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

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PROPOSED ACTION ON REGULATIONS

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TITLE 2. FAIR POLITICAL PRACTICES COMMISSION

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

CONFLICT-OF-INTEREST CODES

AMENDMENT

MULTI-COUNTY:

Employment Risk Management Authority Beaumont–Cherry Valley Water District

A written comment period has been established commencing on March 5, 2021 and closing on April 29, 2021. Written comments should be directed to the Fair Political Practices Commission, Attention Amanda Apostol, 1102 Q Street, Suite 3000, Sacramento, California 95811.

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

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

The Executive Director of the Commission, upon his or its own motion or at the request of any interested person, will approve, or revise and approve, or return the proposed code(s) to the agency for revision and re– submission within 60 days without further notice. Any interested person may present statements, arguments or comments, in writing to the Executive Director of the Commission, relative to review of the proposed conflict-of-interest code(s). Any written comments must be received no later than April 29, 2021. If a public hearing is to be held, oral comments may be presented to the Commission at the hearing.

COST TO LOCAL AGENCIES

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

EFFECT ON HOUSING COSTS AND BUSINESSES

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

AUTHORITY

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

REFERENCE

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

CONTACT

Any inquiries concerning the proposed conflict–of– interest code(s) should be made to Amanda Apostol, Fair Political Practices Commission, 1102 Q Street, Suite 3000, Sacramento, California 95811, telephone (916) 324–3854.

AVAILABILITY OF PROPOSED CONFLICT–OF–INTEREST CODES

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

TITLE 13. AIR RESOURCES BOARD

NOTICE OF PUBLIC HEARING TO CONSIDER PROPOSED MOBILE SOURCE CERTIFICATION AND COMPLIANCE FEES

The California Air Resources Board (CARB or Board) will conduct a public hearing at the date and time noted below to consider approving for adoption the proposed mobile source certification and compliance fees.

Date: April 22, 2021 Time: 9:00 a.m.

Please see the public agenda which will be posted ten days before the April 22, 2021, Board Meeting for any appropriate direction regarding a possible remote–only Board Meeting. If the meeting is to be held in person, it will be held at the California Air Resources Board, Byron Sher Auditorium, 1001 I Street, Sacramento, California 95814.

This item will be considered at a meeting of the Board, which will commence at 9:00 a.m., April 22, 2021, and may continue at 8:30 a.m., on April 23, 2021. Please consult the agenda for the hearing, which will be available at least ten days before April 22, 2021, to determine the day on which this item will be considered.

WRITTEN COMMENT PERIOD AND SUBMITTAL OF COMMENTS

In accordance with the Administrative Procedure Act, interested members of the public may present comments orally or in writing during the hearing and may provide comments by postal mail or by electronic submittal before the hearing. The public comment period for this regulatory action will begin on March 5, 2021. Written comments not submitted during the hearing must be submitted on or after March 5, 2021, and received no later than April 19, 2021. Comments submitted outside that comment period are considered untimely. CARB may, but is not required to, respond to untimely comments, including those raising significant environmental issues. CARB requests that when possible, written and email statements be filed at least ten days before the hearing to give CARB staff and Board members additional time to consider each comment. The Board also encourages members of the public to bring to the attention of staff in advance of the hearing any suggestions for modification of the proposed regulatory action. Comments submitted in advance of the hearing must be addressed to one of the following:

Postal mail:

Clerks' Office, California Air Resources Board 1001 I Street, Sacramento, California 95814

Electronic submittal:

https://www.arb.ca.gov/lispub/comm/bclist.php

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

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

AUTHORITY AND REFERENCE

This regulatory action is proposed under the authority granted in California Health and Safety Code, sections 39600, 39601, 43019. 43019.1, and 43202.6. This action is proposed to implement, interpret, and make specific sections 43000, 43000.5, 43013, 43018, 43019, and 43019.1.

INFORMATIVE DIGEST OF PROPOSED ACTION AND POLICY STATEMENT OVERVIEW (Gov. Code, § 11346.5, subdivision (a)(3))

Sections Affected:

Proposed repeal of California Code of Regulations, title 13, division 3, chapter 1, article 2.5, sections 1990, 1991, 1992, 1993, and 1994.

Proposed adoption of California Code of Regulations, title 13, division 3, chapter 16, articles 1 through 7, sections 2900 through 2914.

Background and Effect of the Proposed Regulatory Action:

In 1966, California established the first tailpipe motor vehicle emission standards for carbon monoxide and hydrocarbons as a strategy to improve the severe air pollution plaguing our state. Today, stringent standards cover not only cars and trucks, but any vehicle or equipment with a combustion engine. State law prohibits the sale of new motor vehicles or new engines used in mobile sources within California unless they meet the currently applicable emission standards adopted by CARB. Similarly, state law generally prohibits the installation, sale, offer for sale, or advertisement of aftermarket emission– related parts without approval from CARB to prevent tampering with emission control systems. Manufacturer compliance with these requirements is demonstrated through CARB's certification and compliance programs.

When a manufacturer requests certification of a product (i.e., vehicle, engine, or add-on component), CARB may as part of its certification review, verify the information provided by the manufacturer using pre-sale audits and confirmatory emissions testing of that product prior to issuing a certification document (Executive Order [EO] or other approval document). CARB may also perform screening testing that can include standard testing in the lab, testing in the field using Portable Emission Measurement Systems (PEMS), and/or by using special operating cycles in the lab that replicate conditions encountered in normal use to identify defeat devices.

After the product is sold, continued compliance with emission standards is double-checked through a variety of in-use programs which includes laboratory audits and on vehicle monitoring systems. In-use emissions testing and warranty activities help confirm that vehicles and engines continue to comply with CARB requirements throughout their useful lives. Compliance issues found through these programs can result in required corrective actions, including product recall.

CARB issues EOs for all types of vehicles and engines, including automobiles and heavy–duty trucks, as well as large off–road equipment and small lawn and garden engines, evaporative systems, and aftermarket components that are used in automobiles, trucks, and off–road engines. Each product is certified by CARB according to the regulations and test procedures established based on the product's specific equipment classification or operating category.

In 1988, the legislature gave CARB authority (Health and Safety Code [HSC] section 43019) to assess a fee for motor vehicles and engines (generally, cars, trucks, and motorcycles) that was capped at \$4.5 million a year, but with annual adjustment of the cap based on the California Consumer Price Index (CPI). In 1990, CARB implemented this authority through regulations that provide a formula to assess fees on a limited class of motor vehicle and engine manufacturers. Manufacturers of vehicles and engines not subject to an emission standard at the time were not included in the regulations. Since then, however, emission standards and certification requirements have expanded to include nearly all mobile sources. CARB currently issues over 3,700 EOs annually, which allow manufacturers to sell their products in California. This is close to ten times more than the 430 EOs issued by CARB when the fee was first collected in 1990. As

such, only about one third of the products currently certified by CARB are assessed a certification fee. The amount collected in 2018 under these existing rules was roughly \$9.7 million, only about one quarter of the cost to implement the mobile source emissions control programs. The balance of the program costs is being paid through other revenue sources. Specifically, CARB has historically used existing funds (primarily the Air Pollution Control Fund (APCF), Motor Vehicle Account (MVA), and Vehicle Inspection and Repair Fund (VIRF)) to implement its mobile source certification and compliance programs.

On June 27, 2018, Senate Bill (SB) 854 (Committee on Budget and Fiscal Review, Chapter 51, Statutes of 2018) was passed and signed into law that directs CARB to adopt a schedule of fees to cover all or part of CARB's reasonable costs associated with certification, audit, and compliance of off-road or non-vehicular engines and equipment, aftermarket parts, and emission control components sold in the State (limited to activities covered by HSC sections 38560¹, 43013 and 43018, and on-road aftermarket parts under Vehicle Code section 27156(h)). As such, this legislation directs CARB to assess fees to cover its reasonable costs, with specific considerations for impacts on industry and environment. This new requirement is housed in HSC 43019.1. The fees collected will be deposited into the newly established Certification and Compliance Fund (CCF), created specifically to support mobile source certification, audit, and compliance activities.

Also in 2018, Assembly Bill 2381 (Carillo, Chapter 713, Statutes of 2018) became law. This statute directs CARB to enhance its certification, audit, and compliance activities for new motor vehicles to detect defeat devices or other software used to evade emission testing, and allows CARB to recover its reasonable costs. Cost recovery for this activity is capped at \$5 million per year with CPI annual adjustments. The fees collected will also be put into the newly established CCF to support mobile source certification, audit, and compliance activities.

The following year, on June 27, 2019, SB 85 (Committee on Budget and Fiscal Review, Chapter 31, Statutes of 2019) removed the cap on existing fee authority housed in HSC 43019, expanded the activities covered, and redirected the fees collected to the CCF. Under this legislation, CARB is directed to develop by regulation a schedule of fees for the certification, audit, and compliance of motor vehicles and engines sold in the state to cover the state board's reasonable

¹ Section 38560 added with SB 85 in 2019.

costs of implementing the certification, audit, and compliance program.

CARB may also consider other changes to the sections affected, as listed above, during the course of this rulemaking process.

Objectives and Benefits of the Proposed Regulatory Action:

This proposed rulemaking is the result of legislative directives to create a more fiscally sustainable funding solution for CARB's mobile source certification, audit, and compliance programs that is based on greater recovery of costs from the businesses that benefit from receiving CARB certification for their products. This proposed rulemaking addresses fees paid by manufacturers to obtain approvals necessary for CARB's existing mobile source certification and compliance programs. This proposed regulation does not change the stringency of current emission standards nor does it create new emission standards. Rather, it establishes upfront fees to fund certification and compliance actions that are already conducted by CARB. Manufacturers of products that are covered by this proposed regulation will be required to pay this fee upon request for services conducted by CARB.

The proposed regulation provides for new fees and increases existing fees, thereby reducing reliance on existing funds and creating a more fiscally sustainable funding solution. The increased new fiscal revenue to CARB and ultimately to the State of California is \$264,447,075 over a ten-year period, with annual revenue from \$9,811,698 in 2022 to \$31,652,886 in 2031 to support the CARB programs that protect public health and safety, and the environment, by reducing greenhouse gas emissions, oxides of nitrogen, diesel particulate matter, and other air contaminants. The proposed regulation addresses fees paid by manufacturers to obtain approvals for meeting compliance requirements for existing mobile source CARB certification and compliance programs. This proposed regulation does not change the stringency of current emission standards nor does it create new emission standards. Rather, the proposed regulation establishes upfront fees to fund certification and compliance actions that are already conducted by CARB to protect public health and safety, and the environment. New regulations are required along with the repeal of Title 13 CCR sections 1990-1994 to implement these Legislative directives.

The total cost to implement the mobile source certification and compliance programs in 2022 is estimated at about \$50 million. Staff's proposal sets up a phased-in fee schedule, starting in calendar year 2022 and fully implemented in 2024. On-Road mobile source fees would be annually adjusted by CPI. Reduced fees include those adjusted for lower CARB workload, to support CARB policy to expand zeroemission technologies, and to assist small businesses and companies with low California sales. The newly proposed fees combined with historical fee collection would cover a high percentage of total costs for CARB's certification and compliance programs, but would not reach 100 percent. Although it may not have a 100% (full-cost) recovery at the time, this is what CARB reasonably expects that the market can bear based on their feedback from industry and staff's analysis. CARB will strive for getting this program to as close to net-zero when possible in the future through planning and development of our existing and future programs. The unrecovered program costs will continue to be offset by existing funds as they represent a benefit to the state. Staff expects minimal or no impact on the processing time for certifications because of this funding structure.

Comparable Federal Regulations:

The United States Environmental Protection Agency (U.S. EPA) has a certification fees program for certain categories of on–road and off–road mobile sources. The U.S. EPA fee program is based on the actual costs to conduct the activities to ensure mobile source certification and compliance. Similar to CARB's approach, U.S. EPA surveyed its certification and compliance program staff in 2002 to determine the amount of work that was conducted in various parts of their mobile source certification and compliance programs. Their fee determination is based on costs per certification approval. The federal regulation was promulgated in 2003 and the fees are annually adjusted by the number of approvals and a cost of living index.

U.S EPA certification fee program does not in any way reimburse CARB for its costs to conduct its own mobile source certification and compliance program. In addition, CARB's mobile source certification and compliance programs are broader and covers additional emission sources and activities which are not covered in the U.S. EPA 2002 fee program. Therefore there are no federal regulations that address the same issues as CARB's proposed regulations.

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

During the process of developing the proposed regulatory action, CARB conducted a search of any similar regulations on this topic and concluded these regulations are neither inconsistent nor incompatible with existing state regulations. As noted above and throughout the Staff Report, the fee regulations currently in effect contain requirements for some similar categories of mobile sources. CARB has carefully drafted the Proposed Regulation to supersede the existing regulations, as appropriate.

DISCLOSURES REGARDING THE PROPOSED REGULATION

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

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

Under Government Code sections 11346.5, subdivision (a)(5) and 11346.5, subdivision (a)(6), the Executive Officer has determined that the proposed regulatory action would create costs or savings to any State agency, would not create costs or savings in federal funding to the State, would create costs or mandate to any local agency or school district, whether or not reimbursable by the State under Government Code, title 2, division 4, part 7 (commencing with section 17500), and would create no other nondiscretionary cost or savings to State or local agencies.

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

The fiscal costs for local government are calculated based on the estimated increase in price for vehicles/ engines/equipment/components (affected by the fee) that are purchased or used by each government entity. For costs that local agencies will pay, it is assumed that local governments do not finance their purchases. The total costs to local government are projected to be \$3.6 million over the modeled lifetime.

Sales taxes are levied in California to fund a variety of programs at the state and local level. For this analysis, the CARB staff assumed an average of 4.56 percent local sales tax revenues based on how the state sales tax is apportioned plus an average of local additional sales taxes.² This leads to a year over year net increase in local sales tax revenue totaling \$10.9 million over the modeled lifetime. See Chapter IX in the Initial Statement of Reasons (ISOR) for a detailed analysis.

Pursuant to Government Code sections 11346.5, subdivision (a)(5) and 11346.5, subdivision (a)(6), the proposed regulation is a mandate that would create costs and cost-savings to local agencies and school districts. However, these costs to local agencies are not reimbursable by the State under Government Code, title 2, division 4, part 7 (commencing with section 17500). The mandate is not reimbursable because costs associated with the proposed regulation apply generally to all entities that purchase affected vehicles/ engines/equipment/components, including local agencies. Therefore, the regulation does not constitute a "Program" imposing any unique requirements on local agencies as set forth in section 17514 of the California Government Code.

Cost or Savings for State Agencies:

The fiscal costs for state government are calculated based on the percentage of the vehicle/engine/ equipment/component or use of the product affected by the fee that is purchased or used by each government entity. For costs that state agencies will pay, it is assumed that state governments do not finance their purchases.

The overall fiscal impact of the proposed regulation is projected to be added revenues to the State in the range of \$10 million to \$20 million each year during the phase-in of the proposed fees (2022 and 2023) and approximately \$30 million each year from 2024 through 2031, with a total revenue of almost \$300 million during the lifetime of the proposed regulation. In order to estimate the revenue, staff estimated the additional fees that are expected to be collected by CARB each year under the proposed regulation compared to the Business as Usual scenario and the additional State sales tax that is expected to be collected each year. Then staff estimated the passed on cost of the proposed regulation's requirements each year to all State agencies including CARB. The additional fees collected plus the additional sales tax minus the additional purchase price of vehicles and equipment by State agencies provides revenue to the State. See Chapter IX in the ISOR for a detailed analysis.

Other Non–Discretionary Costs or Savings on Local Agencies:

No other non-discretionary costs or savings to local agencies are expected.

Cost or Savings in Federal Funding to the State:

No costs or savings in federal funding is anticipated.

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

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

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

The Executive Officer has made an initial determination that the proposed regulatory action would not have a significant statewide adverse economic impact directly affecting businesses, including the ability of California businesses to

² California Department of Tax and Fee Administration. Tax Rates by County and City. <u>https://cdtfa.ca.gov/formspubs/</u> <u>cdtfa95.pdf</u>. Accessed June, 2020.

compete with businesses in other states, or on representative private persons.

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

Per Department of Finance regulations (California Code of Regulations, title 1, sections 2000–2004), any agency that anticipates promulgating a regulation that will have an economic impact on California business enterprises and individuals in an amount exceeding \$50 million in any 12-month period between the date the regulation is filed with the California Secretary of State through 12 months after it is fully implemented (defined as major regulation) is required to submit a Standardized Regulatory Impact Assessment (SRIA). The Proposed Regulation and associated amendments would be fully implemented in 2024 and would result in an economic impact exceeding \$50 million starting in 2022, which triggers the threshold for a major regulation and the requirement for a SRIA. The projected economic impact of this rulemaking is in the approximate \$50-\$82 million range as shown in the Revised SRIA for this rulemaking.³

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

In December 2020, CARB submitted a Standardized Regulatory Impact Analysis (SRIA) to the Department of Finance (DOF) for its review. CARB has updated the Proposed Regulation since the original SRIA submittal and to address DOF comments. The revisions are discussed in the ISOR, Chapter IX and an updated Revised SRIA is in Appendix B.

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

The Proposed Regulation is estimated to result in a positive job growth from 2022 to 2028, then negative job growth from 2029 to 2031. These changes in employment represent less than 0.01 percent of baseline California employment. There is an increase in employment of 420 jobs in the year with the greatest positive impact, and a decrease in employment of 17 jobs in the year with the most negative impact. All of the Industries showing impacts to employment in individual years at levels over 25 jobs per individual year in the period of analysis are as follows: Construction (NAICS 23) Manufacturing (NAICS 31–33), motor vehicle manufacturing (NAICS 3361), retail and whole sale trade (NAICS 42, 44–45), Transportation (NAICS 48). (B) The creation of new businesses or the elimination of existing businesses within the state.

The Proposed Regulation is not anticipated to directly cause the creation or elimination of any businesses. No businesses are expected to be created, because the Proposed Regulation does not incentivize new business creation. Rather, it only changes the fee structure for CARB's mobile source certification and compliance programs. No businesses are expected to be eliminated, since costs will typically be passed on to purchasers of the products. In addition, as costs are passed on, the end user will experience a relatively small impact. The typical fees per unit are less than one percent of average purchase price and were determined to have a negligible impact on purchasing behavior and emission activity. In addition, the Proposed Regulation is anticipated to have a very negligible impact on California Output, relative to the California economy. As the percentage change for each year is less than 0.01 percent and is therefore unlikely to affect business formation or elimination.

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

No advantages or disadvantages were identified.

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

Private domestic investment consists of purchases of residential and nonresidential structures and of equipment and software by private businesses and nonprofit institutions. It is used as a proxy for impacts on investments in California because it provides an indicator of the future productive capacity of the economy. In 2031, the Proposed Regulation is anticipated to result in a decrease in total Private Domestic Investment of \$11 million, less than 0.01 percent of baseline private domestic investment. In no years is the decrease in investment growth estimated to exceed 0.01 percent of baseline private domestic investment.

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

Senate Bill 854, which provided CARB with authority to expand the scope of mobile source certification and compliance fees, directed CARB to work with impacted industries and to consider a number of factors when adopting a schedule of fees. These factors included consideration of a product's potential impact on emissions.

In addition, Executive Order $N-79-20^4$ issued by Governor Newsom directed CARB to develop and propose regulations and strategies to reach, if

³ Staff Report: Initial Statement of Reasons, Appendix B.

⁴ <u>https://www.gov.ca.gov/wp-content/uploads/2020/09/9.23.20-</u> EO-N-79-20-Climate.pdf

economically and technically feasible, the goal of 100 percent in-state sales of zero-emission new passenger cars and light trucks by 2035. Consistent with these directives, the Proposed Regulation includes seven low-cost application fees for zero-emission technologies, which are set at 25 percent of the Base Fees.

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

The proposed regulation helps establish a stable source of funding for CARB's mobile source certification and compliance programs. Those programs (supported by the proposed regulation) protect public health and safety, and the environment, by reducing greenhouse gas emissions, oxides of nitrogen, diesel particulate matter, and other air contaminants.

(G) Department of Finance Comments and Responses.

Finance generally concurs with the methodology used to estimate impacts of the proposed regulation, with the following exceptions.

 First, the SRIA must estimate and discuss the impacts of securing additional funding of around \$30 million per year through the proposed fee on existing CARB operations and funding. Freeing up these resources from the funds that currently support the mobile source certification activities should result in avoided negative consequences or added economic and emissions benefits to the state, and impacts will vary depending on fund allocation and use.

CARB Response to Comment from the California Department of Finance:

The benefits of freed up resources resulting from the collection of a certification and compliance fee would include an increase towards sustainability of current and ongoing regulatory and emissions based projects as well as known deficiencies within APCF. Not all regulatory and legislatively mandated activities within CARB are fully funded or funded at all, which results in a strain on current funding sources. The addition of resources that will be offset by the certification and compliance fund will begin to relieve the pressure on strained resources edging closer to sustainability within the fund.

2) Second, the baseline should include a description of the number and types of affected manufacturers, as well as the distribution of costs among these manufacturers. This would help support CARB's assessment that the burden is not being borne in a manner to create disparate impacts to California businesses.

CARB Response to Comment from the California Department of Finance:

The ISOR Tables IX–B–1 through IX–B–3 show costs to manufacturers that have indicated they will pass all costs on to purchasers of mobile sources. Tables IX–B–4 and IX–B–5 shows costs to manufacturers that have indicated they will not pass any costs to purchasers. Average Cost Per Year is the average cost per year from 2022 through 2031. Estimated costs that are less than \$1,000 per year are rounded to the nearest \$100. Estimated costs that are greater than \$1,000 are rounded to the nearest \$1,000.

The ISOR Table IX–B–6 shows that the costs to each industry are comparably far higher than the projected impacts to individual manufacturers. The highest projected impact, shown in Table IX–B–1 is projected to be \$310,000 to vehicle manufacturers (NAICS 3361). This amount is 0.02 percent of the average yearly costs to that industry. All figures in Table IX–B–6 are shown in Millions of U.S. Dollars.

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

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

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

In developing this regulatory proposal, CARB staff evaluated the potential economic impacts on representative private persons or businesses. Since the proposed amendments only increase certification fees that are paid upfront by manufacturers, there will be no ongoing costs associated with the proposed regulation. It is assumed in this analysis that for all product categories, except for aftermarket parts and marine watercraft, manufacturers will pass along 100 percent of the certification fee increases to purchasers of the products. Manufacturers of aftermarket parts and marine watercraft have indicated to CARB that they do not plan to increase the price of their products to recoup any new certification fees.

The cost impacts to a typical business under the proposed regulation would depend primarily on how many new vehicles or other products the business purchases per year and the purchase year. For each category, CARB estimated the total fees expected to be collected under the proposed regulation and then apportioned the total fees expected to be passed through each year between business, individuals, local government entities, and state government entities that purchase each product. The total cost to all California businesses is projected to be \$79.4 million and assumes that purchases are financed at a five percent financing rate.

The direct costs to individuals are assumed to be only initial purchase costs that are due to increased costs of vehicles and equipment purchased by individuals. A five percent financing cost over an average loan period of five years is applied to purchasing costs by individuals. There are no ongoing costs to individuals.

The most important factor for assessing the impact on individuals is the increased cost per vehicle or piece of equipment due to the proposed regulation. The direct cost to individuals is calculated by multiplying the Total Fee for a category by the percentage of the vehicle/equipment or use of the product affected by the fee that is purchased or used by individuals. An additional five percent financing cost is then applied to all purchases by individuals.5 The Cost per Household is calculated by dividing the Total Cost by 12,965,400 California households. As the total impact throughout the lifetime of the Proposed Regulation is \$12.29 with a yearly average of \$1.23, and there is an even impact of costs and policies throughout the Californian economy (to businesses and households alike). The Proposed Regulation does not appear to produce any disparate impacts. See Chapter IX in the ISOR for a detailed analysis.

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

The Executive Officer has also determined under California Code of Regulations, title 1, section 4, that the proposed regulatory action would affect small businesses. It is assumed in this analysis that for all product categories except for aftermarket parts and marine watercraft, manufacturers will pass along 100 percent of the certification fee increases to purchasers of the products. Since the proposed fees will cover certification of all new mobile sources, staff assumes that all California businesses will bear some of the costs of the proposed regulation and the direct costs on California small businesses will be proportional to the percentage of California businesses that are small businesses. Staff used data compiled by the California Employment Development Department⁶, which indicates that in 2019, approximate 98 percent of California businesses had fewer than 100 employees, to estimate the direct cost of this proposed regulation on California small businesses.⁷ For the At–Berth Alternative Emission Control Technology category, the cost to California small businesses is expected to be zero, because use of this technology is limited to major shipping companies and local governments. An average loan period of five years and a five percent interest rate were applied, as the vast majority of all items affected by the proposed regulation are financed.

For aftermarket parts and marine watercraft, the direct cost on California small businesses was estimated based on the percentage of manufacturers for each of these categories that are California small businesses. Using the Dunn and Bradstreet database⁸, staff estimated that 12 percent of manufacturers that certify and sell aftermarket parts in California are California small businesses and seven percent of manufacturers that receive EOs for spark ignition marine watercraft (including those that certify engines, evaporative emission control systems, and evaporative emission control systems) are California small businesses.

There are only initial costs and no ongoing costs to the proposed regulation, because certification fees are paid upfront by manufacturers. The total costs to California small business purchasers are projected to be \$73.8 million and the total costs to California small business manufacturers are projected to be \$1.1 million. This leads to the total costs of \$74.9 million to all California small businesses under the Proposed Regulation. See Chapter IX in the ISOR for a detailed analysis.

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

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

⁵ 2020 World Population Review. California Population 2020. Available at: <u>https://worldpopulationreview.com/states/</u> <u>california-population</u>. Accessed: 10/28/20.

⁶ California Employment Development Department. 2020, Quarter 1. <u>https://www.labormarketinfo.edd.ca.gov/file/indsize/</u> <u>Chart_SOB2020_1.pdf</u>

⁷ <u>https://www.labormarketinfo.edd.ca.gov/LMID/Size_of_</u> <u>Business Data for CA.html</u>

⁸ Dunn and Bradstreet. Data accessed during November 2019. www.dnbi.com

rulemaking that were considered are described in the ISOR.

ENVIRONMENTAL ANALYSIS

CARB's determination is that the proposed amendments are exempt from the requirements of the California Environmental Quality Act (CEQA). CARB's regulatory program, which involves the adoption, approval, amendment, or repeal of standards, rules, regulations, or plans for the protection and enhancement of the State's ambient air quality, has been certified by the California Secretary for Natural Resources under Public Resources Code section 21080.5 of CEQA (14 CCR 15251(d)). Public agencies with certified regulatory programs are exempt from certain CEQA requirements, including but not limited to, preparing environmental impact reports, negative declarations, and initial studies. CARB, as a lead agency, prepares a substitute environmental document (referred to as an "Environmental Analysis" or "EA") as part of the Staff Report prepared for a proposed action to comply with CEQA (17 CCR 60000-60008). If the regulation is finalized, a Notice of Exemption will be filed with the Office of the Secretary for the Natural Resources Agency for public inspection.

CARB has determined that the proposed amendments are exempt from CEQA under the "general rule" or "common sense" exemption (14 CCR 15061(b)(3)). The common sense exemption states a project is exempt from CEQA if "the activity is covered by the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA." The proposed amendments will increase fees for the processing of Executive Orders, which are required for manufacturers to sell affected products in the State of California. The setting, collection, and administration of these fees under the proposed amendments have no potential to adversely affect air quality or any other environmental resource area. Based on CARB's review it can be seen with certainty that there is no possibility that the proposed amendments may result in a significant adverse impact on the environment; therefore, this activity is exempt from CEQA.

SPECIAL ACCOMMODATION REQUEST

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

• An interpreter to be available at the hearing;

- Documents made available in an alternate format or another language; and
- A disability–related reasonable accommodation.

To request these special accommodations or language needs, please contact the Clerks' Office at <u>cotb@arb.ca.gov</u> or (916) 322–5594 as soon as possible, but no later than ten business days before the scheduled Board hearing. TTY/TDD/Speech to Speech users may dial 711 for the California Relay Service.

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

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

Para solicitar estas comodidades especiales o necesidades de otro idioma, por favor llame a la oficina del Consejo al <u>cotb@arb.ca.gov</u> o (916) 322–5594 lo más pronto posible, pero no menos de 10 días de trabajo antes del día programado para la audiencia del Consejo. TTY/TDD/Personas que necesiten este servicio pueden marcar el 711 para el Servicio de Retransmisión de Mensajes de California.

AGENCY CONTACT PERSONS

Inquiries concerning the substance of the proposed regulatory action may be directed to the agency representative Kathleen Mead, Air Pollution Specialist, Heavy Duty In–Use Compliance Section, at (916) 324–9550 or (designated back–up contact) Jackie Lourenco, Chief, New Vehicle and Engine Programs Branch, at (626) 450–6152.

AVAILABILITY OF DOCUMENTS

CARB staff has prepared a Staff Report: Initial Statement of Reasons (ISOR) for the proposed regulatory action, which includes a summary of the economic and environmental impacts of the proposal. The report is entitled: "Public Hearing to Consider the Proposed Mobile Source Certification and Compliance Fees — Staff Report: Initial Statement of Reasons"

Copies of the ISOR and the full text of the proposed regulatory language may be accessed on CARB's website listed below on March 2, 2021. Please contact Chris Hopkins, Regulations Coordinator, at <u>Chris.Hopkins@arb.ca.gov</u> or (916) 445–9564 if you need physical copies of the documents. Because of current travel, facility, and staffing restrictions, the California Air Resources Board's offices have limited public access. Pursuant to Government Code section 11346.5, subdivision (b), upon request to the aforementioned Regulations Coordinator, physical copies would be obtained from the Public Information Office, California Air Resources Board, 1001 I Street, Visitors and Environmental Services Center, First Floor, Sacramento, California, 95814.

Further, the agency representative to whom nonsubstantive inquiries concerning the proposed administrative action may be directed is Chris Hopkins, Regulations Coordinator, (916) 445–9564. The Board staff has compiled a record for this rulemaking action, which includes all the information upon which the proposal is based. This material is available for inspection upon request to the contact persons.

HEARING PROCEDURES

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

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

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

FINAL STATEMENT OF REASONS AVAILABILITY

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

INTERNET ACCESS

This notice, the ISOR and all subsequent regulatory documents, including the FSOR, when completed, are available on CARB's website for this rulemaking at https://ww2.arb.ca.gov/rulemaking/2021/mobile_sourcefee2021.

TITLE 14. DEPARTMENT OF FISH AND WILDLIFE

NOTICE IS HEREBY GIVEN that the Department of Fish and Wildlife (Department) proposes to adopt regulations to amend section 106.5, Title 14, California Code of Regulations (CCR) to extend the deadline to participate in the Drift Gill Net Transition Program (Transition Program) described in Section 8583 of the Fish and Game Code (FGC) to allow for the full participation of all voluntary participants. These amendments also aim to clarify that the most recent valid drift gill net shark and swordfish permit held between the 2019/2020 and 2023/2024 permit year will be accepted.

As directed by FGC Section 8583, the Department established the Transition Program to incentivize commercial fishermen to transition out of the drift gill net shark and swordfish fishery, which reduces bycatch and provides for a more sustainable swordfish fishery. The Transition Program allows permittees to voluntarily surrender their drift gill net (DGN) shark and swordfish permit and large mesh DGN(s) to the Department ahead of the prescribed sunset date in exchange for a one-time payment prescribed by FGC Section 8583. The proposed amendments to Section 106.5 would extend the current March 31, 2021 deadline for permittees to complete the Transition Program and extend it to one year from the date of notification of eligibility by the Department or January 31, 2024, whichever is sooner.

After consideration of all public comments, objections, and recommendations regarding the proposed action, the Department may adopt the proposed regulations.

PUBLIC HEARING

No public hearing is scheduled for this action. The Department will hold a public hearing if one is requested in writing to the contact below no later than 15 days prior to the close of the written comment period. If a hearing is requested, the Department will, to the extent practicable, provide notice of the time, date, and place of the hearing by mailing the notice to every person who has filed a request for notice.

WRITTEN COMMENT PERIOD

Any interested person, or his or her authorized representative, may submit written comments on the proposed action to the Department. All written comments must be received by the Department via mail, or e-mail, no later than **April 19, 2021**, to the contact as follows:

California Department of Fish and Wildlife, Marine Region Attn: Travis Buck, Senior Environmental Scientist 3883 Ruffin Road San Diego, CA 92123 Email: <u>Travis.Buck@wildlife.ca.gov</u>

AUTHORITY AND REFERENCE

Section 106.5:

Authority: Section 8583, Fish and Game Code. Reference: Sections 8573, 8579, Fish and Game Code.

INFORMATIVE DIGEST/POLICY STATEMENT OVERVIEW

Existing law prohibits a person from using or operating, or assisting in using or operating, a boat, aircraft, net, trap, line, or other appliance to take fish for commercial purposes, unless the person holds a commercial fishing license issued by the Department of Fish and Wildlife (Department), pursuant to Fish and Game Code (FGC) Section 7850. Existing law prohibits the taking of shark and swordfish for commercial purposes with drift gill nets except under a valid drift gill net shark and swordfish permit (DGN permit) issued to that person, pursuant to FGC Section 8561.

Senate Bill 1017 (Allen), signed into law on September 27, 2018, amended several sections in the FGC, including the addition of new FGC sections 8583 and 8583.5. Subdivision (a) of FGC Section 8583 required the Department to establish a voluntary Drift Gill Net Transition Program (Transition Program) to transition commercial DGN permittees from using drift gill nets for the shark and swordfish fishery.

The Department established the Transition Program in sections 106, 106.5, and 107, Title 14, California Code of Regulations (CCR), effective September 15, 2019 (file # 2019-0719-03S). These regulations established a deadline of March 31, 2021 to participate in the Transition Program by surrendering their DGN permit and all large mesh (greater than or equal to 14 inch) net(s). This deadline was implemented with a working assumption that participants would be able to complete the process between the January 1, 2020 statutory deadline to submit forms declaring their intent to participate in the Transition Program and the surrender date of March 31, 2021. Delays in Transition Program implementation brought on by the COVID-19 pandemic and the lack of adequate funding have prevented some potential participants from completing the required steps by the March 31, 2021 deadline. Additionally, existing regulations do not state whether the DGN permit held at the time of declaring intent to participate may be the one

surrendered or if a permittee must continue to renew the permit annually until they are notified of their eligibility to participate.

PROPOSED REGULATIONS

The proposed regulation change will extend the deadline to participate in the Drift Gill Net Transition Program from March 31, 2021 to one year following receipt of notification of eligibility from the Department or January 31, 2024, whichever is sooner. The proposed regulation change will also clarify that the most recent valid drift gill net shark and swordfish permit held between the 2019/2020 and 2023/2024 permit year will be accepted. Additional changes are made throughout to provide consistency with the amended deadline.

Amendments to Section 106.5, Title 14 CCR are summarized as follows:

- Subsection (c)(1) is amended to revise the deadline for surrendering their permit and extend it to one year from the date of eligibility notification by the Department or January 31, 2024, whichever is sooner. Text is added to indicate that for the purposes of the program, the most recent valid drift gill net shark and swordfish permit possessed for the 2019/2020 through 2023/2024 permit year will be accepted.
- Subsection (c)(2) is amended to revise the deadline for surrendering all large mesh (greater than or equal to 14 inch) drift gill nets to an entity approved by the department for the purpose of destroying the nets and providing the department valid receipt of net relinquishment, and extend it to one year from the date of eligibility notification by the Department or January 31, 2024, whichever is sooner.
- Subsection (d) is amended to revise the deadline for a permittee who the Department has determined meets the requirements of Section 8583 of the Fish and Game Code, who complies with subsection (c) of the Section and extend it to one year from the date of eligibility notification by the Department or January 31, 2024, whichever is sooner.
- Subsection (e) is amended to remove the date by which a voluntary participant, who has not received compensation, may withdraw from participation. Previously there was a deadline to withdraw from participation to ensure that funding was not held up by those who were sent notification, but then did not complete the process. However, with amendments requiring completion of net destruction and permit relinquishment within one year of notification, a deadline to withdraw is no longer necessary.

• Subsection (f)(2)(D) is amended to revise the deadline for providing a physical location or locations in the ports of San Diego, Los Angeles, Ventura, or Santa Barbara for entities destroying nets to receive drift gill nets from transition program participants and extend it to January 31, 2024.

BENEFITS OF THE PROPOSED REGULATIONS

The goal of the regulation change is to allow adequate time for all voluntary participants to complete the transition process and receive compensation. The regulation will benefit voluntary participants by providing them compensation to allow transitioning to other gear types, and will benefit the environment by reducing bycatch in the Drift Gill Net Shark and Swordfish fishery.

The cumulative effects of the changes statewide are expected to benefit the state's environment by further reducing bycatch of whales, dolphins, sharks, pinnipeds, and sea turtles, including the California state marine reptile, the Pacific leatherback sea turtle. Many California species killed by the drift gill net fishery are protected under state and federal law or covered under international agreements, such as the sperm whale, the leatherback sea turtle, the loggerhead sea turtle, the bigeye thresher shark, and the scalloped hammerhead shark.

EVALUATION OF INCOMPATIBILITY WITH EXISTING REGULATIONS

The proposed regulations are neither inconsistent nor incompatible with existing State regulations. The Legislature has required that the Department establish a drift gill net shark and swordfish permit transition program to transition the holders of drift gill net permits issued pursuant to FGC Section 8561, out of the drift gill net fishery (FGC Section 8583). The Department has reviewed existing regulations in Title 14 of the CCR, and finds that the proposed regulations are neither inconsistent nor incompatible with existing State regulations.

DOCUMENTS RELIED UPON

NONE.

DOCUMENTS INCORPORATED BY REFERENCE

DISCLOSURES REGARDING THE PROPOSED ACTION

(a) Significant Statewide Adverse Economic Impact Directly Affecting Businesses, 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. Drift gill net gear is not allowed to land swordfish in other west coast states. This action extends the deadline of a voluntary transition program that provides funding to participants.

(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 Department 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 will not change the level of commercial fishing activity in the state. Other fishing gear may be used in place of drift gill nets to continue to harvest shark and swordfish.

The Department does not anticipate any benefits to the health and welfare of California residents or worker safety, but the Department does anticipate a benefit to the State's environment. The cumulative effects of the changes statewide are expected to benefit the state's environment by further reducing bycatch of whales, dolphins, sharks, pinnipeds, and sea turtles, including the California state marine reptile, the Pacific leatherback sea turtle.

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

The Department is not aware of any cost impacts that a representative private person or business would necessarily incur in reasonable compliance with the proposed action to extend deadlines. Voluntary participants will be compensated for their participation to surrender their DGN permits and nets.

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

The Department anticipates that continued program implementation will involve an

NONE.

additional personnel cost of \$182,800 that will be absorbed within the existing budget and resources. Additionally, the Department will experience revenue losses in swordfish landings fees, drift gill net permit renewal and landings fee revenue over the next three years, or transfer fees in fiscal years 2020–2021 through 2023– 2024 (see STD399 Addendum).

- (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 is 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

The proposed regulations may affect small businesses specifically involved in the shark and swordfish drift gill net fishery.

RESULTS OF THE ECONOMIC IMPACT ASSESSMENT

The Department concludes that it is (1) unlikely the program will create additional job opportunities; (2) unlikely to result in the elimination of commercial fishing jobs or existing businesses; and (3) likely to benefit the commercial Swordfish fishery through providing long-term sustainability and reductions in protected resource bycatch.

- a) Effects of the Regulation on the Creation or Elimination of Jobs Within the State
 The cumulative effects of the changes statewide are expected to be neutral with regard to the creation or elimination of jobs within the State.
- (b) Effects of the Regulation on the Creation of New Businesses or the Elimination of Existing Businesses Within the State

The cumulative effects of the changes statewide are expected to be neutral with regard to the creation of new businesses or the elimination of existing businesses within the State. There may be new opportunities for business entities involved in destroying and/or recycling relinquished gill nets.

(c) Effects of the Regulation on the Expansion of Businesses Currently Doing Business Within the State

The cumulative effects of the changes statewide are expected to be neutral with regard to expansion of businesses currently doing business within the State. Businesses involved in recycling or destroying relinquished gill nets may experience a temporary increase in availability of inputs.

(d) Benefits of the Regulation to the Health and Welfare of California Residents

The cumulative effects of the changes statewide are expected to be neutral with regard to the health and welfare of California residents.

(e) Benefits of the Regulation to Worker Safety

The cumulative effects of the changes statewide are expected to be neutral with regard to worker safety.

BENEFITS TO THE STATE'S ENVIRONMENT

The regulations proposed describe the implementation of the Transition Program and specify a sunset date on state drift gill net shark and swordfish permit. With the passage of SB 1017, the Legislature intended to direct participants in the swordfish fishery toward the use of lower impact fishing gears for the Transition Program, and specify a modernized fishery, while allowing current participants in the state drift gill net fishery to continue those practices under a State permit for a limited duration of time. This will lead to a more sustainable fishery over time. The cumulative effects of the changes statewide are expected to benefit the state's environment by further reducing bycatch of whales, dolphins, sharks, pinnipeds, and sea turtles, including the California state marine reptile, the Pacific leatherback sea turtle.

CONSIDERATION OF ALTERNATIVES

In view of information currently possessed, no reasonable alternative considered would be more effective in carrying out the purpose for which the regulation is proposed, would be as effective and less burdensome to affected private persons than the proposed regulation, or would be more cost–effective to affected private persons and equally effective in implementing the statutory policy or other provision of law.

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

CONTACT PERSONS

Inquiries concerning the substance of the proposed action should be directed to:

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California Department of Fish and Wildlife, Marine Region Attn: Travis Buck, Senior Environmental Scientist 3883 Ruffin Road San Diego, CA 92123 Phone: (831) 238–1492 Email: Travis.Buck@wildlife.ca.gov

The backup contact person is:

California Department of Fish and Wildlife, Marine Region
Attn: John Ugoretz, Environmental Program Manager
1933 Cliff Drive, Suite 9
Santa Barbara, CA 93109
Phone: (562) 338–3068
Email: John.Ugoretz@wildlife.ca.gov

Please direct requests for copies of the proposed text (the "express terms") of the regulations, the initial statement of reasons, the modified text of the regulations, if any, or other information upon which the rulemaking is based to Travis Buck (see above for contact information).

AVAILABILITY OF THE INITIAL STATEMENT OF REASONS, TEXT OF PROPOSED REGULATIONS, AND RULEMAKING FILE

The Department will have the entire rulemaking file available for inspection and copying at its office at the Santa Barbara address above. As of the date this notice is published, the rulemaking file consists of:

- 1. Notice of Proposed Action
- 2. Initial Statement of Reasons
- 3. Proposed Regulatory Text
- 4. Economic and Fiscal Impact Assessment (Form STD 399) and addendum

AVAILABILITY OF DOCUMENTS ON THE INTERNET

The rulemaking file is available online at: <u>https://</u> www.wildlife.ca.gov/Notices/Regulations/DGNExt.

AVAILABILITY OF CHANGED OR MODIFIED TEXT

After considering all timely and relevant comments received by the Department, the Department may adopt the proposed regulations substantially as described in this notice. If the Department makes modifications which are sufficiently related to the originally proposed text, it will make the modified text (with the changes clearly indicated) available to the public for at least 15 days before the Department adopts the regulations as revised. Please send requests for copies of any modified regulations to the attention of Travis Buck (see above for further contact information). The Department would accept written comments on the modified regulations for 15 days after the date on which they are made available.

AVAILABILITY OF THE FINAL STATEMENT OF REASONS

Upon its completion, copies of the Final Statement of Reasons may be obtained by checking the website at the link provided above, or contacting Travis Buck (see above for further contact information).

TITLE 15. DEPARTMENT OF CORRECTIONS AND REHABILITATION

NOTICE IS HEREBY GIVEN that the Secretary of the California Department of Corrections and Rehabilitation (CDCR), pursuant to the authority granted by Government Code (GC) section 12838.5 and Penal Code (PC) section 5055, and the rulemaking authority granted by PC section 5058, proposes to amend sections 3999.98, 3999.99, and 3999.225 through 3999.234, and repeal sections 3999.235, 3999.236, and 3999.237 of the California Code of Regulations (CCR), Title 15, Division 3, concerning health care grievances.

PUBLIC HEARING

Based on guidance from the California Department of Public Health to cancel large community events in order to slow the spread of COVID–19, CDCR will hold a *virtual* public hearing on April 20, 2021, at 2:30 p.m. To join the virtual hearing, follow this link: click here or you may call (916) 701–9994 and enter phone conference ID 97147994# to join by phone (audio only) between the hours of 2:30 p.m. and 3:00 p.m. on April 20, 2021.

PUBLIC COMMENT PERIOD

The public comment period will close April 20, 2021, at 5:00 p.m. Any person may submit public comments in writing (by mail or by email) regarding the proposed changes. To be considered, comments must be submitted to California Correctional Health Care Services (CCHCS), Health Care Regulations and Policy Section, P.O. Box 588500, Elk Grove, CA, 95758, or by email to HealthCareRegulations@cdcr. ca.gov before the close of the comment period.

CONTACT PERSON

Please direct any inquiries regarding this action to:

D. Gouldy Deputy Director (A) Policy and Risk Management Services California Correctional Health Care Services P.O. Box 588500 Elk Grove, CA 95758 (916) 691–2921

J. Inderkum Staff Services Manager II (A) Health Care Regulations and Policy Section California Correctional Health Care Services (916) 691–2922

AUTHORITY AND REFERENCE

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

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

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

PC section 5054 provides that commencing July 1, 2005, the supervision, management, and control of the State prisons, and the responsibility for the care, custody, treatment, training, discipline, and employment of persons confined therein are vested in the Secretary of the CDCR.

PC section 5058 authorizes the Director to prescribe and amend regulations for the administration of prisons.

References cited pursuant to this regulatory action are as follows: PC section 5054; Americans With Disabilities Act, Public Law 101–336, July 26, 1990, 104 Stat. 328; Civil Rights of Institutionalized Persons Act, Title 42 U.S.C. Section 1997 et seq., Public Law 96–247, 94 Stat. 349; Section 35.107, Title 28, Code of Federal Regulations; Section 1013(a), California Code of Civil Procedure; *Armstrong v. Newsom* (No. C–94– 2307–CW), U.S. District Court, Northern District of California; Clark Remedial Plan, *Clark v. California* 123 F.3d 1267 (9th Cir. 1997); *Coleman v. Newsom* (No. S90–0520 LKK JFM P) U.S. District Court, Eastern District of California; *Plata v. Newsom* (No. C01–1351 JST), U.S. District Court, Northern District of California.

INFORMATIVE DIGEST/POLICY STATEMENT OVERVIEW

The CDCR and CCHCS propose to amend sections 3999.98, 3999.99, and 3999.225 through 3999.234; and repeal sections 3999.235 through 3999.237 of the CCR, Title 15, Division 3, governing health care grievances. Current grievance regulations which were adopted on September 1, 2017, address deficiencies and inconsistencies in the previous three–level health care appeals process. Despite the overall success of the health care grievances regulatory schema, over the past two years the Department has concluded that the current health care grievance regulations have led to operational challenges related to the effective communication process, grievance rejections, and grievance withdrawals.

This regulatory action will eliminate redundancies related to effective communication documentation, abolish the practice of withdrawing Health Care Grievances and Health Care Grievance Appeals, and limit grievance rejections for only duplicate and excessive grievance submittals. In addition to addressing these operational issues, amendments are included for clarity and consistency within the Title 15, Chapter 2, Subchapter 2, Article 5, Health Care Grievances.

This action will:

- Eliminate redundancies related to effective communication documentation.
- Revise processes that contribute to unnecessary reports and additional workload for staff throughout the institutions.
- Provide for better tracking of intervention within the Department.
- Alleviate stakeholder concerns related to grievants possibly withdrawing grievances under duress.
- Revise processes that delay providing responses to grievants and impede progress towards the exhaustion of administrative remedies.

BENEFITS ANTICIPATED BY THE PROPOSED REGULATIONS

The Department anticipates that the proposed regulations ensure access to care to all inmates within CDCR, by providing those who are dissatisfied with the health care being provided to them an opportunity to seek a meaningful administrative remedy for

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grievances. The regulations will establish a more efficient and effective health care grievance process which will further benefit the health and welfare of California residents housed in CDCR facilities. This regulation change will not have an impact on the State's environment, as the State's environment is not impacted by the administration of the health care grievance program.

DOCUMENTS INCORPORATED BY REFERENCE

- CDCR 602 HC, Health Care Grievance (Revised 10/20)
- CDCR 602 HC A, Health Care Grievance Attachment (Revised 10/20)

EVALUATION OF CONSISTENCY/ COMPATIBILITY WITH EXISTING REGULATIONS

Pursuant to GC section 11346.5(a)(3)(D), the Department must evaluate whether the proposed regulations are inconsistent or incompatible with existing State regulations. Pursuant to this evaluation, the Department has determined these proposed regulations are not inconsistent or incompatible with any existing regulations within CCR, Title 15, Division 3.

LOCAL MANDATES

The proposed regulatory action imposes no mandates on local agencies or school districts, or a mandate which requires reimbursement pursuant to GC section 17500–17630.

FISCAL IMPACT STATEMENT

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

EFFECT ON HOUSING COSTS

The Department has made an initial determination that the proposed action will have no significant effect on housing costs because this regulatory action relates strictly to a program that affords inmates within CDCR an opportunity to seek a meaningful administrative remedy for grievances regarding their health care; therefore, this proposed action only affects CDCR staff and inmates.

SIGNIFICANT STATEWIDE ADVERSE ECONOMIC IMPACT ON BUSINESS

The Department has determined that the proposed action will not have a significant statewide adverse economic impact directly affecting businesses, including the ability of California businesses to compete with businesses in other states, because this regulatory action relates strictly to a program that affords inmates within CDCR an opportunity to seek a meaningful administrative remedy for grievances regarding their health care; therefore, this proposed action only affects CDCR staff and inmates.

RESULTS OF ECONOMIC IMPACT ASSESSMENT

The proposed regulations ensure access to care to all inmates within CDCR, by providing those who are dissatisfied with the health care being provided to them an opportunity to seek a meaningful administrative remedy for grievances. The regulations will establish a more efficient and effective health care grievance process which will further benefit the health and welfare of California residents housed in CDCR facilities. This regulation will not have an impact on the State's environment, as the State's environment is not impacted by the administration of the health care grievance program.

The Department has determined that the proposed regulations will have no impact on the creation of new or the elimination of existing jobs or businesses within California or affect the expansion of businesses currently doing business in California because this regulatory action relates strictly to a program that affords inmates within CDCR an opportunity to seek a meaningful administrative remedy for grievances regarding their health care; therefore, this proposed action only affects CDCR staff and inmates.

BENEFITS ANTICIPATED BY THE PROPOSED REGULATIONS

The Department anticipates that the proposed regulations ensure access to care to all inmates within CDCR, by providing those who are dissatisfied with the health care being provided to them an opportunity to seek a meaningful administrative remedy for grievances. The regulations will establish a more efficient and effective health care grievance process which will further benefit the health and welfare of California residents housed in CDCR facilities. This regulation change will not have an impact on the State's environment, as the State's environment is not impacted by the administration of the health care grievance program.

COST IMPACTS ON REPRESENTATIVE PRIVATE PERSONS OR BUSINESSES

The Department is not aware of any cost impacts that a representative private person or business would necessarily incur in reasonable compliance with the proposed action. This regulatory action relates strictly to a program that affords inmates within CDCR an opportunity to seek a meaningful administrative remedy for grievances regarding their health care; therefore, the proposed action only affects CDCR staff and inmates.

EFFECT ON SMALL BUSINESSES

The Department has determined that the proposed regulations will have no significant adverse economic impact on small businesses because this regulatory action relates strictly to a program that affords inmates within CDCR an opportunity to seek a meaningful administrative remedy for grievances regarding their health care; therefore, this proposed action only affects CDCR staff and inmates.

CONSIDERATION OF ALTERNATIVES

The Department 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 provisions of law. The Department has made an initial determination that the action will not have a significant adverse economic impact on business. Additionally, there has been no testimony, reasonable alternative, or other evidence provided that would alter the CDCR's initial determination to proceed with this action.

AVAILABILITY OF PROPOSED TEXT AND INITIAL STATEMENT OF REASONS

The Department has prepared, and will make available, the proposed text and the Initial Statement of Reasons (ISOR) of the proposed regulatory action. The rulemaking file for this regulatory action, which contains those items and all information on which the proposal is based (i.e., rulemaking file) is available to the public upon request directed to the contact person listed in this Notice. The proposed text, ISOR, and Notice of Proposed Action will also be made available on CCHCS's website <u>https://cchcs.ca.gov</u> and CDCR institution law libraries.

AVAILABILITY OF THE FINAL STATEMENT OF REASONS

Following its preparation, a copy of the Final Statement of Reasons may be obtained from the contact person listed in this Notice.

AVAILABILITY OF CHANGES TO PROPOSED TEXT

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

GENERAL PUBLIC INTEREST

DEPARTMENT OF FISH AND WILDLIFE

HABITAT RESTORATION AND ENHANCEMENT ACT CONSISTENCY DETERMINATION NO. 1653–2021–068–001–R1

Project:	North Fork Navarro River Whole Tree Instream Coho Habitat Enhancement Project Phase II
Location:	Mendocino County
Applicant:	Elizabeth Mackey, Trout Unlimited
Background	Enzabeth Mackey, Hour Chimned

Project Location: The North Fork Navarro River Whole Tree Instream Coho Habitat Enhancement Project Phase II (Project) is located on the North Fork Navarro River approximately one mile south of the town of Navarro beginning near the confluence with Soda Creek and extending downstream for approximately 4,500 feet. The Project reach extends from 39.15997° degrees north latitude and 123.56707° west longitude downstream to 39.15684° north latitude and 123.57666° west longitude at property owned by Mendocino Redwood Company, LLC, Assessor Parcel Numbers 02605004, 02605005, 02605006, 12930003, 12930004, 12930006, 1292900, and affects North Fork Navarro River, tributary to Navarro River. North Fork Navarro River supports populations of Coho Salmon, Chinook Salmon, steelhead trout, Western Pond Turtle, Tailed Frog, Foothill Yellow–legged Frog, and Red–bellied Newts.

Project Description: Trout Unlimited (Applicant) proposes to enhance habitat within North Fork Navarro River to provide a net conservation benefit for Coho Salmon, Chinook Salmon, and steelhead trout. The Project will treat an overall reach of 4,500 feet to increase and improve the quality and quantity of salmonid habitat in the North Fork Navarro River. The placement of large wood will provide complex refugia for juvenile salmonids and help reduce density-dependent competition during the low flow season. The objectives of the project are to increase and improve the quality and quantity of pool habitats within North Fork Navarro River. This will effectively increase stream complexity and shelter values while simultaneously improving pool frequency and depth for rearing juvenile salmonids. Large wood that is within the active stream channel will provide velocity refugia for fish during peak winter flows, decrease average water velocities, and sort spawning gravels. It is anticipated that the habitat created through the placement of this large wood material will be readily utilized by fish following a season of scouring flows. This effort will help to maintain the geographic distribution of Coho Salmon in a system with historically strong populations and identified biological refugia.

Project Size: The total area of ground disturbance associated with the Project is approximately 3.89 acres and 384 linear feet. The Applicant has included project size calculations that were used to determine the total size of the Project. The proposed Project complies with the General 401 Certification for Small Habitat Restoration Projects and associated categorical exemption from the California Environmental Quality Act (Cal. Code Regs., title 14, § 15333).

Project Associated Discharge: Discharge of materials into Waters of the State, as defined by Water Code section 13050 subdivision (e), resulting from the Project include those associated with the following: (1) 232 cubic yards of large woody material, (2) 10 cubic yards of soil, and (3) 46 hard anchor points; 99 total feet of rebar; approximately 93 nuts.

Project Timeframes: Start date: August 2021 Completion date: October 2026 Work window: June 15–October 31

Water Quality Certification Background: Because the Project's primary purpose is habitat restoration intended to improve the quality of waters in California, the North Coast Regional Water Quality Control Board (Regional Water Board) issued a Notice of Applicability (NOA) for Coverage under the State Water Resources Control Board General 401 Water Quality Certification Order for Small Habitat Restoration Projects SB12006GN (Order) (Waste Discharge Identification (WDID) No. 1B20222WNME, Electronic Content Management Identification (ECM PIN) No. CW-871374 for the Project. The NOA describes the Project and requires the Applicant to comply with terms of the Order. Additionally, the Applicant has provided supplemental documents that set forth measures to avoid and minimize impacts to Chinook Salmon, Coho Salmon, steelhead trout, other aquatic species and Northern Spotted Owl.

North Fork Navarro River, Mendocino Coast Hydrologic Unit 113.50

Filled/Excavated Area:
Permanent Area Impacted: None.
Temporary Area Impacted: 0.46 acres of riparian area
Total Linear Impacts: Length Permanently Impacted: None.
Length Temporarily Impacted: 300 Linear feet

Latitude/Longitude:

39.15684° N, 123.57666° W (downstream) 39.15997° N, 123.56707° W (upstream)

Regional Water Board staff determined that the Project may proceed under the Order. Additionally, Regional Water Board staff determined that the Project, as described in the Notice of Intent (NOI) complies with the California Environmental Quality Act (Pub. Resources Code, § 21000 et seq.).

On January 28, 2021, the Director of the California Department of Fish and Wildlife (CDFW) received a notice from the Applicant requesting a determination pursuant to Fish and Game Code Section 1653 that the NOA, NOI, and related species protection measures are consistent with the Habitat Restoration and Enhancement Act (HREA) with respect to the Project.

Pursuant to Fish and Game Code section 1653 subdivision (c), CDFW filed an initial notice with the Office of Administrative Law on January 29, 2021, for publishing in the General Public Interest section of the California Regulatory Notice Register (Cal. Reg. Notice File Number Z–2021–0129–01) on February 12, 2021. Upon approval, CDFW will file a final notice pursuant to Fish and Game Code section 1653 subdivision (f).

Determination

CDFW has determined that the NOA, NOI, and related species protection measures are consistent with HREA as to the Project and meets the conditions set forth in Fish and Game Code section 1653 for authorizing the Project.

Specifically, CDFW finds that: (1) The Project purpose is voluntary habitat restoration and the Project is not required as mitigation; (2) the Project is not part of a regulatory permit for a non-habitat restoration or enhancement construction activity, a regulatory settlement, a regulatory enforcement action, or a court order; and (3) the Project meets the eligibility requirements of the State Water Resources Control Board's Order for Clean Water Act Section 401 General Water Quality Certification for Small Habitat Restoration Projects.

Avoidance and Minimization Measures

The avoidance and minimization measures for Project, as required by Fish and Game Code section 1653, subdivision (b)(4), were included in an attachment to the NOI, which contains the following categories: (1) Erosion control measures; (2) Measures to minimize disturbance from instream construction; (3) Measures to minimize degradation of water quality; (4) Measures to minimize loss or disturbance of riparian vegetation; and (5) General Measures to avoid impacts on biological resources. The specific avoidance and minimization requirements are found in an attachment to the NOI, Attachment A, Additional Pages — NF Navarro River Whole Tree Instream Coho Habitat Enhancement Project — Phase II.

Monitoring and Reporting

As required by Fish and Game Code section 1653, subdivision (g), the Applicant included a copy of the monitoring and reporting plan. The Applicant's Monitoring and Reporting Plan provides a timeline for restoration, performance standards, and monitoring parameters and protocols. Specific requirements of the plan are found in an attachment to the NOI, *Monitoring and Reporting Plan North Fork Navarro River Whole Tree Instream Coho Habitat Enhancement Project Phase II.*

Notice of Completion

Coverage under the State Water Resources Control Board General 401 Water Quality Certification Order for Small Habitat Restoration Projects requires the Applicant to submit a Notice of Completion (NOC) no later than 30 days after the project has been completed. A complete NOC includes at a minimum:

- photographs with a descriptive title;
- date the photograph was taken;
- name of the photographic site;
- WDID number and ECM PIN number indicated above;

• success criteria for the Project.

The NOC shall demonstrate that the Applicant has carried out the Project in accordance with the Project description as provided in the Applicant's NOI. Applicant shall include the project name, WDID number, and ECM PIN number with all future inquiries and document submittals. Pursuant to Fish and Game Code section 1653, subdivision (g), the Applicant shall submit the monitoring plan, monitoring report, and notice of completion to CDFW as required by the General Order. Applicant shall submit documents electronically to: <u>scott.monday@wildllife.ca.gov</u>.

Project Authorization

Pursuant to Fish and Game Code section 1654, CDFW's approval of a habitat restoration or enhancement project pursuant to section 1652 or 1653 shall be in lieu of any other permit, agreement, license, or other approval issued by the department, including, but not limited to, those issued pursuant to Chapter 6 (commencing with section 1600) and Chapter 10 (commencing with section 1900) of this Division and Chapter 1.5 (commencing with section 2050) of Division 3. Additionally, Applicant must adhere to all measures contained in the approved NOA and comply with other conditions described in the NOI.

If there are any substantive changes to the Project or if the Water Board amends or replaces the NOA, the Applicant shall be required to obtain a new consistency determination from CDFW. (See generally Fish & G. Code, § 1654, subdivision (c).)

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 # 2021–0112–02 Dangerous Drug Distributors

In this rulemaking action, the Board amends its regulations to update licensing requirements pertaining to dangerous drug distributors, including third-party logistics providers (3PLs). The amendments further establish that wholesalers and 3PLs must comply with

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the latest edition of the United States Pharmacopeia. The amendments also require that an applicant for a licensed premise or for renewal of that license must certify under penalty of perjury that the applicant meets the regulatory requirements.

Title 16 Amend: 1780, 1781, 1782, 1783 Filed 02/22/2021 Effective 04/01/2021 Agency Contact: Lori Martinez (916) 574–7917

Bureau of Automotive Repair File # 2020–0908–01 Rehabilitation/Substantial Relationship Criteria

This action by the Bureau of Automotive Repair adopts criteria to be used in determining whether a crime, act, or professional misconduct is substantially related to the qualifications, functions, and duties of a licensee, or when an applicant or licensee has made a showing of rehabilitation related to a crime, act, or professional misconduct when considering denial, suspension, or revocation of a license. The amendments implement amendments to the Business and Professions Code made by Assembly Bill 2138 (Stats. 2018, ch. 995).

Title 16	
Amend: 3395, 3395.2	
Filed 02/18/2021	
Effective 02/18/2021	
Agency Contact:	
Holly O'Connor	(916) 403-8627

CalSavers Retirement Savings Board File # 2021–0209–01 CalSavers Retirement Savings Program — Extension of First Deadline

The CalSavers Retirement Savings Board submitted this deemed emergency readoption action to keep in effect the amendment of a regulation in the CalSavers Retirement Savings Program made in an emergency action, filed and effective 5/4/2020. The amended regulation changed the first registration deadline from June 30, 2020 to September 30, 2020 for eligible employers with more than 100 employees.

Title 10 Amend: 10002 Filed 02/17/2021 Effective 03/03/2021 Agency Contact: Eric Lawyer (916) 838–2869 Department of Corrections and Rehabilitation File # 2020–1217–02 Work and Privilege Group C

In this rulemaking action, the Department amends its regulations to modify some terms related to the privileges of inmates who are deemed a program failure or are placed in Privilege Group C.

Title 15 Amend: 3044, 3190, 3314, 3315, 3376 Filed 02/24/2021 Effective 04/01/2021 Agency Contact: Anthony Carter (916) 445–2220

Department of Insurance File # 2021–0105–04 CAARP Plan of Operations

This action makes changes to the California Automobile Assigned Risk Plan (CAARP) Plan of Operations, which is incorporated by reference in title 10, California Code of Regulations, section 2498.4.9. This action is exempt from the Administrative Procedure Act pursuant to Insurance Code section 11620(c).

Title 10	
Amend: 2498.4.9	
Filed 02/18/2021	
Effective 02/18/2021	
Agency Contact:	
Michael Riordan	(415) 538–4226

Department of Insurance File # 2021–0105–05 Low Cost Auto Plan Operations

This file and print action by the Department of Insurance amends the California Automobile Insurance Low Cost Program Plan of Operations. This action is exempt from the Administrative Procedure Act pursuant to California Insurance Code section 11620(c).

Title 10	
Amend: 2498.6	
Filed 02/18/2021	
Effective 02/18/2021	
Agency Contact:	
Michael Riordan	(415) 538–4226

Department of Social Services File # 2021–0208–01 CalWORKs Overpayment Threshold

This emergency action readopts amendments to the Department of Social Services Manual of Policies and Procedures as it relates to the CalWORKs overpayment threshold. This action is exempt from Office of Administrative Law review pursuant to S.B. 726 (Stats. 2018, Ch. 930, Sec. 3).

Title MPP Amend: 42-751, 44-350, 44-352, 44-353 Filed 02/17/2021 Effective 02/17/2021 Agency Contact: Kenneth Jennings (916) 657-2586

Fair Political Practices Commission File # 2021–0122–06 **Enforcement Streamline**

This rulemaking action by the Fair Political Practices Commission adopts and amends regulations concerning the enforcement streamline program.

Title 02 Adopt: 18360.3 Amend: 18360.1, 18360.2 Filed 02/22/2021 Effective 03/24/2021 Agency Contact: Amanda Apostol

(916) 322-5660

Secretary of State File # 2021–0105–03 **Digital Signatures**

This certificate of compliance makes permanent emergency action no. 2020-0415-02E, which replaced the existing Approved List of Digital Signature Certification Authorities with the requirement that public entities only accept certificates from authorities recognized by at least one of the three certificate programs identified in the proposed regulations.

Title 02 Amend: 22000, 22002, 22003, 22005 Repeal: 22004 Filed 02/17/2021 Effective 02/17/2021 Agency Contact: Taylor Kayatta (916) 695–1530

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.