINATION OF NO SIGNIFICANT STATEWIDE ADVERSE ECONOMIC IMPACT ON BUSINESSES

Reference: Government Code Section 11346.5(a)(8). If the agency makes an initial determination that the adoption/amendment/repeal of this regulation 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, it shall make a declaration to that effect.

OSFM has made an initial determination that the adoption/amendment/repeal of this regulation will not have a significant statewide adverse economic impact on businesses, including the ability of California businesses to compete with businesses in other states.

DECLARATION OF EVIDENCE

Reference: Government Code Section 11346.5(a)(8). In making the declaration, the agency shall provide in the record of facts, evidence, documents, testimony, or other evidence that the agency relies upon to support its initial determination of no effect.

The OSFM affirms that this rulemaking action complies specifically with the mandates of HSC Sections 13143, 18928, 18949.2(b), 18949(c) and the mandates of the statutory authority of the OSFM as shown in the Informative Digest.

Therefore, the OSFM's initial determination of no significant, statewide adverse economic impact directly affecting business in California and their ability to compete with businesses in other states does not require any additional evidence, documents or other evidence to support this action.

FINDING OF NECESSITY FOR THE PUBLIC'S HEALTH, SAFETY, OR WELFARE

Reference: Government Code Section 11346.5(a)(11).

Any regulation that requires a report shall not apply to businesses, unless the agency makes a finding that it is necessary for the health, safety, or welfare of the public that the regulations apply to businesses.

N/A

COST IMPACT ON REPRESENTIVE PRIVATE PERSON OR BUSINESS

Reference: Government Code Section 11346.5(a)(9). Describe all cost impacts that a representative private person or business would necessarily incur in reasonable compliance with the proposed action. If no cost impact, provide the following statement:

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

ASSESSMENT OF EFFECT OF REGULATIONS UPON JOBS AND BUSINESS EXPANSION, ELIMINATION OR CREATION

Reference: Government Code Section 11346.5(a)(10).

The Office of the State Fire Marshal has assessed whether or not and to what extent this proposal will affect the following:

- A. The creation or elimination of jobs within the State of California.
 N/A
- B. The creation of new businesses or the elimination of existing businesses within the State of California.

 N/A

C. The expansion of businesses currently doing business within the State of California.

D. The benefits of the regulation to the health and welfare of California residents, worker safety, and the state's environment.

N/A

ESTIMATED COST OF COMPLIANCE OF STANDARDS THAT WOULD IMPACT HOUSING

Reference: Government Code Section 11346.5(a)(12).

The OSFM has made an initial determination that this proposal would not have a significant effect on housing costs.

CONSIDERATION OF ALTERNATIVES

Reference: Government Code Section 11346.5(a)(13).

OSFM has determined that no reasonable alternative considered by OSFM or that has otherwise been identified and brought to the attention of OSFM 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 provisions of law.

AVAILABILITY OF RULEMAKING DOCUMENTS

Reference: Government Code Sections 11346.5(a)(16) and 11346.5(a)(20).

All of the information upon which the proposed regulations are based is contained in the rulemaking file, which is available for public review, by contacting the person named below. This notice, the express terms and initial statement of reasons can be accessed from the CBSC website: www.bsc.ca.gov.

Reference: Government Code Section 11346.5(a)(19).

Interested parties may obtain a copy of the final statement of reasons, once it has been prepared, by making a written request to the contact person named below or at the CBSC website: www.bsc.ca.gov.

Reference: Government Code Section 11346.5(a)(21).

OSFM shall provide, upon request, a description of proposed changes included in the proposed action, in the manner provided by Section 11346.6, to accommodate a person with a visual or other disability for which effective communication is required under state or federal law and that providing the description of proposed changes may require extending the period of public comment for the proposed action.

CBSC CONTACT PERSON FOR PROCEDURAL AND ADMINISTRATIVE QUESTIONS

Reference: Government Code Section 11346.5(a)(14).

General questions regarding procedural and administrative issues should be addressed to:

Michael Nearman, Deputy Executive Director 2525 Natomas Park Drive, Suite 130 Sacramento, CA 95833 <u>Michael Nearman@dgs.ca.gov</u> Telephone: (916) 263–0916

PROPOSING STATE AGENCY CONTACT PERSON FOR SUBSTANTIVE AND/OR TECHNICAL QUESTIONS ON THE PROPOSED CHANGES TO BUILDING STANDARDS

Specific questions regarding the substantive and/or technical aspects of the proposed changes to the building standards should be addressed to:

Greg Andersen, Division Chief Office of the State Fire Marshal Code Development and Analysis Division (916) 327–4998 Greg.andersen@fire.ca.gov (916) 445–8459 FAX

Crystal Sujeski, Senior Deputy State Fire Marshal Office of the State Fire Marshal Code Development and Analysis Division (916) 568–2916

Crystal.sujeski@fire.ca.gov
(916) 568–3807 FAX

TITLE 24. BUILDING STANDARDS COMMISSION

NOTICE OF PROPOSED ACTION TO BUILDING STANDARDS OF THE OFFICE OF THE STATE FIRE MARSHAL REGARDING THE 2019 REFERENCED STANDARDS CODE CALIFORNIA CODE OF REGULATIONS, TITLE 24, PART 12 (SFM 08/18)

Notice is hereby given that the California Building Standards Commission (CBSC) on behalf of the Office of the State Fire Marshal (OSFM) proposes to adopt, approve, codify, and publish changes to building standards contained in the California Code of Regulations (CCR), Title 24, Part 12. The OSFM is proposing building standards related to 2018 Triennial Rulemaking and Code Adoption Cycle.

PUBLIC COMMENT PERIOD

Reference: Government Code Section 11346.5(a)(17).

A public hearing has not been scheduled; however, written comments will be accepted from **September 7**, until **5:00 p.m.** on **October 22, 2018.**

Please address your comments to:

California Building Standards Commission

Attention: Mia Marvelli, Executive Director 2525 Natomas Park Drive, Suite 130 Sacramento, CA 95833

Written comments may also be emailed to <u>CBSC@dgs.ca.gov</u>.

Any interested person, or his or her duly authorized representative, may request no later than 15 days prior to the close of the written comment period that a public hearing be held.

The public will have an opportunity to provide both written and/or oral comments regarding the proposed action on building standards at a public meeting to be conducted by the CBSC to be scheduled at a date near the end of the current adoption cycle. A meeting notice will be issued announcing the date, time and location of the public meeting.

POST-HEARING MODIFICATIONS TO THE TEXT OF THE REGULATIONS

Reference: Government Code Section 11346.5(a)(18).

Following the public comment period, CBSC may adopt the proposed building standards substantially as proposed in this notice or with modifications that are sufficiently related to the original proposed text and notice of proposed changes. If modifications are made, the full text of the proposed modifications, clearly indicated, will be made available to the public for at least 15 days prior to the date on which the CBSC adopts, amends, or repeals the regulation(s). CBSC will accept written comments on the modified building standards during the 15–day period.

NOTE: To be notified of any modifications, you must submit written/oral comments or request that you be notified of any modifications.

AUTHORITY AND REFERENCE

Reference: Government Code Section 11346.5(a)(2). The CBSC proposes to adopt these building standards under the authority granted by Health and Safety

Code (HSC) Section 18949.2. The purpose of these building standards is to implement, interpret, or make specific the provisions of HSC Section 18928.

The Office of The State Fire Marshal is proposing this regulatory action based on HSC 13108, 13211, 13113, 13113.5, 13114, 13132.7, 13133, 13135, 13143, 13143.1, 13143.6, 13143.9, 13146, 17921 and 18897.3 and Government Code (GOV) Section 11152.5.

INFORMATIVE DIGEST

Reference: Government Code Section 11346.5(a)(3). **Summary of Existing Laws**

HSC Section 13108(a) The State Fire Marshal shall prepare and adopt building standards related to the means of egress, the installation of fire alarms and fire extinguishing systems in any state—owned building or in any state—occupied building.

HSC Section 13113 A automatic sprinkler system shall be installed in all 24—hour institutional type occupancies, and homes for the care of aged or senile persons.

HSC Section 13113.5 The State Fire Marshal shall adopt regulations requiring the installation of automatic smoke detectors in all facilities which provide 24–hour per day care, which house six or fewer persons, and which do not have automatic sprinkler systems.

HSC Section 13114(a) The State Fire Marshal shall adopt regulations and standards to control the quality and installation of fire alarm systems and fire alarm devices marketed, distributed, offered for sale, or sold in this state, and that no person shall market, distribute, offer for sale, or sell any fire alarm system or fire alarm device in this state unless the system or device has been approved and listed by the State Fire Marshal.

HSC Section 13132 Every person, firm, or corporation maintaining or operating any facility for the care of the mentally handicapped shall file a statement with the fire authority having jurisdiction within five days of the admission or readmission of a patient stating that such patient is an ambulatory or a nonambulatory person and enumerating the reasons for such classification. Such a statement shall also be filed for each existing patient within 30 days of the effective date of this section.

Any statement required to be filed pursuant to this section shall be certified as to its correctness by the person attending such patient.

It shall be unlawful for any person, firm, or corporation required to file a statement pursuant to this section to include false statements therein. Any such act shall be in violation of this section and subject to the provisions of Section 13112.

HSC Section 13132.7 Mandates fire retardant roof coverings in fire hazard severity zones.

HSC Section 13133(a) The State Fire Marshal shall develop and adopt regulations establishing new occupancy classifications and specific fire safety standards appropriate for residential facilities, and residential care facilities for the elderly. These fire safety standards shall apply uniformly throughout the state.

HSC Section 13135 The State Fire Marshal shall adopt regulations for alcoholism or drug abuse recovery or treatment facilities based on whether the residents or patients of the facilities are non–ambulatory.

HSC Section 13143 grants the State Fire Marshal authority to prepare and adopt regulations establishing minimum requirements for the prevention of fire and for the protection of life and property against fire and panic in any building or structure used or intended for use as an asylum, jail, mental hospital, hospital, home for the elderly, children's nursery, children's home or institution not otherwise excluded from the coverage of this subdivision, school, or any similar occupancy of any capacity, and in any assembly occupancy where 50 or more persons may gather together in a building, room, or structure for the purpose of amusement, entertainment, instruction, deliberation, worship, drinking or dining, awaiting transportation, or education.

HSC Section 13143.1(a) The State Fire Marshal shall prepare, adopt, and submit building standards for establishing minimum requirements for the prevention of fire and for the protection of life and property against fire and panic in any motion picture or television production facility.

HSC Section 13143.6(a) The State Fire Marshal shall prepare and adopt regulations establishing minimum standards for the prevention of fire and for the protection of life and property against fire in any building or structure used intended for use as a home or institution for the housing of any person of any age for protective social care and supervision services by any governmental agency, certified family care homes, out—of—home placement facilities, and halfway houses.

HSC Section 13143.9(a) The State Fire Marshal shall prepare, adopt, and submit building standards and other fire and life safety regulations establishing minimum requirements for the storage, handling, and use of hazardous materials.

HSC Section 13211 The State Fire Marshal shall prepare and adopt building standards relating to fire and panic safety in high–rise structures.

HSC Section 17921(b) The State Fire Marshal shall adopt, amend, or repeal and submit building standards for approval pursuant to the provisions of Chapter 4 (commencing with Section 18935) of Part 2.5, and the State Fire Marshal shall adopt, amend, and repeal other rules and regulations for fire and panic safety in all hotels, motels, lodging houses, apartment houses and dwellings, buildings, and structures accessory thereto.

These building standards and regulations shall be enforced pursuant to Sections 13145 and 13146; however, this section is not intended to require an inspection by a local fire agency of each single—family dwelling prior to its occupancy.

HSC Section 18928(a) requires each state agency adopting or proposing adoption of a model code, national standards, or specification shall reference the most recent edition of applicable model codes, national standards, or specifications.

HSC Section 18897.3 Except as provided in Section 18930, the State Fire Marshal shall adopt minimum fire safety regulations for organized camps in accordance with the provisions of Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code. The State Fire Marshal shall adopt and submit building standards for approval pursuant to Chapter 4 (commencing with Section 18935) of Part 2.5 of this division for the purposes described in this section.

HSC Section 18949.2(b) The State Fire Marshal shall remain the state agency responsible for developing building standards to implement the state's fire and life safety policy. In its role as the fire and life safety standard developing agency, the State Fire Marshal shall continue its existing activities and forums designed to facilitate compromise and consensus among the various individuals and groups involved in development of the state's codes related to fire and life safety.

HSC Section 18949.2(c) The state's fire and life safety building standards, as developed by the State Fire Marshal and as adopted by the commission, shall continue to be based on the state's fire and life safety policy goals and mandates as they existed prior to the enactment of this chapter and as they are amended.

Summary of Existing Regulations

The OSFM currently adopts by reference the California Code of Regulations, Title 24, Part 12, 2016 California Referenced Standard Code with OSFM amendments relating to regulations that establish minimum requirements for the prevention of fire and for the protection of life and property against fire and in any existing buildings or structures used or intended for use as defined in each of the Health and Safety Code references shown above.

Summary of Effect

The general purpose of this proposed action is principally intended to adopt and codify a new edition of the California Referenced Standards Code (California Code of Regulations, Title 24, Part 12). This proposed action:

Adopt by reference the 2019 Referenced Standards Code for application and effectiveness in the 2019 California Referenced Standards Code.

Adopt new building standards or necessary amendments to the 2019 Referenced Standards Code that address inadequacies of the 2019 Referenced Standards Code as they pertain to California laws.

Bring forward previously existing California building standards or amendments, which represent no change in their effect from the 2016 Referenced Standards Code.

Comparable Federal Statute or Regulations

The OSFM has determined that there are no comparable federal regulations or statues addressing the fire and life safety requirements as presented in this notice.

Policy Statement Overview

The broad objectives of these proposed regulations are to specifically comply with HSC Section 18928 that requires each proposing state agency to act on the model code within one year after its publication.

The intent of this proposed action is to adopt by reference the 2019 Referenced Standards Code and amend said document with new and existing 2019 OSFM amendments. The OSFM further proposes to offer new amendments where necessary to ensure that the regulations of the Referenced Standards Code, establish and or maintain minimum requirements for the prevention of fire and for the protection of life and property against fire and in any building or structure used or intended for use as defined in each of the Health and Safety Code references shown above in the summary of existing laws.

Evaluation of Consistency

The OSFM has determined that that the proposed regulations are not inconsistent or incompatible with existing state regulations addressing the fire and life safety requirements as presented in this notice.

OTHER MATTERS PRESCRIBED BY STATUTE APPLICABLE TO THE AGENCY OR TO ANY SPECIFIC REGULATION OR CLASS OF REGULATIONS

Reference: Government Code Section 11346.5(a)(4). The OSFM has determined that there are no other prescribed statutes or to any specific regulation or class of regulation applicable to the adoption by reference and the amendments relating to the 2019 Referenced Standards Code.

MANDATE ON LOCAL AGENCIES OR SCHOOL DISTRICTS

Reference: Government Code Section 11346.5(a)(5). OSFM has determined that the proposed regulatory action would not impose a mandate on local agencies or school districts.

ESTIMATE OF COST OR SAVINGS

Reference: Government Code Section 11346.5(a)(6). An estimate, prepared in accordance with instructions adopted by Department of Finance, of cost or savings to any state agency, local agency, or school district.

- A. Cost or Savings to any state agency: NO
- B. Cost to any local agency required to be reimbursed under Part 7 (commencing with Section 17500) of Division 4: NO
- C. Cost to any school district required to be reimbursed under Part 7 (commencing with Section 17500) of Division 4: NO
- D. Other nondiscretionary cost or savings imposed on local agencies: NO
- E. Cost or savings in federal funding to the state: NO Estimate: N/A

INITIAL DETERMINATION OF NO SIGNIFICANT STATEWIDE ADVERSE ECONOMIC IMPACT ON BUSINESSES

Reference: Government Code Section 11346.5(a)(8). If the agency makes an initial determination that the adoption/amendment/repeal of this regulation 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, it shall make a declaration to that effect.

OSFM has made an initial determination that the adoption/amendment/repeal of this regulation will not have a significant statewide adverse economic impact on businesses, including the ability of California businesses to compete with businesses in other states.

DECLARATION OF EVIDENCE

Reference: Government Code Section 11346.5(a)(8). In making the declaration, the agency shall provide in the record of facts, evidence, documents, testimony, or other evidence that the agency relies upon to support its initial determination of no effect.

The OSFM affirms that this rulemaking action complies specifically with the mandates of HSC Sections

13143, 18928, 18949.2(b), 18949(c) and the mandates of the statutory authority of the OSFM as shown in the Informative Digest.

Therefore, the OSFM's initial determination of no significant, statewide adverse economic impact directly affecting business in California and their ability to compete with businesses in other states does not require any additional evidence, documents or other evidence to support this action.

FINDING OF NECESSITY FOR THE PUBLIC'S HEALTH, SAFETY, OR WELFARE

Reference: Government Code Section 11346.5(a)(11).

Any regulation that requires a report shall not apply to businesses, unless the agency makes a finding that it is necessary for the health, safety, or welfare of the public that the regulations apply to businesses.

N/A

COST IMPACT ON REPRESENTATIVE PRIVATE PERSON OR BUSINESS

Reference: Government Code Section 11346.5(a)(9). Describe all cost impacts that a representative private person or business would necessarily incur in reasonable compliance with the proposed action. If no cost impact, provide the following statement:

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

ASSESSMENT OF EFFECT OF REGULATIONS UPON JOBS AND BUSINESS EXPANSION, ELIMINATION OR CREATION

Reference: Government Code Section 11346.5(a)(10).

The Office of the State Fire Marshal has assessed whether or not and to what extent this proposal will affect the following:

- A. The creation or elimination of jobs within the State of California.
 N/A
- B. The creation of new businesses or the elimination of existing businesses within the State of California.
 N/A

C. The expansion of businesses currently doing business within the State of California.

N/A

D. The benefits of the regulation to the health and welfare of California residents, worker safety, and the state's environment.

N/A

ESTIMATED COST OF COMPLIANCE OF STANDARDS THAT WOULD IMPACT HOUSING

Reference: Government Code Section 11346.5(a)(12).

The OSFM has made an initial determination that this proposal would not have a significant effect on housing costs.

CONSIDERATION OF ALTERNATIVES

Reference: Government Code Section 11346.5(a)(13).

OSFM has determined that no reasonable alternative considered by OSFM or that has otherwise been identified and brought to the attention of OSFM 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 provisions of law.

AVAILABILITY OF RULEMAKING DOCUMENTS

Reference: Government Code Sections 11346.5(a)(16) and 11346.5(a)(20).

All of the information upon which the proposed regulations are based is contained in the rulemaking file, which is available for public review, by contacting the person named below. This notice, the express terms and initial statement of reasons can be accessed from the CBSC website: www.bsc.ca.gov.

Reference: Government Code Section 11346.5(a)(19).

Interested parties may obtain a copy of the final statement of reasons, once it has been prepared, by making a written request to the contact person named below or at the <u>CBSC website</u>: <u>www.bsc.ca.gov</u>.

Reference: Government Code Section 11346.5(a)(21).

OSFM shall provide, upon request, a description of proposed changes included in the proposed action, in the manner provided by Section 11346.6, to accommodate a person with a visual or other disability for which effective communication is required under state or federal law and that providing the description of proposed changes may require extending the period of public comment for the proposed action.

CBSC CONTACT PERSON FOR PROCEDURAL AND ADMINISTRATIVE QUESTIONS

Reference: Government Code Section 11346.5(a)(14).

General questions regarding procedural and administrative issues should be addressed to:

Michael Nearman, Deputy Executive Director 2525 Natomas Park Drive, Suite 130 Sacramento, CA 95833 <u>Michael Nearman@dgs.ca.gov</u> Telephone: (916) 263–0916

PROPOSING STATE AGENCY CONTACT PERSON FOR SUBSTANTIVE AND/OR TECHNICAL QUESTIONS ON THE PROPOSED CHANGES TO BUILDING STANDARDS

Specific questions regarding the substantive and/or technical aspects of the proposed changes to the building standards should be addressed to:

Greg Andersen, Division Chief Office of the State Fire Marshal Code Development and Analysis Division (916) 327–4998 <u>Greg.andersen@fire.ca.gov</u> (916) 445–8459 FAX

Crystal Sujeski, Senior Deputy State Fire Marshal Office of the State Fire Marshal Code Development and Analysis Division (916) 568–2916

Crystal.sujeski@fire.ca.gov
(916) 568–3807 FAX

GENERAL PUBLIC INTEREST

DEPARTMENT OF FISH AND WILDLIFE

FISH AND GAME CODE SECTION 1653 CONSISTENCY DETERMINATION REQUEST FOR

Seldom Seen Diversion Fish Passage Improvement Project (Tracking Number: 1653–2018–026–001–R1) Siskiyou County

California Department of Fish and Wildlife (CDFW) received a Request to Approve on August 22, 2018 that the California Trout proposes to carry out a habitat restoration or enhancement project pursuant to Fish and Game Code section 1653. The proposed project involves constructing a roughened channel approximately 100 feet in length, and 10-15 feet wide. The riffle crest will be approximately 60 feet wide and two feet high, and will extend beyond the active channel to key into the streambanks. The stream banks will be revegetated with native plant species. The proposed project will be carried out on the Shasta River, approximately 300' downstream of the outlet of the Montague Water Conservation District cross canal into the Shasta River and 760 feet downstream of Dwinnell Dam, in Siskiyou County, California.

On June 27, 2018, the North Coast Regional Water Quality Control Board (Regional Water Board) received a Notice of Intent (NOI) to comply with the terms of, and obtain coverage under, the General 401 Water Quality Certification Order for Small Habitat Restoration Projects (General 401 Order) for the Seldom Seen Diversion Fish Passage Improvement Project. The Regional Water Board determined that the Project, as described in the NOI, was categorically exempt from California Environmental Quality Act (CE-QA) review (section 15333 — Small Habitat Restoration Projects) and met the eligibility requirements for coverage under the General 401 Order. The Regional Water Board issued a Notice of Applicability (WDID No. 1A180084WNSI; ECM PIN No. CW-848704) for coverage under the General 401 Order on July 16, 2018.

California Trout is requesting a determination that the project and associated documents are complete pursuant to Fish and Game Code section 1653 subdivision (d). If CDFW determines the project is complete, the District will not be required to obtain an incidental take permit under Fish and Game Code section 2081 subdivision (b) or a Lake or Streambed Alteration Agreement under Fish and Game Code section 1605 for the proposed project.

In accordance with Fish and Game Code section 1653 subdivision (e), if CDFW determines during the review, based on substantial evidence, that the request is not complete, California Trout will have the opportunity to submit under Fish and Game Code section 1652.

DEPARTMENT OF HEALTH CARE SERVICES

The Department of Health Care Services (DHCS) is soliciting stakeholder input on the proposed renewal application for a new five—year term of the Assisted Living Waiver (ALW). A link to the renewal application can be found at http://www.dhcs.ca.gov/services/ltc/Pages/AssistedlivingWaiver.aspx. DHCS invites all interested parties to review the ALW application and provide public comment to the following email address: ALWP.IR@dhcs.ca.gov, or by mail to:

Integrated Systems of Care Division Attention: Rudy Acosta 1501 Capitol Ave., MS 4502 P.O. Box 997437 Sacramento, CA 95899–7437

The public comment period will begin on September 7, 2018, for a period of thirty (30) days. All comments must be received by October 7, 2018.

If you would like to request a hard copy of the ALW application, please request by email to <u>ALWP.IR@dhcs.ca.gov</u> or by mail to the address above.

If you have any questions, please contact Mr. Joseph Billingsley, at (916) 713–8389, or Joseph.Billingsley@dhcs.ca.gov.

DEPARTMENT OF SOCIAL SERVICES

The California Department of Social Services (CDSS) is required by federal law to submit an updated State Plan for the Temporary Assistance to Needy Families program. Notice is hereby given that a copy of California's proposed updated plan is available upon request for public review and comment.

Copies of the proposed State Plan are available from the office listed below. Comments relating to the proposed plan may be submitted in writing to the address/number listed below. All comments must be received no later than October 22, 2018.

CONTACT

Ms. Julie Coates CalWORKs Employment Bureau TANF State Plan Renewal California Department of Social Services 744 "P" Street, MS 8–8–33 Sacramento, CA 95814 (916) 654–1461

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# 2018–0724–03 AIR RESOURCES BOARD Administrative Hearing Procedures

This action without regulatory effect amends two sections to update incorrect cross—references.

Title 17

AMEND: 60065.18, 60075.17

Filed 08/29/2018

Agency Contact: Bradley Bechtold (916) 322–6533

File# 2018-0718-01

BOARD OF BEHAVIORAL SCIENCES

Nonsubstantive changes to align with SB 1478, SB 1012, and SB 620

This change without regulatory effect filing by the Board of Behavioral Sciences updates job titles, weekly supervision hours, experience requirements, and authority and reference citations to align with changes to the Business and Professions Code. This action also makes corresponding changes to seven forms incorporated by reference.

Title 16

AMEND: 1805.01, 1816, 1816.1, 1820, 1820.5, 1820.7, 1821, 1822, 1822.51, 1822.52, 1829.2, 1829.3, 1833, 1833.1, 1845, 1846, 1870, 1874, 1886 Filed 08/29/2018

Agency Contact: Christy Berger (916) 574–7817

File# 2018-0717-01

CALIFORNIA DEPARTMENT OF TAX AND FEE ADMINISTRATION

Administration

This change without regulatory effect filing by the California Department of Tax and Fee Administration (Department) amends three sections to replace existing references to the State Board of Equalization with references to the Department. This action also updates Prepaid Mobile Telephony Services registration requirements and reference citations to align with changes to the Revenue and Taxation Code.

Title 18

AMEND: 2460, 2461, 2462

Filed 08/28/2018

Agency Contact: Richard Bennion (916) 455–2130

File# 2018-0813-01

CALIFORNIA HEALTH FACILITIES FINANCING AUTHORITY

Lifeline Grant Program

The California Health Facilities Financing Authority submitted this emergency readoption action to keep in effect emergency regulations adopted on February 23, 2018 to implement the Clinic Lifeline Act of 2017, enacted in Government Code section 15438.11. The emergency regulations established the Lifeline Grant Program. The proposed regulations provide eligibility and evaluation criteria, eligible costs, and an application procedure and related procedures for specified small and rural health facilities to receive grants through the program.

Title 4

ADOPT: 7213, 7214, 7215, 7216, 7218, 7219, 7220, 7221, 7222, 7223, 7224, 7225, 7227, 7228, 7229 Filed 08/22/2018

Effective 08/22/2018

Agency Contact: Rosalind Brewer (916) 653-8243

File# 2018-0717-06

COMMISSION ON PEACE OFFICER STANDARDS AND TRAINING

Field Training Program (FTP) Requirements

The Commission on Peace Officer Standards and Training submitted this action to amend sections relating to the requirements for crisis intervention behavioral health training for law enforcement officers and field training officers.

Title 11

AMEND: 1004, 1005, 1081

Filed 08/23/2018

Effective 10/01/2018

Agency Contact: Janna Munk (916) 227–4829

File# 2018–0820–01 DEPARTMENT OF FOOD AND AGRICULTURE Oriental Fruit Fly Eradication Area

This emergency rulemaking action amends the Oriental Fruit Fly Eradication Area to include Yolo County. Upon establishment of the eradication area in Yolo County, the Department of Food and Agriculture will perform detection, control and eradication activities.

Title 3 AMEND: 3591.2 Filed 08/22/2018 Effective 08/22/2018

Agency Contact: Rachel Avila (916) 403–6813

File# 2018-0713-01

DEPARTMENT OF SOCIAL SERVICES

Residential Care Facility for the Elderly (RCFE) Personal Rights and Miscellaneous

This rulemaking action implements Assembly Bill 2171 (Stats. 2014, ch. 702), Senate Bill 895 (Stats. 2014, ch. 704), and Senate Bill 219 (Stats. 2017, ch. 483) by adding and amending regulations governing Residential Care Facilities for the Elderly (RCFEs). The action outlines the personal rights of residents and the process to inform residents of them. The action also addresses RCFE procedures for identification of pressure injuries to residents; giving notice to residents prior to the sale of a facility; maintaining resident records; restricted and prohibited health conditions of residents; and other matters.

Title 22, MPP ADOPT: 87468.1, 87468.2 AMEND: 87101, 87102, 87109, 87309, 87468, 87506, 87612, 87615, 87631 Filed 08/24/2018 Effective 10/01/2018 Agency Contact: Kenneth Jennings (916) 657–2586

File# 2018-0814-05

DEPARTMENT OF SOCIAL SERVICES

Temporary Management of Adult Community Care Facilities and Residential Care Facilities for the Elderly (RCFEs)

In this resubmitted emergency action, the Department of Social Services adopts regulations that address the qualifications of a temporary manager, the application and selection process for a temporary manager, and the budget restrictions when the manager temporarily operates Adult Community Care Facilities and Residential Care Facilities for the Elderly.

Title 22, MPP ADOPT: 89600, 89601, 89602, 89632, 89633, 89637, 89662, 89667 Filed 08/22/2018 Effective 08/22/2018

Agency Contact: Everardo Vaca (916) 657–2363

File# 2018-0716-01

STATE WATER RESOURCES CONTROL BOARD Basin Plan Amendment to Update Turbidity Objective Units of Measure

This action amends the Water Quality Control Plan for the Central Coast Region (Basin Plan). On July 14, 2017, the Central Coast Regional Water Quality Control Board adopted Resolution No. R3–2017–0014 to make nonsubstantive amendments to the Basin Plan. The State Water Resources Control Board approved the amendments under Resolution No. 2018–0012 on March 6, 2018.

Title 23
AMEND: 3920
Filed 08/22/2018
Effective 08/22/2018
Agency Contact: Peter Meertens (805) 549–3869

File# 2018-0716-02

STATE WATER RESOURCES CONTROL BOARD Underground Storage Tank Regulations

This action by the State Water Resources Control Board adopts, amends and repeals regulations pertaining to underground storage tanks to make California regulations at least as stringent as federal underground storage tank regulations.

Title 23

ADOPT: 2637.1, 2637.2, 2640.1, 2716, Appendix VII, VIII, IX, X, XI, XII, XIII

AMEND: 2611, 2620, 2621, 2631, 2634, 2635, 2636, 2637, 2638, 2640, 2643, 2644, 2644.1, 2646.1, 2647, 2648, 2649, 2660, 2661, 2663, 2665, 2666, 2672, 2711, 2712, 2715, Appendix III, VI REPEAL: 2645, 2646

Filed 08/27/2018

Effective 10/01/2018

Agency Contact: Laura Fisher (916) 341–5870

CCR CHANGES FILED WITH THE SECRETARY OF STATE WITHIN March 28, 2018 TO August 29, 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 Pagulatary Actions section of		8206, 8207, 8208, 8209, 8210, 8211,
listed in the Summary of Regulatory Actions section of the Notice Register published on the first Friday more			8212, 8213, 8214, 8215, 8216, 8300,
than nine days after the date filed.			8301, 8302, 8303, 8304, 8305, 8306,
Title 1			8307, 8308, 8400, 8401, 8402, 8403,
	AMEND: 44		8404, 8405, 8406, 8407, 8408, 8409,
Title 2			8500, 8501, 8600, 8601, 8602, 8603,
08/02/18	ADOPT: 59830	0.5/2.0/4.0	8604, 8605, 8606, 8607, 8608
08/01/18	AMEND: 58200	05/30/18	AMEND: 3439(b)
07/17/18	REPEAL: 2600, 2601, 2602, 2603, 2604,	05/24/18	AMEND: 3439(b)
	2605, 2606, 2700, 2701, 2702, 2703,	05/24/18 05/18/18	AMEND: 6502 AMEND: 3439(b)
	2704, 2705	04/30/18	AMEND: 3439(b)
07/03/18	ADOPT: 18308, 18308.1, 18308.2,	04/04/18	AMEND: 3591.15
	18308.3		7111111D. 3371.13
06/21/18	AMEND: 1859.190, 1859.194,	Title 4 08/22/18	ADOPT: 7213, 7214, 7215, 7216, 7218,
06/10/10	1859.195, 1859.198	06/22/16	7219, 7220, 7221, 7222, 7223, 7224,
06/19/18	AMEND: 554.7		7225, 7227, 7228, 7229
05/17/18 05/16/18	ADOPT: 11027.1 AMEND: 11028 ADOPT: 20150, 20151, 20152, 20153,	07/26/18	AMEND: 10176, 10177, 10178, 10179,
03/10/16	20154, 20155, 20156, 20157, 20158,	07720710	10180, 10181, 10182, 10183, 10184,
	20154, 20153, 20150, 20157, 20158, 20159, 20160, 20161, 20162, 20163,		10185, 10186, 10187, 10188, 10190
	20164, 20165	07/18/18	AMEND: 2050
05/09/18	AMEND: 321	07/09/18	AMEND: 10325, 10326
05/09/18	AMEND: 11034	07/03/18	AMEND: 10152, 10153, 10154, 10155,
04/25/18	AMEND: 18401		10158 (amended and renumbered),
04/25/18	AMEND: 18450.1		10159 (amended and renumbered),
04/23/18	ADOPT: 1859.90.4 AMEND: 1859.2,		10160 (amended and renumbered).
0.4/4.6/4.0	1859.90, 1859.90.2, 1859.90.5	07/02/19	REPEAL: 10156, 10157
04/16/18	AMEND: 1859.2, 1859.51, 1859.70,	07/02/18	ADOPT: 5700, 5710, 5711, 5720, 5721, 5722, 5730, 5731 AMEND: 5000, 5020,
04/13/10	1859.82, 1859.93.1		5122, 5750, 5751 AMEND. 3000, 3020, 5100
04/12/18 04/04/18	AMEND: 1859.2, 1859.81 AMEND: 41000	05/30/18	AMEND: 10091.1, 10091.2, 10091.3,
04/04/18	ADOPT: 243, 243.1, 243.2, 243.3, 243.4,	03/30/10	10091.4, 10091.5, 10091.6, 10091.7,
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	AMEND: 249, 266, 266.1, 266.2, 266.3,		10091.13, 10091.14, 10091.15
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