

California Regulatory Notice Register

REGISTER 2020, NUMBER 39-Z

PUBLISHED WEEKLY BY THE OFFICE OF ADMINISTRATIVE LAW

SEPTEMBER 25, 2020

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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.

CALIFORNIA REGULATORY NOTICE REGISTER is published weekly by the Office of Administrative Law, 300 Capitol Mall, Suite 1250, Sacramento, CA 95814-4339. The Register is printed by Barclays, a subsidiary of West, a Thomson Reuters Business, and is offered by subscription for \$205.00 (annual price). To order or make changes to current subscriptions, please call (800) 328-4880. The Register can also be accessed at http://www.oal.ca.gov.

PROPOSED ACTION ON REGULATIONS

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TITLE 4. CALIFORNIA POLLUTION CONTROL FINANCING AUTHORITY

The California Pollution Control Financing Authority ("CPCFA" or the "Authority") proposes to amend Sections 8072, 8073, 8078, 8078.22, 8078.24, 8078.25, and 8078.31 of Title 4 of the California Code of Regulations (the "Proposed Regulations") concerning the administration of the California Pollution Control Financing Authority's California Capital Access Loan Program ("CalCAP") for Small Business Program ("CalCAP/SB"), the Collateral Support Program ("CalCAP/CSP") and the CalCAP Heavy-Duty Vehicle Air Quality Loan Program ("CalCAP/CARB"). These Proposed Regulations are necessary to ensure program clarity and continuity, and to refine and clarify program features of the California Pollution Control Financing Authority Act (the "Act"). The Proposed Regulations have been approved by the Office of Administrative Law ("OAL") on an emergency basis, and this proposed rulemaking would make these changes permanent.

AUTHORITY AND REFERENCE

Authority: Sections 44520, 44559.5 and 44559.11, Health and Safety Code.

Reference: Sections 39601 and 39650, and 44559–44559.12, Health and Safety Code; and Section 1798.17, Civil Code.

INFORMATIVE DIGEST/POLICY STATEMENT OVERVIEW

Existing law establishes the Capital Access Program ("CalCAP") and authorizes the Authority to contract with specified financial institutions to make loans to eligible small businesses that may have difficulty obtaining capital. (Health and Safety Code, § 44559.)

The proposed amendments to the regulations allow the Authority to include provisions specific to CalCAP. The regulations will refine and clarify some definitions, program requirements and features, and provide additional loan enrollment criteria pursuant to the contract with the California Air Resources Board (CARB). The proposed amendments to the regulations allow the Authority to revise and update definitions and administrative procedures related to loan enrollment, and monitoring for the CalCAP/Small Business Program, the CalCAP/Collateral Support Program, and the CalCAP/CARB Program.

The Authority has performed a search of existing regulations and has determined that the proposed regulations are not inconsistent or incompatible with existing state regulations.

ANTICIPATED BENEFITS OF THE PROPOSED REGULATIONS

The broad objective of the amendments to the regulations is to refine and clarify some definitions and program requirements to assist lenders and small business borrowers in response to the economic impact of the COVID–19 pandemic.

DETERMINATION OF INCONSISTENCY/ INCOMPATIBILITY WITH EXISTING STATE REGULATIONS

Pursuant to California Code of Regulations, Title 1, Section 12(b), the proposed additions to the regulations repeat and rephrase existing law to provide clarity to the CalCAP financing program's Participating Financial Institutions and qualified borrowers.

Government Code Section 11346.5(a)(3)(D) requires that the notice of proposed rulemaking shall include, "an evaluation of whether the proposed regulation is inconsistent or incompatible with existing state regulations." CPCFA staff reviewed the California Code of Regulations and found that the only inconsistences are those that are allowed by Health and Safety Code 44559.11(b), which authorizes the Authority to adopt regulations to establish alternate provisions as necessary to enable the authority to participate in the Cal-CAP Program. The seemingly inconsistent but statutorily compatible regulations are as follows:

(a) Sections 8078.22, 8078.24, and 8078.25 define the terms and describe the program rules commonly used throughout the CalCAP/CARB. The numerical figures are based on the Interagency Agreement between the Authority and the Air Resources Board.

Changes to the Authority's CalCAP regulations are necessary to refine and clarify program features. In addition, the proposed regulations provide the necessary details for the implementation and administration of the CalCAP/CARB program. To ensure clarity for CalCAP's Participating Financial Institutions, these changes must be reflected in the regulations.

While these sections may initially seem inconsistent with existing regulation, Health and Safety Code section 44559.11(b) allows CPCFA to create alternate provisions in order to create sustainability for the program and to participate in a program with an alternate funding source, and in this instance, the sole funding source is recycled contributions and CARB funding.

§ 8072. Loan Enrollment

This section defines terms commonly used throughout the regulations to avoid ambiguity or misunderstanding.

Section 8072(i)(4) Deletes the terms "a single" and adds the terms "an" and "eighteen (18) months" in relation to the Authority authorizing extensions of maturity dates for up to 18 months for loans.

Necessity. In consultation with Participating Financial Institutions and other stakeholders, it was determined that 180 days was not long enough to extend a loan and keep it out of default. One lender requested the extension be allowed up to three years, so after further discussion with the interested parties, it was agreed that 18 months would be beneficial to both the lenders and the borrowers, especially during the COVID–19 pandemic.

§ 8073. Loss Reserve Accounts

Section 8073(g)(3) Adds a specific minimum recapture threshold of 15% beginning in 2020.

Necessity. Several lenders proposed that we end the recapture process all together. This is not feasible at this time, because without additional funds being allocated to the program, recapture is necessary to sustain the program. As a compromise, and also due to the COVID–19 pandemic, we agreed to revert back to the 15% threshold indefinitely. Recapture is calculated after the close of the fiscal year on June 30. Recapture for all lenders beginning in 2020 will be at the 15% threshold.

§ 8078. Participation in the Program by Certain Public or Private Entities

Section 8078(a)(4) Deletes the term "and" to correct numerical formatting.

Section 8078(a)(5) Adds the term "and" to correct numerical formatting.

Necessity. The proposed amendment is necessary to correct formatting issues for consistency.

§ 8078.22. Definitions

Section 8078.22(g) Clarifies the term "Qualified Loan" by deleting part of the definition referencing the loss coverage for each qualified loan being no more than five (5) years.

Section 8078.22(h) Clarifies the term "Truck Owner Operator" to include Primary economic effect of the business activity in California and "the vehicle is registered in California".

Necessity. The five-year term was inadvertently added to the definition in a prior rulemaking. There is no requirement from the Air Resources Board or CalCAP that the loans in the CalCAP/CARB Program can only be enrolled for five years. With this removed, loans will be eligible to be enrolled for a maximum of ten years which is the same as our CalCAP for Small Business Program as defined in section 8072(j). It is a requirement of the Air Resources Board that vehicles enrolled in the program are registered in California.

§ 8078.24. Loan Enrollment

Section 8077.24(c)(10)(C) Adds "and the vehicle is registered in California, substantiated by the California Department of Motor Vehicles." This is an added requirement of the Air Resources Board.

Section 8078.24(d)(3) Deletes the terms "a single" and "one hundred–eighty (180)" and adds the terms "an" and "eighteen (18) months" in relation to the Authority authorizing extensions of maturity dates for up to 18 months for loans.

Necessity. In consultation with the Participating Financial Institutions and other stakeholders, it was determined that the 180 days was not long enough to extend a loan and keep it out of default. One lender requested the extension be allowed up to three years, so after further discussion with the interested parties, it was agreed that 18 months would be beneficial to both the lenders and the borrowers, especially during the COVID–19 pandemic. It is a requirement of the Air Resources Board that vehicles enrolled in the program are registered in California.

§ 8078.25. Loss Reserve Accounts

Section 8078.25(a)(1)(B) Clarifies and updates the percentage of contributions in the Loan Loss Reserve account that exceeds \$500,000 to equal 10 percent of the enrolled amount.

Section 8078.25(a)(1)(C) Deletes this whole section because it no longer applies to the CalCAP/CARB Program.

Section 8078.25(g)(2) Adds the specific minimum recapture threshold of 15% beginning in 2020.

Necessity. The contribution amounts were revised per a directive memo from the Air Resources Board. This was in response to lender requests to increase the contribution amount for high volume lenders to encourage more loans, and due to the program receiving additional funding from the Air Resources Board to be able to increase the funding amounts. There was previously a three-tier structure outlining the contribution amount for each lender, based on the amount of funds in their loan loss reserve accounts. Now there are two thresholds for contributions with the criteria being a balance below or equal to \$500,000 or a balance above \$500,000. The \$1.5 million threshold is no longer a criteria for determining the threshold. Several lenders proposed that we end the recapture process all together. This is not possible because recapture is a requirement in the CalCAP/CARB program per the Interagency Agreement with the Air Resources Board.

In consultation with lenders and the Air Resources Board, we agreed to revert back to the 15% threshold indefinitely.

§ 8078.31. Loan Enrollment

Section 8078.31(d)(2)(B) Clarifies the percentage of support provided on loan amounts by deleting "20%" and adding "30%" for loans greater than "\$250,001 but no greater than" \$20,000,000.

Section 8078.31(d)(3) Adds this section to clarify that all loans enrolled in the Collateral Support Program are eligible for four (4) years of support.

Section 8078.31(e)(1) Updates the minimum closing fee by deleting "\$500" and adding "\$1,000".

Necessity. This is a clarification to reflect the actual loans received and approved to make it specific to the two tiers of enrollment amounts. Loans have been enrolled for a maximum term of four years so this section is to clarify that it is the maximum for any size loan. The minimum fee was increased previously to account for costs of administering the program. Lenders were advised of the increase in the minimum fee during a lender roundtable webinar.

DISCLOSURES REGARDING THE PROPOSED ACTION

The Authority has made the following determinations regarding the effect of the Proposed Regulations:

Mandate on local agencies or 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 17500–17630: None.

Other non-discretionary cost or savings imposed on local agencies: None.

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

Significant effect on housing costs: None.

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

Small Business: The proposed regulations will not have an effect on small business because the program is voluntary for any small business that seeks to apply for financial assistance in any of the CalCAP Programs.

Significant statewide adverse economic impact directly affecting businesses including the ability of California businesses to compete with businesses in other states: The Authority has made an initial determination that the proposed regulations 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.

RESULTS OF THE ECONOMIC IMPACT ANALYSIS

Assessment regarding effect on jobs/businesses: The proposed regulations will not have a significant effect on the creation or elimination of jobs in California, significantly affect the creation of new businesses or elimination of existing businesses within California, or significantly affect the expansion of businesses currently doing business in California.

Benefits of the regulation to the health and welfare of California residents, worker safety, and the state's environment: The broad objective of the regulations is to provide sustainable access to capital for small businesses that have difficulty obtaining financing. It is anticipated that the regulations implementing CalCAP/CARB will promote and protect public health and welfare of California residents, by replacing and upgrading older, polluting vehicles. More clean trucks on California's roads also boost the environment by reducing greenhouse gas emissions that contribute to global warming and climate change.

CONSIDERATION OF ALTERNATIVES

In accordance with Government Code Section 11346.5(a)(13) the Authority must determine that no reasonable alternative to the proposed regulations considered by the Authority or that has otherwise been identified and brought to the attention of the Authority would be more effective in carrying out the purpose for which the proposed regulations are proposed or would be as effective and less burdensome to affect-ed 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 Authority invites interested parties to present statements with respect to alternatives to the Proposed Regulations during the written comment period.

AGENCY CONTACT PERSON

Written comments, inquiries, and any questions regarding the substance of the Proposed Regulations must be submitted or directed to:

Doreen Smith, Program Manager California Pollution Control Financing Authority P.O. Box 942809 Sacramento, CA 94209–0001 Telephone: (916) 653–3993 Fax: (916) 589–2805 Email: Doreen.Smith@treasurer.ca.gov Lauren Ross, Associate Treasury Program Officer California Pollution Control Financing Authority P.O. Box 942809 Sacramento, CA 94209–0001 Telephone: (916) 653–9249 Fax: (916) 589–2805 Email: Lauren.Ross@treasurer.ca.gov

WRITTEN COMMENT PERIOD

Any interested person, or his or her authorized representative, may submit written comments relevant to the Proposed Regulations to the Authority. The written comment period on the Proposed Regulations ends at **5:00 p.m. (PT) on November 11, 2020.** All comments must be submitted in writing to the Agency Contact Person identified in this Notice by that time and day in order to be considered by the Authority.

AVAILABILITY OF INITIAL STATEMENT OF REASONS AND TEXT OF PROPOSED REGULATIONS

The Authority has established a rulemaking file for this regulatory action, which contains those items required by law. The file is available for inspection at the Authority's office at 801 Capitol Mall, Second Floor, Sacramento, California 95814, during normal business working hours. As of the date this Notice is published in the California Regulatory Notice Register, the rulemaking file consists of this Notice, the Initial Statement of Reasons and the proposed text of the Proposed Regulations. Copies of these items and all the information upon which the proposed rulemaking is based are available upon request from the Agency Contact Person designated in this Notice or at the Authority's website located at <u>http://www.treasurer.</u> <u>ca.gov/cpcfa/index.asp</u>.

PUBLIC HEARING

CPCFA does not intend to conduct a Public Hearing on the matter of these regulations, unless requested. Any interested person may submit a written request for a public hearing no later than 15 days prior to the close of the written comment period.

AVAILABILITY OF CHANGED OR MODIFIED TEXT

After the written comment period ends and following a public hearing, if any is requested pursuant to Section 11346.8 of the Government Code, the Authority may adopt the Proposed Regulations substantially as described in this Notice, without further notice. If the Authority makes modifications that are sufficiently related to the originally proposed text, it will make the modified text (with changes clearly indicated) available to the public for at least fifteen (15) calendar days before the Authority adopts the proposed regulations, as modified. Inquiries about and requests for copies of any changed or modified regulations should be addressed to the Agency Contact Person identified in this Notice. The Authority will accept written comments on the modified regulations for fifteen (15) calendar days after the date on which they are made available.

AVAILABILITY OF FINAL STATEMENT OF REASONS

Upon completion, a copy of the Final Statement of Reasons may be requested from the Agency Contact Person designated in this Notice or found on the Authority's website at <u>http://www.treasurer.ca.gov/cpcfa/index.asp</u>.

TITLE 8. DIVISION OF LABOR STANDARDS ENFORCEMENT

DEPARTMENT OF INDUSTRIAL RELATIONS

Subject Matter of Regulations: Assessment of Civil Penalties for Violations of Retaliation Laws Within the Jurisdiction of the Labor Commissioner

Sections 13900–13904

NOTICE IS HEREBY GIVEN that the Labor Commissioner, Chief of the Division of Labor Standards Enforcement, Department of Industrial Relations, pursuant to the authority vested in her by Labor Code section 98.8, proposes to adopt sections 13900 through 13904 within proposed Subchapter 16 of existing Chapter 6, of Division 1, of Title 8, California Code of Regulations, relating to Assessment of Civil Penalties for Violations of Retaliation Laws Within the Jurisdiction of the Labor Commissioner.

PROPOSED REGULATORY ACTION

The Labor Commissioner proposes to adopt Subchapter 16 of Chapter 6 of Division 1, consisting of the following:

Section 13900	Scope of Regulations
Section 13901	Definitions
Section 13902	Penalty Assessment
Section 13903	Burden of Proof
Section 13904	Joint and Several Liability

TIME AND PLACE OF PUBLIC HEARING

The Labor Commissioner's Office has not scheduled a public hearing on this proposed action. However, the Labor Commissioner's Office will hold a hearing if it receives a written request for a public hearing from any interested person, or their authorized representative, no later than 15 days before the close of the written comment period. A written request for a hearing must be sent to the same email address or mailing address listed below for the Contact Person for nonsubstantive inquiries.

WRITTEN COMMENT PERIOD

Any interested person, or their authorized representative, may submit written comments relevant to the proposed regulatory action to the Department of Industrial Relations, Division of Labor Standards Enforcement. **The written comment period closes at midnight on Tuesday, November 10, 2020**. The Labor Commissioner will consider only comments received at the Division by that time. Equal weight will be accorded to comments presented at the hearing, if a hearing is requested, and to other written comments received by the Division by that date.

Submit written comments concerning the proposed regulations prior to the close of the public comment period to:

Jennifer Stevens, Legislative Analyst and Regulations Coordinator Department of Industrial Relations Division of Labor Standards Enforcement, Legal Unit 2031 Howe Avenue, Suite 100 Sacramento, CA 95825

Written comments may also be sent electronically (via e-mail) using the following e-mail address: <u>DLSERegulations@dir.ca.gov</u>. Written comments may be submitted by facsimile transmission (FAX), addressed to the above-named contact person at (916) 263–2920.

AUTHORITY AND REFERENCE

The Labor Commissioner's Office is undertaking this regulatory action pursuant to the authority in Labor Code sections 98.8.

Reference is to Labor Code sections 98.6, 98.7, 98.74, 1019.1, 1102.5, and 2814.

INFORMATIVE DIGEST AND POLICY STATEMENT OVERVIEW

The Labor Commissioner enforces the right of employees and applicants for employment in California to exercise their labor rights without retaliation or discrimination. These statutory provisions include, among other things, procedures for investigation, citation, and enforcement of retaliation–related claims under Labor Code sections 98.7 and 98.74, and assessment of penalties pursuant to anti–retaliation provisions in Labor Code sections 98.6, 1019.1, 1102.5, and 2814.

Existing law provides for the Labor Commissioner to enforce the provisions of the Labor Code and all labor laws of the state the enforcement of which is not specifically vested in any other officer, board or commission. Existing law further requires the Labor Commissioner to investigate and prosecute allegations of discharge or other discrimination in violation of any law under the jurisdiction of the Labor Commissioner. Existing law authorizes the Labor Commissioner to adopt regulations to implement the provisions of the Labor Code that include the Labor Commissioner's retaliation complaint, investigation, and enforcement procedures.

Existing law provides that, in addition to other remedies available, an employer who violates Labor Code section 98.6 is liable for a civil penalty not exceeding \$10,000 per employee for each violation of that section, payable to the employee or employees who suffered the violation.

Existing law provides that, in addition to other remedies available, an employer that is a corporation or limited liability company and that violates Labor Code section 1102.5 is liable for a civil penalty not exceeding \$10,000 per employee for each violation of that section.

Existing law provides that, in addition to other remedies available, any person that violates section 1019.1 to the Labor Code is liable for a civil penalty not exceeding \$10,000 for each violation.

Existing law provides that, in addition to other remedies available, an employer that violates section 2814 to the Labor Code is liable for a civil penalty not exceeding \$10,000 for each violation.

The regulatory proposal provides standards for assessment of civil penalties for violations of retaliation laws within the Labor Commissioner's jurisdiction. The proposal defines a "respondent" against whom a penalty may be assessed. In addition, the proposal establishes that the maximum statutory penalty for conduct that gives rise to a retaliation violation is the standard penalty amount that will be assessed absent submission of evidence supporting assessment of a penalty below this amount by the party seeking to reduce the penalty. The proposal further provides several factors that the Labor Commissioner or a court may consider, in addition to any other relevant factors, which may warrant a reduction of the standard penalty amount. Finally, the proposal includes a provision that establishes joint and several liability where more than one respondent is found liable for a penalty. This regulatory proposal is necessary for the Labor Commissioner to duly and efficiently administer her statutory mandate to impose and enforce penalties specifically authorized by the retaliation laws within her jurisdiction, including Labor Code sections 98.6, 1102.5, 1019.1 and 2814. This proposal is consistent with the purpose of those statutes as well as that of Labor Code sections 95, 98.7, and 98.74.

OBJECTIVE AND ANTICIPATED BENEFITS OF THE PROPOSED REGULATIONS

The objective of the regulations is to establish a framework for assessing civil penalties up to a maximum statutory penalty of \$10,000 for violations of the anti-retaliation laws within the Labor Commissioner's jurisdiction. This proposal will allow the Labor Commissioner's Office to effectively administer enforcement of the civil penalty provisions contained in Labor Code sections 98.6, 1102.5, 1019.1 and 2814 in accordance with its statutory responsibilities and obligations. Establishing standardized information regarding assessment of civil penalties will inform the public of the agency's standard procedures and provide for consistent administration of the provisions by the agency.

Employers and other persons who have been found liable for retaliation violations and workers who have been subjected to retaliation will benefit from regulatory standards for civil penalty assessment. Employers and other persons found liable will have clear notice as to the factors that may warrant a reduction below the maximum statutory penalty upon submission of appropriate evidence. Uniform criteria for imposition of civil penalties will improve the welfare of workers by furthering the objective of the anti-retaliation legislation to enhance the protection of employees who are the victims of retaliation and deter unlawful retaliation. Thus, the proposed regulatory action furthers the mission of the Labor Commissioner' Office, which is to ensure a just day's pay to every worker and promote economic justice. In addition, the proposed regulation increases transparency in business and government by setting forth standards for penalty assessment. Finally, the proposed action aids in preventing discrimination and promotes fairness and social equity.

DETERMINATION OF INCONSISTENCY AND/OR INCOMPATIBILITY WITH EXISTING STATE REGULATIONS

The Labor Commissioner's Office has determined that this proposed regulation is not inconsistent or incompatible with existing statutes or other regulations. After conducting a review for any regulations that would relate to or affect this area, the Labor Commissioner's Office has concluded that these are the only valid regulations to implement the statutory mandates pertaining to civil penalties contained in anti–retaliation laws within the Labor Commissioner's jurisdiction.

DISCLOSURES REGARDING THE PROPOSED REGULATORY ACTION

The Labor Commissioner has made the following initial determinations:

Mandate on local agencies and school districts: None.

Cost or savings to any state agency: None.

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

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

Cost or savings in federal funding to the state: None. *Direct cost impacts on housing:* None.

Cost impacts on a representative private person or business: About \$330 in legal fees to prepare and submit evidence to the Labor Commissioner supporting a lower penalty amount. This reflects an estimate of four hours of work by an attorney at \$82.48 an hour, California's mean hourly wage for attorneys.

Effect on businesses: In a typical year, the Labor Commissioner has 45 cases in which penalties of \$10,000 or more are assessed for retaliation violations under statutes that have a maximum penalty of \$10,000. There are often multiple violations in a case, such that there are approximately 100 instances per year where a \$10,000 penalty is assessed for a retaliation violation. If half of those instances are sought to be reduced, then 50 businesses a year will each incur a cost of about \$330; over ten years, this amounts to a total of \$165,000.

Effect on small businesses: The proposed regulations may affect small business.

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

Summary Results of the Economic Impact Analysis/ Assessment

The Labor Commissioner's Office concludes that it is (1) unlikely that the proposal will create any jobs within the State of California; (2) unlikely that the proposal will eliminate any jobs within the State of California; (3) unlikely that the proposal will create any new businesses within the State of California; (4) unlikely that the proposal will eliminate any existing businesses within the State of California; (5) unlikely that the proposal would cause the expansion of businesses currently doing business within the State of California; and (6) likely that the proposal will provide clarity to businesses found liable for civil penalties for violations of retaliation laws. Accordingly, the Labor Commissioner has determined that the proposed regulatory action will not have a significant impact on business.

Benefits of the Proposed Action: Employers and other persons who have been found liable for retaliation violations and workers who have been subjected to retaliation will benefit from regulatory standards for civil penalty assessment. Employers and other persons found liable will have clear notice as to the factors that may warrant a reduction below the maximum statutory penalty upon submission of appropriate evidence. Uniform criteria for imposition of civil penalties will improve the welfare of workers by furthering the objective of the anti-retaliation legislation to enhance the protection of employees who are the victims of retaliation and deter unlawful retaliation. Thus, the proposed regulatory action furthers the mission of the Labor Commissioner's Office, which is to ensure a just day's pay to every worker and promote economic justice. In addition, the proposed regulation increases transparency in business and government by setting forth standards for penalty assessment. Finally, the proposed action aids in preventing discrimination, and promotes fairness and social equity.

CONSIDERATION OF ALTERNATIVES

In accordance with Government Code section 11346.5(a)(13), the Labor Commissioner must determine that no reasonable alternative considered or that has otherwise been identified and brought to the Labor Commissioner's attention would be more effective in carrying out the purpose for which the actions are proposed, or would be as effective and less burdensome to affected private persons than the proposed actions, or would be more cost-effective to affected private persons and equally effective in implementing the statutory policy or other provision of law.

The Labor Commissioner has initially determined that no alternatives would be more effective in carrying out the purpose that underlies the proposed regulatory action, or would be at least as effective or less burdensome on the regulated public (workers subjected to unlawful retaliation and employers and other persons found liable for retaliation violations).

The Labor Commissioner invites interested persons to present reasonable alternatives to the proposed regulations at the scheduled hearing or during the written comment period.

PUBLIC DISCUSSIONS OF PROPOSED REGULATIONS

Prior to proposing to adopt these regulations, the Labor Commissioner's Office carefully considered its significant experience in enforcing the retaliation laws within its jurisdiction and the regular communication it has had with the regulated community regarding assessment of civil penalties.

AVAILABILITY OF INITIAL STATEMENT OF REASONS, TEXT OF PROPOSED REGULATIONS, RULEMAKING FILE AND DOCUMENTS SUPPORTING THE RULEMAKING FILE/INTERNET ACCESS

An Initial Statement of Reasons and the text of the proposed regulations in plain English have been prepared and are available from the contact person named in this notice. The entire rulemaking file will be made available for inspection and copying at the address indicated below.

As of the date of this Notice, the rulemaking file consists of the Notice, the Initial Statement of Reasons, and the proposed text of the regulations.

In addition, the Notice, Initial Statement of Reasons, and proposed text of regulations may be accessed and downloaded from the Department of Industrial Relations' website at <u>https://www.dir.ca.gov/Rulemaking/</u> <u>DIRProposed.html</u>. To access them, please scroll to Division of Labor Standards Enforcement (DLSE), and click on the link for Assessment of Civil Penalties for Violations of Retaliation Laws Within the Jurisdiction of the Labor Commissioner.

Any interested person may inspect a copy or direct questions about the proposed regulations and any supplemental information contained in the rulemaking file. The rulemaking file will be available for inspection at the Division of Labor Standards Enforcement, 2031 Howe Avenue, Suite 100, Sacramento, California, between 9:00 a.m. and 4:30 p.m., Monday through Friday, unless the state office is closed for a state holiday. Copies of the proposed regulations, initial statement of reasons and any information contained in the rulemaking file may be requested in writing to the contact person.

CONTACT PERSON

Nonsubstantive inquiries concerning this action, such as requests to be added to the mailing list for rulemaking notices, requests for copies of the text of the proposed regulations, the Initial Statement of Reasons, and any supplemental information contained in the rulemaking file may be requested in writing at the same address. The contact person is:

Jennifer Stevens, Legislative Analyst and Regulations Coordinator Department of Industrial Relations Division of Labor Standards Enforcement, Legal Unit 2031 Howe Avenue, Suite 100 Sacramento, CA 95825 E-mail: jstevens@dir.ca.gov

The telephone number of the contact person is (916) 263–1563.

CONTACT PERSON FOR SUBSTANTIVE QUESTIONS

In the event the contact person is unavailable, or to obtain responses to questions regarding the substance of the proposed regulations, inquiries should be directed to the following backup contact person:

Dorothy Chang, Staff Attorney
Department of Industrial Relations
Division of Labor Standards Enforcement, Legal Unit
320 W. Fourth Street, Suite 600
Los Angeles, CA 90013
E-mail: dchang@dir.ca.gov

The telephone number of the backup contact person is (213) 576–7722.

AVAILABILITY OF CHANGES FOLLOWING PUBLIC COMMENT

If the Labor Commissioner makes changes to the proposed regulations as a result of the public comment received, or as a result of any public hearing held if requested, the modified text with changes clearly indicated will be made available for public comment for at least 15 days prior to the date on which the regulations are adopted.

AVAILABILITY OF THE FINAL STATEMENT OF REASONS

Upon its completion, the Final Statement of Reasons will be available and copies may be requested from the contact person named in this notice or may be accessed on the Department of Industrial Relations' website at www.dir.ca.gov/Rulemaking/DIRProposed.html.

AUTOMATIC MAILING

A copy of this Notice, the Initial Statement of Reasons, and proposed text of regulations will automati-

cally be sent to those interested persons on the Labor Commissioner's mailing list.

If adopted, the regulations as amended will appear in Title 8, California Code of Regulations, commencing with section 13900. The text of the final regulations will also be available through the website of the Office of Administrative Law at <u>www.oal.ca.gov</u>.

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 §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 BY NOVEMBER 9, 2020

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) 227–6932 or by letter to:

Commission on POST Attn: Cheryl Smith 860 Stillwater Road, Suite 100 West Sacramento, CA 95605–1630 <u>Cheryl.Smith@post.ca.gov</u>

AUTHORITY AND REFERENCE

This proposal is made pursuant to the authority vested by Penal Code §13503 (authority of Commission on POST) and Penal Code §13506 (POST authority to adopt regulations). This proposal is intended to interpret, implement, and make specific Penal Code §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

Penal Code §13510 requires that POST develop guidelines and a course of instruction and training for law enforcement officers who are employed as peace officers, or who are not yet employed as a peace officer but are enrolled in a training academy for law enforcement officers. This proposed action will update the incorporated by reference document, Training and Testing Specifications for Peace Officer Basic Courses (revised 1/1/2021), to remove the training in the use of the Carotid Restraint Control Hold. Additionally, the incorporation by reference statements in POST Regulations sections 1005, 1007, and 1008 will be revised to reflect the updated revised date for the Training and Testing Specifications for Peace Officer Basic Courses.

The benefit anticipated by the proposed amendments to the regulations will be to update the training specifications for Peace Officer Basic Courses, which will increase the effectiveness of law enforcement standards for peace officers in preserving peace, protection of public health and safety, and welfare of California.

During the process of developing these regulations and amendments, POST has conducted a search of any similar regulations on this topic and has concluded that these regulations are neither inconsistent nor incompatible with existing state regulations.

All changes to curriculum begin with recommendations from law enforcement practitioners or in some cases via legislative mandates. The proposed effective date is January 1, 2021.

DOCUMENT INCORPORATED BY REFERENCE

Training and Testing Specifications for Peace Officer Basic Courses, revised 1/1/21

ADOPTION OF PROPOSED REGULATIONS

Following the public comment period, the Commission may adopt the proposal substantially as set forth without further notice or may modify the proposal if such modifications remain sufficiently related to the text as described in the Informative Digest. 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 that 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 Affecting Government Code §§ 17500–17630 require reimbursement: None.

Significant Statewide Adverse Economic Impact Directly Affecting California Businesses: The Commission on Peace Officer Standards and Training has made an initial determination that the amended regulations will not have a significant statewide adverse economic impact directly affecting California business, including the ability of California businesses to compete with businesses in other states.

Small Business Determination: The Commission on Peace Officer Standards and Training has found that the proposed amendments will not affect small businesses, because the Commission sets selection and training standards for law enforcement which does not impact California small businesses.

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

RESULTS OF ECONOMIC IMPACT ASSESSMENT

per Government Code § 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 proposed amendments of regulations will increase the effectiveness of law enforcement standards for peace officers in preserving peace, protection of public health and safety, and welfare of California. There would be no impact that would affect worker safety or the state's environment.

COST IMPACT ON REPRESENTATIVE PRIVATE PERSONS OR BUSINESSES

The Commission is not aware of any cost impacts that a representative private person or business would

necessarily incur in reasonable compliance with the proposed action.

CONSIDERATION OF ALTERNATIVES

To take this action, the Commission must determine that no reasonable alternative considered by the Commission, or otherwise identified and brought to the Commission, 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 than the proposed action.

CONTACT PERSON

Questions regarding this proposed regulatory action may be directed to Cheryl Smith, Commission on POST, 860 Stillwater Road, Suite 100, West Sacramento, CA 95605–1630 at (916) 227–0544. General questions regarding the regulatory process may be directed to Katie Strickland at (916) 227–2802, or by FAX at (916) 227–5271.

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 at 860 Stillwater Road, Suite 100, West Sacramento, CA 95605–1630. These documents are also located on the POST Website at https://post.ca.gov/Regulatory-Actions.

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. DEPARTMENT OF MOTOR VEHICLES

The Department of Motor Vehicles (Department) proposes to amend Sections 430.00 and 431.00 in Article 6.0, Chapter 1, Division 1, Title 13 of the California Code of Regulations, related to the fee for recording notices of delinquent parking and toll evasion violations.

PUBLIC HEARING

A public hearing regarding this proposed regulatory action is not scheduled. However, a public hearing will be held if any interested person or his or her duly authorized representative requests a public hearing to be held relevant to the proposed action by submitting a written request to the contact person identified in this notice no later than 5:00 p.m., fifteen (15) days prior to the close of the written comment period.

DEADLINE FOR WRITTEN COMMENTS

Any interested party or his or her duly authorized representative may submit written comments relevant to the proposed regulations to the contact person identified in this notice. All written comments must be received at the Department no later than November 9, 2020, the final day of the written comment period, in order for them to be considered by the Department before it adopts the proposed regulation.

AUTHORITY AND REFERENCE

The Department proposes to adopt these regulations under the authority granted by Vehicle Code section 1651, in order to implement, interpret, or make specific Vehicle Code sections 4763 and 4773.

INFORMATIVE DIGEST/POLICY STATEMENT OVERVIEW

In September 1993, the Department of Motor Vehicles (Department) adopted Section 430.00, implementing Vehicle Code section 4763, to establish a \$3.00 fee assessed on processing agencies for each notice of delinquent parking violation filed with the Department. In May 1999, the Department adopted Section 431.00, implementing Vehicle Code section 4773, to establish a \$3.00 fee assessed on processing agencies for each notice of delinquent toll evasion violation filed with the Department.

California Relay Telephone Service for the deaf or hard of hearing from TDD Phones: 1–800–735–2929; from Voice Phones: 1–800–735–2922

Assembly Bill (AB) 516 (Chapter 90; Statutes of 2016) added Vehicle Code section 4456.2 to require the Department to develop an operational system, no later than January 1, 2019, that allows a vehicle dealer or vehicle lessor/retailer to electronically report the sale of a vehicle and provide a temporary license plate if the vehicle does not already display license plates. AB 516 also amended Vehicle Code sections 4763 and 4773 to authorize the Department to assess a fee that is sufficient to provide for the administration of the electronic report of sale system established in Vehicle Code section 4456.2.

In September 2017, and effective on January 1, 2018, the Department amended both Sections 430.00 and 431.00 to adjust each fee from \$3.00 to \$4.00. In that rulemaking, the Department noted that, after the electronic report of sale system is fully funded, the Department would reassess both fees to an amount sufficient to cover the cost of administrating the system. In the fifteen months that the fees were increased, the Department received sufficient revenue to cover the implementation and on-going costs of the electronic report of sale system. The department conducted a costing review and determined that the fee should be reduced to \$2.00. Therefore, the Department is amending Sections 430.00 and 431.00 to reflect the adjusted fee of \$2.00. This amendment is necessary to ensure the Department is only collecting a fee that is sufficient to fund the actual costs of recording notices of delinquent parking and toll evasion violations.

CONSISTENCY AND COMPATIBILITY WITH STATE REGULATIONS

The Department conducted a review of other regulations and has determined that there are no other regulations related to the fee for recording notices of delinquent parking violations and delinquent toll evasion violations. Therefore, the proposed regulations are neither inconsistent nor incompatible with existing state regulations.

COMPARABLE FEDERAL STATUTES OR STATE REGULATIONS

There are no existing federal statues or regulations that govern the administrative fee charged by the Department to record notices of delinquent violations.

DOCUMENTS INCORPORATED BY REFERENCE

There are no documents incorporated by reference.

ECONOMIC AND FISCAL IMPACT DETERMINATIONS

The department has made the following initial determinations concerning the proposed regulatory action:

- Cost or Savings to Any State Agency: None.
- Other Non–Discretionary Cost or Savings to Local Agencies: The fee for recording delinquent parking and toll evasion violations is a non–

reimbursable cost by the state and is assumed absorbed by local agencies that update records to the DMV database. The cost for each fee is being reduced by two dollars.

- Costs or Savings in Federal Funding to the State: None.
- Effects on Housing Costs: None.
- Cost to any local agency or school district requiring reimbursement pursuant to Gov. Code section 17500 et seq.: None.
- Cost Impact 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 action. This action will amend the recording fee paid to the department by violation processing agencies.
- Small Business Impact: This proposed action is unlikely to impact small business as local violation processing agencies are the entities responsible for pay the fees to the department.
- Local Agency/School District Mandate: The proposed regulatory action will not impose a mandate on local agencies or school districts, or a mandate that requires reimbursement pursuant to Part 7 (commencing with Section 17500) of Division 4 of the Government Code.
- Significant statewide adverse economic impact directly affecting businesses, including the ability of California businesses to compete with businesses in other states: The proposed regulatory action is not anticipated to have a significant statewide adverse economic impact directly affecting businesses, including the ability of California businesses to compete with businesses in other states. This proposed action decreases a fee paid to the department by an agency responsible for processing parking and toll evasion violations.

RESULTS OF THE ECONOMIC IMPACT STATEMENT

The department has made the following determinations when assessing the economic impact associated with this proposed regulation:

The department has determined that this action will not impact 1) the creation or elimination of jobs within the State of California, 2) the creation or elimination of existing businesses within the State of California, or 3) the expansion of businesses currently doing business within the State of California, or 4) the welfare of California residents, worker safety or the state's environment.

PUBLIC DISCUSSIONS OF PROPOSED REGULATIONS

A pre-notice workshop, pursuant to Government Code section 11346.45, is not required because the issues addressed in the proposal are not so complex or large in number that they cannot easily be reviewed during the comment period.

ALTERNATIVES CONSIDERED

The department must determine 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, or would be effective as and less burdensome to affected private persons than the proposed action, or would be more cost–effective to affected private persons and equally effective in implementing the statutory policy or other provisions of law.

CONTACT PERSON

Any inquiries or comments concerning the proposed rulemaking action may be addressed to:

Randi Calkins, Regulations Analyst Department of Motor Vehicles Legal Affairs Division P.O. Box 932382, MS C–244 Sacramento, CA 94232–3820

Any inquiries or comments concerning the proposed rulemaking action requiring more immediate response may use:

Telephone: (916) 657–8898 Facsimile: (916) 657–6243 E–Mail: LADRegulations@dmv.ca.gov

In the event the contact person is unavailable, inquiries should be directed to the following back–up person:

Shelly Johnson Marker, Chief of Staff Department of Motor Vehicles Telephone: (916) 657–6469

AVAILABILITY OF STATEMENT OF REASONS AND TEXT OF PROPOSED REGULATIONS

The department has prepared an Initial Statement of Reasons for the proposed regulatory action, and has available all the information upon which the proposal is based. The contact person identified in this notice shall make available to the public upon request the Express Terms of the proposed regulatory action using underline or italics to indicate additions to, and strikeout to indicate deletions from the California Code of Regulations.

The contact person identified in this notice shall also make available to the public, upon request, the Final Statement of Reasons and the location of public records, including reports, documentation and other materials related to the proposed action. In addition, the above–cited materials (the Notice of Proposed Regulatory Action, the Initial Statement of Reasons, and Express Terms) may be accessed at <u>http://www. dmv.ca.gov/portal/dmv/detail/about/lad/regactions</u>.

AVAILABILITY OF MODIFIED TEXT

Following the written comment period, and the hearing if one is held, the Department may adopt the proposed regulations substantially as described in this notice. If modifications are made which are sufficiently related to the originally proposed text, the fully modified text, with changes clearly indicated, shall be made available to the public for at least 15 days prior to the date on which the Department adopts the resulting regulations. Request for copies of any modified regulations should be addressed to the Department contact person identified in this notice. The department will accept written comments on the modified regulations for 15 days after the date on which they are first made available to the public

TITLE 13. DEPARTMENT OF MOTOR VEHICLES

The Department of Motor Vehicles (Department) proposes to adopt Sections 274.00, 274.02, and 274.04, in Article 4.2, Chapter 1, Division 1, Title 13 of the California Code of Regulations, related to used vehicle dealer sales tax remittance to the Department.

PUBLIC HEARING

A public hearing regarding this proposed regulatory action is not scheduled. However, a public hearing will be held if any interested person or his or her duly authorized representative requests a public hearing to be held relevant to the proposed action by submitting a written request to the contact person identified in this notice no later than fifteen (15) days prior to the close of the written comment period.

DEADLINE FOR WRITTEN COMMENTS

Any interested party or his or her duly authorized representative may submit written comments relevant to the proposed regulations to the contact person identified in this notice. All written comments must be received at the Department no later than **November 9**, **2020**, the final day of the written comment period, in order for them to be considered by the Department before it adopts the proposed regulation.

AUTHORITY AND REFERENCE

The department proposes to amend these regulations under the authority granted by Vehicle Code section 1651 and Revenue and Taxation Code section 6295, in order to implement, interpret, or make specific Vehicle Code sections 4456 and 4750.6, and Revenue and Taxation Code section 6295.

INFORMATIVE DIGEST/POLICY STATEMENT OVERVIEW

Assembly Bill (AB) 85 (Chapter 8; Statutes of 2020) adopted Vehicle Code section 4750.6 and Revenue and Taxation Code section 6295. AB 82 (Chapter 14; Statutes of 2020) amended Revenue and Taxation Code section 6295 and amended Vehicle Code sections 4456 and 4750.6 to require the Department to collect sales tax from used vehicle dealers and remit those taxes to the California Department of Tax and Fee Administration (CDTFA).

Revenue and Taxation Code section 6295 requires a used vehicle dealer to pay applicable sales tax to the Department acting for and on behalf of the California Department of Tax and Fee Administration (CDTFA) and requires the Department to establish, through regulation, requirements for implementation of this section. Vehicle Code section 4456 requires that on and after January 1, 2021, a used vehicle dealer shall submit with the application, payment of the applicable sales tax measured by the gross receipts from the sale of a vehicle. Vehicle Code section 4750.6 requires the Department to transmit to the CDTFA all collections of sales tax collected under Vehicle Code section 4456 and Revenue and Tax Code section 6295.

The Department is promulgating rules to establish a phased in approach to requiring used vehicle dealers to begin submitting sales tax to the Department. The department, in consultation with the CDTFA, determined it necessary to require used vehicle dealers who pose a higher risk of a tax delinquency and used vehicle dealers who are either new to used vehicle sales industry or not associated with a business partner to begin reporting and remitting sales tax to the Department on January 1, 2021 as those dealers are more likely to require additional support and oversight. The department, in consultation with the CDTFA and business partners, has identified the Department's registration database as the database that will be used to report sales tax when entering vehicle sales information. The department determined the registration database is the most efficient means by which to carry out the requirements of AB 82 as used vehicle dealers and the Department's business partners currently have access to and are familiar with that database.

This proposed action adopts Section 274.00 to identify the groups of used vehicle dealers who will begin reporting and submitting sales tax to the Department on January 1, 2021, and the group of used vehicle dealers who will begin reporting and submitting sales tax on January 1, 2023. In consultation with the CDTFA, the Department determined dealers at a higher risk of failing to pay taxes, dealers who are relatively new to the used vehicle sales industry and dealers who do not work with a business partner will benefit from additional oversight. Used vehicle dealers in good standing with the Department and the CDTFA will have additional time to comply.

This proposed action adopts Section 274.02 to identify the database to which sales tax will be reported and the means by which the Department will receive funds from used vehicle dealers whether they're working with a business partner, or reporting directly to the Department.

This proposed action adopts Section 274.04 to identify rules for non-titling transactions. When the vehicle purchaser takes the registration paperwork to either register the vehicle themselves or register the vehicle out of state, this provision will ensure that the sales tax is reported on the registration database prior to the vehicle purchaser taking the vehicle sales documents.

BENEFITS OF THE PROPOSED REGULATION

The benefits of the proposed regulation will be to ensure increased revenue to the state without increasing the tax burden on used vehicle dealers.

CONSISTENCY AND COMPATIBILITY WITH STATE REGULATIONS

The department conducted a review of other regulations and has determined there are no other regulations related to the process by which a used vehicle dealer shall report and pay sales tax to the Department. The proposed regulations are neither inconsistent nor incompatible with existing state regulations.

COMPARABLE FEDERAL STATUTES OR STATE REGULATIONS

The department has determined that there are no comparable federal statutes or state regulations.

DOCUMENTS INCORPORATED BY REFERENCE

There are no documents incorporated by reference.

ECONOMIC AND FISCAL IMPACT DETERMINATIONS

The department has made the following initial determinations concerning the proposed regulatory action:

• Cost or Savings to Any State Agency: \$4–6 million in fiscal year 2020/2021, \$2–3 million in fiscal year 2021/2022, ongoing based on implementation.

The department will be reimbursed through an Interagency Agreement with the Department of Tax and Fee Administration.

- Other Non–Discretionary Cost or Savings to Local Agencies: None.
- *Costs or Savings in Federal Funding to the State:* None.
- *Effects on Housing Costs*: None.
- Cost to any local agency or school district requiring reimbursement pursuant to Gov. Code section 17500 et seq.: None.
- Cost Impact on Representative Private Persons or Businesses: This action does not impose any costs on representative private persons or businesses. This proposed action redirects the payment of the sales tax to the department, as required by statute. The electronic report of sales databases referenced in the proposed regulations is already being utilized by vehicle dealers in California.
- *Small Business Impact*: This proposed action may have an impact on small businesses.
- Local Agency/School District Mandate: The proposed regulatory action will not impose a mandate on local agencies or school districts, or a mandate that requires reimbursement pursuant to Part 7 (commencing with Section 17500) of Division 4 of the Government Code.
- Significant statewide adverse economic impact directly affecting businesses, including the ability of California businesses to compete with businesses in other states: This regulation will not

have an adverse economic impact on businesses. This proposed action redirects the payment of the sales tax to the department.

> RESULTS OF THE ECONOMIC IMPACT STATEMENT

The department has made the following determinations when assessing the economic impact associated with this proposed regulation:

The department has determined that this action will not impact 1) the creation or elimination of jobs within the State of California, 2) the creation or elimination of existing businesses within the State of California, or 3) the expansion of businesses currently doing business within the State of California, or 4) worker safety or the state's environment.

This action is intended to implement statutory requirements designed to increase revenue without increasing taxes on used vehicle dealers or California residents.

PUBLIC DISCUSSIONS OF PROPOSED REGULATIONS

A pre-notice workshop, pursuant to Government Code section 11346.45, is not required because the issues addressed in the proposal are not so complex or large in number that they cannot easily be reviewed during the comment period.

ALTERNATIVES CONSIDERED

The department must determine 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, or would be effective as and less burdensome to affected private persons than the proposed action, or would be more cost-effective to affected private persons and equally effective in implementing the statutory policy or other provisions of law.

CONTACT PERSON

Any inquiries or comments concerning the proposed rulemaking action may be addressed to:

Randi Calkins, Regulations Analyst Department of Motor Vehicles Legal Affairs Division P.O. Box 932382, MS C–244 Sacramento, CA 94232–3820

Any inquiries or comments concerning the proposed rulemaking action requiring more immediate response may use: Telephone: (916) 657–8898 Facsimile: (916) 657–6243 E–Mail: <u>LADRegulations@dmv.ca.gov</u>

In the event the contact person is unavailable, inquiries should be directed to the following back–up person:

Shelly Johnson Marker, Chief of Staff Department of Motor Vehicles Telephone: (916) 657–6469

AVAILABILITY OF STATEMENT OF REASONS AND TEXT OF PROPOSED REGULATIONS

The department has prepared an Initial Statement of Reasons for the proposed regulatory action and has available all the information upon which the proposal is based. The contact person identified in this notice shall make available to the public upon request the Express Terms of the proposed regulatory action using underline or italics to indicate additions to, and strikeout to indicate deletions from the California Code of Regulations.

The contact person identified in this notice shall also make available to the public, upon request, the Final Statement of Reasons and the location of public records, including reports, documentation and other materials related to the proposed action. In addition, the above–cited materials (the Notice of Proposed Regulatory Action, the Initial Statement of Reasons, and Express Terms) may be accessed at <u>https://www.dmv.ca.gov/portal/about–</u> <u>the–california–department–of–motor–vehicles/</u> <u>california–dmv–rulemaking–actions/</u>.

AVAILABILITY OF MODIFIED TEXT

Following the written comment period, and the hearing if one is held, the Department may adopt the proposed regulations substantially as described in this notice. If modifications are made which are sufficiently related to the originally proposed text, the fully modified text, with changes clearly indicated, shall be made available to the public for at least 15 days prior to the date on which the Department adopts the resulting regulations. Request for copies of any modified regulations should be addressed to the Department contact person identified in this notice. The department will accept written comments on the modified regulations for 15 days after the date on which they are first made available to the public.

TITLE 14. FISH AND GAME COMMISSION

NOTICE IS HEREBY GIVEN that the Fish and Game Commission (Commission), pursuant to the authority vested by sections 200, 205, 265, 270, 275, 713, 1050, 1053.1, 7075, 7078 and 7149.8 of the Fish and Game Code and to implement, interpret or make specific sections 200, 205, 265, 270, 275, 713, 1050, 1053.1, 1055.1, 7050, 7055, 7056 and 7149 of said Code, proposes to amend sections 29.80, 29.85 and 701, Title 14, California Code of Regulations, relating Recreational Crab Trap Fishery Marine Life Protection Measures

INFORMATIVE DIGEST/POLICY STATEMENT OVERVIEW

Current regulations for the recreational take of rock crab and Dungeness crab specify seasons, size limits, bag and possession limits, closed fishing areas, and gear restrictions. Like most recreational fisheries, a recreational fishing license is the only license required to participate in recreational crab fishing. In addition to traps, crabs can also be taken recreationally by hand, crab loop traps (snares), or hoop nets. Individuals are generally not allowed to operate a trap owned by another person unless they have in possession written permission from the owner.

Individual fishermen may fish using their own gear, or may join a scheduled fishing trip on a Commercial Passenger Fishing Vessel (CPFV). CPFVs take customers on fishing trips and provide fishing gear for use by their clients or passengers. Current regulations limit the number of crab traps used to take Dungeness crab by a CPFV to 60 and specify that the commercial boat registration number of the CPFV must be affixed to each trap and trap buoy deployed by that vessel. Current regulations specify that traps not operated from CPFVs must be marked with buoys with the operator's GO ID number.

There is currently no limit to how many traps an individual may deploy, no required service interval (how often traps must be raised, cleaned and emptied), and no other buoy or trap marking requirements for recreational crab fishing.

The Fish and Game Commission (Commission) and the Department of Fish and Wildlife (Department) are proposing to amend sections 29.80, 29.85, and 701, Title 14, California Code of Regulations (CCR). The proposed regulatory changes would be the first step in addressing entanglement risk posed by the recreational crab fishery in California towards species listed under the federal Endangered Species Act (ESA). Between 2014 and 2019, three Humpback whale entanglements were attributed to the recreational crab fishery in California. The proposal would also allow the Department to gather essential fishery information.

The fishing gear responsible for entanglement could not be identified in 44% of all confirmed entanglements between 1982 and 2017, and the recreational crab fishery may be responsible in some of these instances. This uncertainty, along with the scarcity of essential fishery information, makes development of mitigation measures very difficult.

The proposed regulations would establish some restrictions to minimize entanglement risks as well as allow the state to collect crucial information that would contribute to future management. The proposed regulations include the following provisions:

- Enhanced Gear Marking: Proposed subsection 29.80(c)(3), Title 14, CCR, would require all recreational crab traps be marked with a main buoy that is at least 5 inches in diameter and 11 inches in length and that a red marker buoy that is 3 inches in diameter and 5 inches in length be attached no more than three feet from the main buoy. Current regulations requiring buoy marking, and in the case of CPFV's, trap marking, would be consolidated in this subsection.
- Service Interval: Proposed subsection 29.80(c) (5), Title 14, CCR, would establish a maximum service interval of 9 days, weather conditions at sea permitting, and would prohibit abandoned traps.
- Trap Limit: Proposed subsection 29.80(c)(6), Title 14, CCR, would establish an individual trap limit of 10 traps. The current 60–trap limit for Commercial Passenger Fishing Vessels (CPFVs) targeting Dungeness crab will be moved from subsection 29.85(a)(4) to this subsection and will apply to CPFVs targeting any crab. The proposed regulation would allow individuals to service up to 10 additional traps if they possess written permission from the operator(s) of the additional traps whose gear are identified in accordance with subsection 29.80(c)(3).
- Director Authority: Proposed subsection 29.80(c)(7), Title 14, CCR, would provide authority for the Director of the Department, after consulting with the President of the Commission, to delay the fishery opener or close the season early in ocean waters of the state when the concentrations of Humpback whales, Blue whales, or Pacific Leatherback sea turtles exceed thresholds established in the Risk Assessment and Mitigation Program (Section 132.8. Title 14, CCR). Starting at least 5 days in advance of the opening of the recreational Dungeness crab fishing season, the Director shall, on at least a

monthly basis until the season opens statewide and March 1 through June 15, evaluate and respond to risk. Any delay or closure could apply statewide or by zone(s). The proposed regulation provides that before implementing a delay or closure, the recreational crab trap fishery will be given at least 5 days' notice through a Director's declaration on the Department's "Whale Safe Fisheries" webpage (https://wildlife.ca.gov/ Conservation/Marine/Whale-Safe-Fisheries). In addition, the Director will notify the Commission of any actions taken and request the Commission schedule a public discussion of any such action at the next regularly-scheduled Commission meeting. References to this authority will be added to subsections 29.85(b)(2) and (c)(1).

• Trap Validation Program: Proposed subsections 29.85(b) and 701(h), Title 14, CCR, would establish a "Recreational Crab Trap Validation" program that would require those individuals who fish for crabs with recreational crab traps to purchase an annual validation. A small fee of \$2.25 would be required for each validation.

The proposed regulatory package also includes clarifying, organizational and non–substantive edits to sections 29.80, 29.85, and 701, Title 14, CCR.

Benefits of the Regulations

The proposed regulation would help reduce marine life entanglement caused by the recreational crab fishery. It would also establish a framework by which the Commission and the Department can collect the requisite information to better manage the fishery to further reduce entanglement and to better meet the state's fishery management goals.

Consistency and Compatibility with Existing Regulations

Article IV, Section 20 of the State Constitution specifies that the Legislature may delegate to the Commission such powers relating to the protection and propagation of fish and game as the Legislature sees fit. The Legislature has delegated authority to the Commission to promulgate sport fishing regulations (Fish and Game Code sections 200, 205, 315, and 316.5). Commission staff has searched the California Code of Regulations and has found no other state regulations that address the recreational take of crabs using trap gear. The Commission has reviewed its own regulations and finds that the proposed regulations are consistent with other recreational fishing regulations and marine protected area regulations in Title 14, CCR, and therefore finds that the proposed regulations are neither inconsistent nor incompatible with existing state regulations.

PUBLIC PARTICIPATION

NOTICE IS GIVEN that any person interested may present statements, orally or in writing, relevant to this action at a webinar/teleconference hearing to be held on Wednesday, October 14, 2020 at 8:30 a.m., or as soon thereafter as the matter may be heard. Instructions for participation in the webinar/teleconference hearing will be posted at <u>www.fgc.ca.gov</u> in advance of the meeting or may be obtained by calling 916–653–4899.

NOTICE IS ALSO GIVEN that any person interested may present statements, orally or in writing, relevant to this action at a webinar/teleconference hearing to be held on Wednesday, December 9, 2020 at 8:30 a.m., or as soon thereafter as the matter may be heard. Instructions for participation in the webinar/ teleconference hearing will be posted at <u>www.fgc.</u> <u>ca.gov</u> in advance of the meeting or may be obtained by calling 916–653–4899.

It is requested, but not required, that written comments be submitted on or before November 30, 2020 at the address given below, or by email to FGC@ fgc.ca.gov. Written comments mailed, or emailed to the Commission office, must be received before 12:00 noon on December 4, 2020. All comments must be received no later than December 9, 2020, during the webinar/teleconference hearing. If you would like copies of any modifications to this proposal, please include your name and mailing address. Mailed comments should be addressed to Fish and Game Commission, P.O. Box 944209, Sacramento, CA 94244–2090.

AVAILABILITY OF DOCUMENTS

Copies of the Notice of Proposed Action, the Initial Statement of Reasons, and the text of the regulation in underline and strikeout format can be accessed through the Commission website at www.fgc.ca.gov. The regulations as well as all related documents upon which the proposal is based (rulemaking file), are on file and available for public review from the agency representative, Melissa Miller-Henson, Executive Director, Fish and Game Commission, 1416 Ninth Street, Box 944209, Sacramento, California 94244-2090, phone (916) 653-4899. Please direct requests for the above-mentioned documents and inquiries concerning the regulatory process to Melissa Miller-Henson or Sherrie Fonbuena at FGC@fgc.ca.gov or at the preceding address or phone number. Senior **Environmental Scientist Specialist Ryan Bartling**, Department of Fish and Wildlife, (415) 761-1843 or Ryan.Bartling@wildlife.ca.gov), has been designated to respond to questions on the substance of the proposed regulations.

AVAILABILITY OF MODIFIED TEXT

If the regulations adopted by the Commission differ from but are sufficiently related to the action proposed, they will be available to the public for at least 15 days prior to the date of adoption. Circumstances beyond the control of the Commission (e.g., timing of Federal regulation adoption, timing of resource data collection, timelines do not allow, etc.) or changes made to be responsive to public recommendation and comments during the regulatory process may preclude full compliance with the 15-day comment period, and the Commission will exercise its powers under Section 265 of the Fish and Game Code. Regulations adopted pursuant to this section are not subject to the time periods for adoption, amendment or repeal of regulations prescribed in sections 11343.4, 11346.4, 11346.8 and 11347.1 of the Government Code. Any person interested may obtain a copy of said regulations prior to the date of adoption by contacting the agency representative named herein.

If the regulatory proposal is adopted, the final statement of reasons may be obtained from the address above when it has been received from the agency program staff.

IMPACT OF REGULATORY ACTION/RESULTS OF THE ECONOMIC IMPACT ASSESSMENT

The potential for significant statewide adverse economic impacts that might result from the proposed regulatory action has been assessed, and the following initial determinations relative to the required statutory categories have been made:

(a) Significant Statewide Adverse Economic Impact Directly Affecting Business, Including the Ability of California Businesses to Compete with Businesses in Other States:

The proposed action 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, because the proposed regulations are for a recreational marine fishery and are not anticipated to change the level of fishing activity. CPFVs that take fishers on crab fishing trips would be required to attach additional buoys to crab trap lines at a cost of \$4.00 per buoy for up to the maximum 60 traps per vessel, resulting in industry costs of \$15,360 in initial costs and approximately \$7,680 in subsequent years to replace lost or damaged buoys. The additional costs for CPFVs to purchase marker buoys is not anticipated to be significant because these

costs are a very small share of CPFV operating costs and would not change procedure. As a result of fishing season closures or delays, CPFV operations could be impacted depending on the percentage of their group fishing trips that are solely or predominantly for crab trapping. Vessels that pursue multiple species could more readily shift effort away from trap-taken crabs should crab season delays or closures occur. These impacts are not anticipated to be more than those due to the typical season variation due to weather and other unknown influences.

(b) Impact on the Creation or Elimination of Jobs Within the State, the Creation of New Businesses or the Elimination of Existing Businesses, or the Expansion of Businesses in California; Benefits of the Regulation to the Health and Welfare of California Residents, Worker Safety, and the State's Environment:

The Commission does not anticipate any impacts on the creation or elimination of jobs, the creation of new business, the elimination of existing businesses or the expansion of businesses in California because the proposed regulations are not anticipated to affect the volume of recreational crab trapping activity nor result in significant costs to CPFVs that serve recreational crab trappers.

The Commission does not anticipate any benefits to the health and welfare of California residents or to worker safety.

The Commission anticipates benefits to the state's environment by reducing the potential for marine life entanglement in recreational fishing gear.

(c) Cost Impacts on a Representative Private Person or Business:

Recreational crab fishers would be required to purchase a \$2.25 Recreational Crab Trap Validation annually to participate in any crab trap fishery. Fishers may also incur costs for up to ten buoys at approximately \$4.00 each if they elect to fish the maximum number of traps. The proposed changes are not expected to change the level of fishing activity. CPFVs that take individual fishers on crab fishing trips would be required to attach additional buoys to crab trap lines at a cost of \$4.00 per buoy for up to the maximum 60 traps, summing to \$240 in initial costs and approximately \$120 in subsequent years to replace lost or damaged buoys.

The proposed regulation also includes the provision of authority for the Director of the Department to take action to reduce the risk of marine life entanglement. This component of the regulation is not anticipated to have cost impacts to individuals. However, CPFV operations could be impacted depending on the percentage of their group fishing trips that are solely or predominantly for crab trapping. Vessels that pursue multiple species could more readily shift effort away from trap-taken crabs should crab season delays or closures occur.

(d) Costs or Savings to State Agencies or Costs/ Savings in Federal Funding to the State:

The proposed regulations are anticipated to introduce some start–up and ongoing implementation and enforcement costs that will be re–covered with the proposed Recreational Crab Trap validation program. An estimated additional \$13,500 in validation revenue is anticipated to be collected by the Department. The Commission does not anticipate any savings to State agencies or costs/savings in federal funding to the State.

(e) Nondiscretionary Costs/Savings to Local Agencies:

None.

(f) Programs Mandated on Local Agencies or School Districts:

None.

(g) Costs Imposed on any Local Agency or School District that are Required to be Reimbursed Under Part 7 (commencing with Section 17500) of Division 4, Government Code:

None.

(h) Effect on Housing Costs:

None.

EFFECT ON SMALL BUSINESS

It has been determined that the adoption of these regulations may affect small business. The Commission has drafted the regulations in Plain English pursuant to Government Code Sections 11342.580 and 11346.2(a)(1).

CONSIDERATION OF ALTERNATIVES

The Commission must determine that no reasonable alternative considered by the Commission, 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 provision of law.

TITLE 16. VETERINARY MEDICAL BOARD

Registration and Renewal Fees for Veterinarians, § 2070 Application, Registration and Renewal Fees for Registered Veterinary Technicians, § 2071

NOTICE IS HEREBY GIVEN that the Veterinary Medical Board ("Board") is proposing to take the action described in the Informative Digest, below.

PUBLIC HEARING

The Board has not scheduled a public hearing on this proposed action. However, the Board will hold a hearing if it receives a written request for a public hearing from any interested person, or his or her authorized representative, no later than 15 days prior to the close of the written comment period. A hearing may be requested by making such request in writing addressed to the individuals listed under "Contact Person" in this notice.

WRITTEN COMMENT PERIOD

Written comments, including those sent by mail, facsimile, or e-mail to the addresses listed under "Contact Person" in this Notice, must be *received* by the Board at its office no later than November 9, 2020, or must be received by the Board at the hearing, should one be scheduled.

AVAILABILITY OF MODIFICATIONS

The Board, upon its own motion or at the request of any interested party, may thereafter adopt the proposals substantially as described below or may modify such proposals if such modifications are sufficiently related to the original text. With the exception of technical or grammatical changes, the full text of any modified proposal will be available for 15 days prior to its adoption from the person designated in this Notice as the contact person, and will be mailed to those persons who submit written or oral testimony related to this proposal or who have requested notification of any changes to the proposal.

AUTHORITY AND REFERENCE

Pursuant to the authority vested by section 4808 of the Business and Professions Code (BPC), and to implement, interpret, or make specific sections 4842.5, 4843, and 4905 of the BPC, the Board is proposing changes to sections 2070 and 2071 of Article 7 of Division 20 of Title 16 of the California Code of Regulations (CCR).

INFORMATIVE DIGEST

A. Informative Digest

BPC section 4808 authorizes the Board to adopt, amend, or repeal such rules and regulations as may be reasonably necessary to enable it to carry into effect the provisions of the Veterinary Medicine Practice Act (VMPA), which is contained in BPC sections 4800 through 4917.

Existing laws, BPC sections 4842.5 and 4905, authorize the Board to charge fees associated with veterinarian licensure, premises permit registration, and registered veterinary technician registration. These sections require the Board to set the amount of the fees associated with licensure and registration at amounts the Board determines are reasonably necessary to provide sufficient funds to carry out the purpose of the VMPA. The sections also set specified limits on the amount of fees that may be charged.

BPC 4843 authorizes the Board to approve schools or institutions offering a curriculum for training registered veterinary technicians. Schools must request approval from the Board by submitting an application form and fee and must reapply for approval on a biennial basis.

Amend Sections 2070 and 2071

The statutory fees are set in regulation under sections 2070 (veterinarian and premises permit registration) and 2071 (registered veterinary technician registration). The Board is proposing to amend CCR sections 2070 and 2071 to increase certain fees associated with veterinarian and university licensure, and veterinary technician registration, and add a new fee associated with the approval of schools and institutions offering a curriculum for training registered veterinary technicians.

B. Policy Statement Overview

In accordance with BPC section 4800.1, the Board's highest priority is protection of the public in exercising its regulatory, licensing, inspection, and disciplinary functions.

The Board is a self–supporting, special fund agency that generates its revenues from licensing and registration fees. In order to perform its regulatory, licensing, inspection, and disciplinary functions, the Board must generate sufficient revenues from fees associated with licensing and registration. The Board is also required to maintain a Fund Condition reserve of no less than three (3) months and no more than ten (10) months of annual authorized expenditures. As the Board's costs associated with performing its core functions have risen sharply, the Board is currently experiencing a severe fiscal imbalance. This proposal would increase fees associated with veterinarian and university licensure, and veterinary technician registration, and add a new \$300 fee associated with the approval of schools and institutions offering a curriculum for training registered veterinary technicians, so that the Board can continue to perform its core functions and properly protect the public.

C. Anticipated Benefits of Proposed Regulatory Action

By increasing licensing and registration fees, and adding the new application fee, this proposal would generate sufficient funds for the Board to resolve its fiscal imbalance. In turn, the Board will be able to appropriate additional funds toward inspections and enforcement, which will protect California consumers and their animals by ensuring that licensees are complying with the VMPA and allowing for the prosecution of those licensees that are violating the VMPA. In addition to this, by amending sections 2070 and 2071, the Board will be complying with BPC section 4905, which requires the Board to maintain a reserve of at least three (3) months and no more than ten (10) months of annual authorized expenditures.

D. Consistency and Compatibility with Existing State Regulations

During the process of developing this proposal, the Board has conducted a search of any similar regulations on this topic. The Board has evaluated this regulatory proposal and found that it is neither inconsistent nor incompatible with existing state regulations.

FISCAL IMPACT ESTIMATES

Fiscal Impact on Public Agencies Including Costs or Savings to State Agencies or Costs/Savings in Federal Funding to the State: The anticipated additional revenue from the proposed fee increase will increase the Board's revenue from current levels by approximately \$2,302,020 per fiscal year ongoing.

With the new application fee for approving Registered Veterinary Technician (RVT) schools/ institutions, the Board will review and approve 25 California schools every two years. Additionally, some programs will be subject to on–site inspections every four years. The Board estimates the costs associated with this workload would range from between \$8,100 to \$24,000 every two years. The revenue generated from this specific application fee would be approximately \$7,500 every two years. The anticipated workload and costs related to approving RVT schools/ institutions would be temporarily absorbed within existing resources until the Board pursues legislation to raise the statutory fee cap.

There are no expected costs or savings to any other state agency or costs/savings in federal funding.

Nondiscretionary Costs/Savings to Local Agencies: None.

Local Mandate: None.

Cost to Any Local Agency or School District for Which Government Code Sections 17500–17630 Require Reimbursement: None.

Business Impact: The Board has initially determined that the proposed 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.

Since there are no proposed fee increases for veterinary premises (hospitals), there is no direct economic impact anticipated for businesses. However, some businesses may pay application, licensing, or renewal fees for their veterinarian or RVT employees. Schools and institutions that offer a curriculum for training registered veterinary technicians and request approval by the Board would be required to pay an application fee on a biennial basis.

Cost Impact on Representative Private Person or Business:

This regulation may have an economic impact on private persons, specifically, veterinarians, university licensees, and registered veterinary technicians. The proposal may impact private businesses if those businesses pay the costs of application, licensing, or renewal fees for its veterinarian, university licensee, or RVT employees. Additionally, schools and institutions that offer a curriculum for training registered veterinary technicians and request approval by the Board would be required to pay an application fee on a biennial basis.

Effect on Housing Costs: None.

EFFECT ON SMALL BUSINESS

The Board has determined that the proposed regulations may affect small businesses, similar to the business impact that is stated above.

RESULTS OF ECONOMIC IMPACT ASSESSMENT/ANALYSIS

Impact on Jobs/Businesses:

The proposed rulemaking will neither create businesses or jobs nor eliminate existing businesses or jobs within California because the proposed fees are anticipated to have minimal impact on businesses. The proposed rulemaking will not affect the expansion of businesses currently doing business within the state. The impact on businesses will be minimal and absorbable, as this regulation specifically affects individual licensees and schools/institutions offering a curriculum for training registered veterinary technicians. This regulation may have an economic impact on private persons or businesses, specifically, veterinarians, registered veterinary technicians, and specified schools/institutions. The regulation would increase fees associated with veterinarian and university licensure, and veterinary technician registration, and add a new fee associated with the approval of the specified schools/institutions.

Benefits of Regulation:

The Board has determined that this regulatory proposal will have the following benefits to the health and welfare of California residents, worker safety, and the state's environment:

- It will benefit the health and welfare of California residents because the proposal will increase the Board's revenue and funding available to continue uninterrupted the Board's enforcement, investigative, licensing, examination, and public outreach operations.
- The proposed regulations would increase the Board's revenue, resolving the fiscal imbalance and allow the Board to continue with inspections and prosecuting individuals violating the VMPA through enforcement measures. By continuing these tasks, the Board will be protecting California consumers and their animals.
- Renewal fees are the Board's main source of revenue (approximately 78%) and are primarily allocated to funding enforcement activities that proactively and reactively address professional misconduct and disreputable or incompetent business practices within the profession, as well as unlicensed activity. These enforcement efforts help protect the health and welfare of California residents and consumers, particularly those who utilize the professional services of the 12,400 licensed veterinarians and 7,200 RVTs.
- While the proposal does not directly affect worker safety or the environment in the state, the increased fees will fund increased enforcement activities that can lead to greater protection of worker safety and the environment.
- In addition, these fee increases are necessary to fulfill the Board's priority of consumer protection and the legislative mandates expressed in the applicable statutes.

CONSIDERATION OF ALTERNATIVES

The Board must determine that no reasonable alternative it considered or that has otherwise been identified and brought to its attention 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.

Any interested person may submit comments to the Board in writing relevant to the above determinations at 1747 N. Market Blvd, Suite 230, Sacramento, California 95834.

INITIAL STATEMENT OF REASONS AND INFORMATION

The Board has prepared an initial statement of the reasons for the proposed action and has available all the information upon which the proposal is based.

TEXT OF PROPOSAL

Copies of the exact language of the proposed regulations, and any document incorporated by reference, and of the initial statement of reasons, and all of the information upon which the proposal is based, may be obtained upon request from the Board at 1747 North Market Blvd., Suite 230, Sacramento, California 95834.

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

All the information upon which the proposed regulations are based is contained in the rulemaking file which is available for public inspection by contacting the person named below.

You 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 by accessing the website listed below.

CONTACT PERSON

Inquiries or comments concerning the proposed rulemaking action may be addressed to:

Name:

Justin Sotelo, Lead Administrative & Policy Analyst

Address: Veterinary Medical Board 1747 North Market Blvd., Suite 230 Sacramento, CA 95834

Telephone No.: 916–515–5238

Fax No.: 916–928–6849

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E-Mail Address: Justin.Sotelo@dca.ca.gov

The backup contact person is:

Name:

Timothy Rodda, Administration/Licensing Manager

Address:

Veterinary Medical Board 1747 North Market Blvd., Suite 230 Sacramento, CA 95834

Telephone No.: 916–515–5227

Fax No.: 916–928–6849

E-Mail Address: <u>Timothy.Rodda@dca.ca.gov</u>

WEBSITE ACCESS

Materials regarding this proposal can be found at: <u>www.vmb.ca.gov/laws_regs/proposed_regs.shtml</u>.

GENERAL PUBLIC INTEREST

OFFICE OF ENVIRONMENTAL HEALTH HAZARD ASSESSMENT

NOTICE OF EXTENSION OF THE PUBLIC COMMENT PERIOD FOR PROPOSED REGULATION

PROPOSED AMENDMENTS TO ARTICLE 5 EXTENT OF EXPOSURE

ADOPTION OF SECTION 25505 EXPOSURES TO LISTED CHEMICALS IN COOKED OR HEAT PROCESSED FOODS

The Office of Environmental Health Hazard Assessment (OEHHA) initiated a proposed rulemaking to adopt Section 25505, Exposures to Listed Chemicals in Cooked or Heat Processed Foods by amending Title 27, California Code of Regulations. A Notice of proposed rulemaking was published in the California Regulatory Notice Register on August 7, 2020 (Z-2020-0728-02). The notice initiated a 60-

day public comment period that was scheduled to close on October 6, 2020.

At the request of the California Chamber of Commerce, Consumer Brands Association, National Confectioners Association, American Beverage Association and the American Bakers Association, OEHHA hereby extends the public comment period for this proposed rulemaking by an additional 15 days. The comment period will now close on **Wednesday**, **October 21, 2020**.

The public is strongly encouraged to submit written information through our website at <u>https://oehha.</u> <u>ca.gov/comments</u>. In the alternative, comments can be mailed, emailed, or delivered in person to the address below.

Monet Vela Office of Environmental Health Hazard Assessment 1001 I Street, 23rd Floor P. O. Box 4010 Sacramento, California 95812–4010 Telephone: 916–323–2517 monet.vela@oehha.ca.gov

Please direct inquiries concerning this regulatory proposal to <u>monet.vela@oehha.ca.gov</u> or by calling (916) 323–2517. Mario Fernandez is a back–up contact person and is available at <u>mario.fernandez@oehha.</u> <u>ca.gov</u> or by telephone at (916) 323–2635.

SUMMARY OF REGULATORY ACTIONS

REGULATIONS FILED WITH THE 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.

Board of Pharmacy File # 2020–0605–03 Community Pharmacy Staffing

The Board of Pharmacy (Board) is establishing the requirements for a pharmacy to comply with Business and Professions Code section 4113.5, which prohibits a community pharmacy from requiring a pharmacist to engage in the practice of pharmacy unless another employee of the pharmacy is always made available to assist the pharmacist. The Board's requirements include identification of the assigned person/persons and mandates that person be qualified to access controlled substances and must respond within 5 minutes of the request for assistance.

Title 16 Adopt: 1714.3 Filed 09/15/2020 Effective 09/15/2020 Agency Contact: Lori Martinez (916) 574–7917

California Horse Racing Board File # 2020–0406–01 Qualifications for Licenses as Trainer/Assistant Trainer

This rulemaking action by the California Horse Racing Board amends the qualifications for license as an assistant trainer and trainer.

Title 04 Amend: 1503 Filed 09/15/2020 Effective 01/01/2021 Agency Contact: Zachary Voss (916) 263–6036

Commission on Teacher Credentialing File # 2020–0728–02 Changes Without Regulatory Effect

In this Section 100 action, the Commission on Teacher Credentialing (the "Commission") is making various non–substantive changes to both general provisions and regulations pertaining to credential types, authorizations, and requirements. Additionally, the Commission is repealing regulations pertaining to professional growth requirements due to the passage of Senate Bill 1209 (Ch. 517, Stats. 2016).

Title 05 Amend: 80015.3, 80024.7, 80026, 80070.3 Repeal: 80040.2.7, 80048.3, 80048.4, 80070.6, 80550, 80552, 80553, 80554, 80555, 80556, 80556.1, 80558, 80562, 80565, 80567 Filed 09/09/2020 Agency Contact: Joshua Speaks (916) 327–5339

Department of Food and Agriculture File # 2020–0731–01 Pest Ratings and Mitigating Actions

The Department of Food and Agriculture is making changes to the pest rating process for organisms that impact agriculture and the environment. These changes include removing the term "Endangered Area" to replace it with "Vulnerable Area." The time frame for "Q" rating is changed from one year to two years and the requirement for this review review this every two years is removed. The Department is also establishing a new section for "Z" rated pests. Title 03 Amend: 3162 Filed 09/14/2020 Effective 01/01/2021 Agency Contact: Karen Olmstead (916) 403–6879

Department of Justice File # 2020–0817–01 Repeal Regulations Without Statutory Authority

These changes without regulatory effect repeal Chapter 10 of Division 1 of Title 11 of the California Code of Regulations, because all statutes which provided authority to the Department of Justice (Department) to adopt Chapter 10 and all statutes which these regulations implemented, interpreted, and made specific were repealed in 1992. The repealed regulations concerned a five-county pilot program that required a professional childcare provider to submit fingerprints and an application to the Department. The Department would then review the Criminal History System and Child Abuse Central Index to ensure the applicant's eligibility for licensing by the Department of Social Services. While the Department continues to play a role in the background check process, receiving fingerprints via LiveScan and maintaining the Child Abuse Central Index, background checks are now primarily managed by the Department of Social Services.

Title 11 Repeal: 931, 932, 932.3, 932.5, 932.7, 932.9, 932.11, 932.13, 932.15, 933, 933.3, 933.5, 934, 934.3, 934.5, 935 Filed 09/14/2020 Agency Contact: Kevin Sabo (916) 210–7639

Department of Social Services File # 2020–0811–02 CalWORKS Death of a Child

The Department of Social Services filed this action to amend three regulations in its Manual of Policies and Procedures by adding provisions pertaining to the death of a child member of an Assistance Unit (AU). The amendments implement Welfare and Institutions Code sections 11321 and 11450.05, as amended or added in A.B. 433 (Stats. 2015, ch. 514). Generally, the amendments prohibit counties from removing a deceased child member of an AU, from establishing an overpayment for a child member of an AU, and from applying a sanction or financial penalty to an adult CalWORKs recipient due to failure or refusal to comply with the Welfare–to–Work program requirements, during the month, and the month following, the death of the child member of an AU.

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Title MPP Amend: 42–721, 44–316, 44–350 Filed 09/10/2020 Effective 01/01/2021 Agency Contact: Kenneth Jennings (916) 657–2586

Division of Workers' Compensation File # 2020–0821–02 Medical Treatment Utilization Schedule (MTUS)

The Division of Workers' Compensation (Division) of the Department of Industrial Relations submitted this file and print action to make evidence-based updates to the Division's medical treatment utilization schedule (MTUS), which is exempt from the APA pursuant to Labor Code section 5307.27(a). The proposed action amends four MTUS regulations by adding an incorporated by reference American College of Occupational and Environmental Medicine's Occupational Medicine Practice Guidelines (ACOEM) guideline for Depressive Disorders into a regulation and updating three incorporated by reference ACOEM guidelines in three regulations.

Title 08 Amend: 9792.23.6, 9792.23.8, 9792.23.11, 9792.23.12 Filed 09/10/2020 Effective 09/21/2020 Agency Contact: John Cortes (510) 286–0519

Fair Political Practices Commission File # 2020–0731–02 AB 902 & AB903 (Minor and Technical)

This action adopts, amends, and repeals regulations implementing the Political Reform Act to align with recent statutory changes added by Stats. 2019, Ch. 312, Sec. 5. (AB 902) and Ch. 102, Sec. 1. (AB 903).

Title 02 Adopt: 18250 Amend: 18422.5, 18426.1, 18427.1, 18428, 18431, 18438.5, 18450.1, 18450.3, 18530.4, 18530.45, 18531.62, 18616.4, 18700, 18729, 18754, 18941, 18943, 18992, 18998 Repeal: 18116, 18117, 18215.1, 18229, 18421.2, 18996 Filed 09/14/2020 Effective 09/14/2020 Agency Contact: Amanda Apostol (916) 324–3854 Secretary of State File # 2020–0902–01 Risk Limiting Audits

In this emergency rulemaking action the Secretary of State amends four sections related to risk limiting audits pursuant to Assembly Bill 2400 (Stats. 2020, Ch.33) as well as updates requirements related to procedures in conducting a two-phased audit.

Title 02 Amend: 20110, 20111, 20114, 20122 Filed 09/10/2020 Effective 09/10/2020 Agency Contact: Raj Bathla (916) 695–1597

State Water Resources Control Board File # 2020–0804–01 Santa Ana Regional Water Quality Control Board Basin Plan Amendment

This action, submitted by the State Water Resources Control Board pursuant to Government Code section 11353, amends the Water Quality Control Plan for the Santa Ana Region to expand exemptions to the prohibition of new discharges from Onsite Wastewater Treatment Systems (Septic Systems) in Quail Valley, a community in the City of Menifee.

Title 23 Adopt: 3979.12 Filed 09/14/2020 Effective 09/14/2020 Agency Contact: Barbara Barry (951) 218–545

Structural Pest Control Board File # 2020–0716–03 Wood Destroying Organisms Emergency Fee Increase Certificate of Compliance

In this Certificate of Compliance, the Structural Pest Control Board is increasing the filing fee for each property inspected or upon which work was completed pursuant to Business and Professions Code section 8518 from \$3.00 to \$4.00.

 Title 16

 Amend: 1997

 Filed 09/14/2020

 Effective 09/14/2020

 Agency Contact: David Skelton

 (916) 561–8722

PRIOR REGULATORY DECISIONS AND CCR CHANGES FILED WITH THE SECRETARY OF STATE

A quarterly index of regulatory decisions by the Office of Administrative Law (OAL) is provided in the California Regulatory Notice Register in the volume published by the second Friday in January, April, July, and October following the end of the preceding quarter. For additional information on actions taken by OAL, please visit www.oal.ca.gov.