

## California Regulatory Notice Register

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

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### PROPOSED ACTION ON REGULATIONS

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### TITLE 2. FAIR POLITICAL PRACTICES COMMISSION

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

#### CONFLICT-OF-INTEREST CODES

#### **AMENDMENT**

MULTI-COUNTY: Delta Conveyance Design &

Construction Authority

STATE AGENCY: Fiscal Crisis and Management

Assistance Team

A written comment period has been established commencing on September 9, 2022 and closing on October 24, 2022. Written comments should be directed to the Fair Political Practices Commission, Attention Daniel Vo, 1102 Q Street, Suite 3000, Sacramento, California 95811.

At the end of the 45-day comment period, the proposed conflict-of-interest codes 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 codes will be submitted to the Commission for review.

The Executive Director of the Commission will review the above–referenced conflict–of–interest codes, 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 codes to the agency for revision and resubmission within 60 days without further notice.

Any interested person may present statements, arguments or comments, in writing to the Executive Director of the Commission, relative to review of the proposed conflict—of—interest codes. Any written comments must be received no later than October 24, 2022. 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 codes should be made to Daniel Vo, Fair Political Practices Commission, 1102 Q Street, Suite 3000, Sacramento, California 95811, telephone (916) 322–5660.

### AVAILABILITY OF PROPOSED CONFLICT-OF-INTEREST CODES

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

#### TITLE 10. DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION

The Commissioner of Financial Protection and Innovation (Commissioner) proposes to adopt new regulations and amend current regulations implementing the Student Loan Servicing Act.<sup>1</sup> The proposed rulemaking also provides additional detail and clarity to the Student Loans: Borrower Rights law,<sup>2</sup> which became effective January 1, 2021.

Specifically, the Commissioner proposes to make the following changes to Subchapter 15, Chapter 3, of Title 10 of the California Code of Regulations:

- Amend Sections 2032; 2033.5; 2034.5; 2035; 2036.5; 2040; 2040.5; 2041; 2042; 2042.5; and 2043; and
- Adopt Sections 2033.75; 2042.65; and 2042.75.

The Student Loan Servicing Act (Act) expanded the authority of the Commissioner to include the licensure, regulation, and oversight of student loan servicers. The Act became effective on January 1, 2017, and operational on July 1, 2018. As of July 1, 2018, persons engaged in the business of student loan servicing, unless expressly exempt from the Act's coverage, must be licensed and are subject to supervision and regulation by the Department of Financial Protection and Innovation (Department).

Prior to enactment of the Student Loan Servicing Act, California did not regulate student loan servicers.

When the Act first became effective, student loans were comprised of federal student loans and private student loans, most commonly made by banks and credit unions (traditional loans). These traditional loans used traditional loan forms such as promissory notes and loan agreements.

In the five years which have elapsed since the Act became effective, additional products to finance a student's higher education have emerged, such as income share agreements and installment contracts (collectively, education financing products), which commonly use documentation distinct from traditional loans to evidence the loan and contractual agreement to repay. These education financing products also use some terms which are different than terms used for traditional loans.

Lenders and servicers of education financing products have historically asserted that these products were not within the definition of student loan and not subject to the Act. However, these education financing products do the same thing as traditional loans: help pay the cost of a student's higher education. Thus, the Commissioner has determined that education financing products, including but not limited to income share agreements and installment contracts, are student loans,4 and that servicers of such education financing products are covered by the Act and must be licensed. In providing this clarification, the proposed rules provide certainty for student loan servicers, including servicers of income share agreements, installment contracts and all other education financing products, and protect the borrowers they serve.

This proposed rulemaking defines terms and documents specific to education financing products. The proposed rulemaking also amends some existing rules, based on the Department's years of experience licensing student loan servicers and conducting regulatory examinations. The proposed amendments are to conform to the Department's experience, to streamline implementation of the Act, and to remove rules which the Commissioner has determined to be burdensome to servicers and unnecessary.

The Commissioner is expressly authorized to promulgate rules, consistent with the Commissioner's authority to administer the Student Loan Servicing Act<sup>5</sup> and the Student Loans: Borrower Rights law.<sup>6</sup>

### AUTHORITY

[Government Code Section 11346.5, subdivision (a)(2)]

Section 28106, Financial Code (Fin. Code), and Section 1788.103, Civil Code (Civ. Code).

### REFERENCE [Government Code Section 11346.5,

subdivision (a)(2)]

Sections 1788.100, et seq. and 1798.18, Civil Code; Section 684.115, Code of Civil Procedure; Sections 331.5, 28104, 28106, 28110, 28111, 28112, 28114, 28116,

<sup>&</sup>lt;sup>1</sup> Fin. Code, § 28100, et seq.

<sup>&</sup>lt;sup>2</sup> Civ. Code, § 1788.100, et seq.

<sup>&</sup>lt;sup>3</sup> Fin. Code, § 28102, subdivision (b).

<sup>&</sup>lt;sup>4</sup> Similarly, the Consumer Financial Protection Bureau recently held that income share agreements are within the definition of credit and private education loan and subject to the Truth in Lending Act, 12 U.S.C.§ 1601, et seq. and implementing Regulation Z, 12 C.F.R. Part 1026. See 2021–CFPB–0005, In the Matter of Better Future Forward, Inc., et al., pages 3,8,11–13, accessible at <a href="https://files.consumerfinance.gov/f/documents/cfpb\_better-future-forward-inc\_consent-order\_2021-09.pdf">https://files.consumerfinance.gov/f/documents/cfpb\_better-future-forward-inc\_consent-order\_2021-09.pdf</a> (as of October 15, 2021).

<sup>&</sup>lt;sup>5</sup> Fin. Code, § 28106, subdivision (a).

<sup>&</sup>lt;sup>6</sup> Civ. Code, § 1788.103, subdivision (i).

28118, 28122, 28126, 28128, 28130, 28132, 28134, 28138, 28142 and 28152, Financial Code.

### PUBLIC COMMENTS [Government Code Section 11346.5, subdivision (a)(17)]

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

#### WRITTEN COMMENT PERIOD

[Government Code Sections 11346.4, subdivision (a) and 11346.5, subdivision (a)(15)]

#### Where to Submit Comments

Any interested person or his or her authorized representative may submit written comments relevant to the proposed regulatory action to the Department, addressed as follows, by any of these means:

Postal Mail

Department of Financial Protection and Innovation Attention: Sandra Navarro 2101 Arena Boulevard Sacramento, California 95834

#### Electronic Mail

Comments may be submitted electronically to <u>regulations@dbo.ca.gov</u>. Please identify the comments as PRO 06–21 in the subject line.

Time for Comments

Comments may be submitted until 5:00 p.m., October 28, 2022. If the final day for the acceptance of comments is a Saturday, Sunday or state holiday, the comment period will close at 5 p.m. on the next business day.

#### INFORMATIVE DIGEST

[Government Code Section 11346.5, subdivision (a)(3)]

Policy Statement and Specific Benefits Anticipated from Regulatory Action [Government Code Section 11346.5, subdivision (a)(3)(C)]

The objective of the proposed regulations is to implement the provisions of the Student Loan Servicing Act and the Student Loans: Borrower Rights law by:

 Clarifying that all education financing products are student loans within the definition of student

- loan in the Student Loan Servicing Act and the Student Loans: Borrower Rights law;
- Clarifying that servicers of all education financing products must be licensed as student loan servicers under the Student Loan Servicing Act;
- Clarifying that servicers of all education financing products are subject to and must comply with all laws applicable to student loan servicers;
- Defining terms used in the rules relating to education financing products;
- Specifying that servicers of all education financing products must submit an annual report to
  the Department regarding the volume and dollar
  amount of all education financing products serviced during the previous year, on the form specified by the Department; and
- Revising certain existing regulations to remove requirements deemed unnecessary, based on the Department's experience administering the Student Loan Servicing Act, to reduce regulatory burden.

The benefits anticipated from this regulatory action include protection of student loan borrowers, improving the Department's regulatory oversight of the servicer industry, and strengthening enforcement of the Student Loan Servicing Act and the Student Loans: Borrower Rights law.

Student loan debt is a weight on the state's economy, preventing borrowers from achieving financial independence, starting businesses, attending graduate school, buying property or cars, or making other large investments. Higher quality student loan servicing will result in decreased defaults, more spendable income, higher credit scores, and greater access to credit. More student loan borrowers will be able to finance life's large purchases. The cumulative effect of these rules and regulating servicers of all types of student loans will positively affect not just the individual student borrowers, but California's overall economic health.

This regulatory package increases transparency in government by adopting the rules in compliance with California's rulemaking procedures and standards. This helps ensure that the public and those who would be subject to the proposed action are provided with a meaningful opportunity to participate in the adoption of the regulations.

Summary of Existing Laws and Regulations, and Effect of Proposed Action [Government Code Section 11346.5, subdivision (a)(3)(A)

Existing law (the Student Loan Servicing Act, as amended) provides for the licensure, regulation, and oversight of student loan servicers by the Commissioner, as head of the Department of Financial Protection and Innovation.

Existing law requires persons servicing student loans in California to apply for, and obtain, a license from the Department, unless exempt.<sup>7</sup> Existing law specifies the requirements for licensure.

Existing regulations implement the Student Loan Servicing Act by further detailing the specific requirements and related processes to obtain a student loan servicer license.

The subsequently enacted Student Loans: Borrower Rights law, which became effective on January 1, 2021, provides additional protections to student borrowers and extends applicability of these borrower protections to student servicers currently licensed by the Department, as well as some servicers exempt from licensure. The definitions of student loan in the Student Loan Servicing Act and the Student Loans: Borrower Rights law are identical.

This rulemaking action seeks to amend Sections 2032; 2033.5; 2034.5; 2035; 2036.5; 2040; 2040.5; 2041; 2042; 2042.5; and 2043 and to adopt Sections 2033.75; 2042.65; and 2042.75 in Subchapter 15 to Chapter 3 of Title 10 of the California Code of Regulations, to clarify that the definition of student loan includes all education financing products. This rulemaking provides necessary clarity and certainty.

Existing law provides the Commissioner's authority to promulgate rules and regulations implementing the Student Loan Servicing Act<sup>8</sup> and the Student Loans: Borrower Rights law.<sup>9</sup>

Existing Federal Regulation or Statute [Government Code Section 11346.5, subdivision (a)(3)(B)

U.S. Department of Education contracts with the federal loan servicers may contain performance metrics. However, despite the volume of student loan debt, there are no industry—wide standards for student loan servicing, in federal law or regulation.

Existing State Regulations [Government Code Section 11346.5, subdivision (a)(3)(D)]

Existing regulations implement the Student Loan Servicing Act by providing the specific requirements and related processes to obtain a student loan servicer license.

Existing regulations do not cover the subjects addressed in the proposed regulations. Thus, the proposed regulations are not inconsistent or incompatible with existing regulations.

FORMS INCORPORATED BY REFERENCE [Title 1, California Code of Regulations, Section 20, subdivision (c)(3)]

This proposed regulatory action does not incorporate any forms by reference.

### DISCLOSURES REGARDING THE PROPOSED ACTION

[Government Code Section 11346.5, subdivisions (a)(5), (6), and (12)(A)]

- Mandate on local agencies or school districts: None.
- Cost to any local agency or school district which must be reimbursed in accordance with Government Code sections 17500 through 17630: None.
- Cost or savings to any state agency: None.
- Other nondiscretionary cost or savings imposed on local agencies: None.
- Cost or savings in federal funding to the state: None.

# ECONOMIC IMPACT ON BUSINESS [Government Code Section 11346.5, subdivision (a)(8)]

The Commissioner has made an initial determination that the proposed regulatory 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

### EFFECT ON SMALL BUSINESS [Title 1, California Code of Regulations, Section 4]

Based on information and belief, the Department has determined that no small business, within the meaning of Government Code Section 11342.610, subdivision (b), conducts student loan servicing. Therefore, this rulemaking action does not impact small businesses.

#### COST IMPACTS ON REPRESENTATIVE PRIVATE PERSON OR BUSINESS [Government Code Section 11346.5, subdivision (a)(9)]

Applicants for a student loan servicer license must pay all costs associated with licensure, including a \$300 application fee, a \$100 fee to cover the Department's cost to investigate the applicant to determine eligibility for licensure, and expenses related to statu-

<sup>&</sup>lt;sup>7</sup> Fin. Code, § 28102.

<sup>&</sup>lt;sup>8</sup> Fin. Code, § 28106, subdivision (a).

<sup>&</sup>lt;sup>9</sup> Civ. Code, § 1788.103, subdivision (i).

torily required fingerprinting. Applicants must submit audited financial statements. 10

Once licensed, the law and this proposed action requires licensed servicers to adhere to specified servicing standards;<sup>11</sup> maintain a surety bond in the minimum amount of \$25,000;<sup>12</sup> pay for regulatory examinations conducted at least once every 36 months;<sup>13</sup> submit annual, audited financial statements;<sup>14</sup> and pay a pro rata share of the Department's cost to administer the Student Loan Servicing Act program.<sup>15</sup>

The Department anticipates that servicers of all education financing products currently maintain records and post information on their websites, employ customer service representatives, and regularly maintain audited financial statements to meet performance metrics and other requirements of their contracts with lenders and noteholders of the products they service. Therefore, it is anticipated that some or many of the requirements of these proposed rules will not add additional expense or add absorbable expense.

#### RESULTS OF THE ECONOMIC IMPACT ANALYSIS [Government Code Section 11346.5, subdivision (a)(10)]

The Department has determined that:

- The proposed action will not create or eliminate jobs within California;
- The proposed action will not create new businesses or eliminate existing businesses within California;
- The proposed action will not expand businesses currently doing business within California;
- The proposed action is expected to benefit the health and welfare of California residents by improving transparency in government and the student loan servicing market; and increasing protections for student loan borrowers, resulting in improved financial conditions for many Californians; and
- No benefits or adverse impacts to worker safety or to the state's environment are anticipated from this regulatory action.

# BUSINESS REPORTING REQUIREMENT [Government Code Section 11346.5, subdivision (a)(11)]

The Department finds that it is necessary for the health, safety or welfare of the people of this state that the reports required in this regulatory action apply to businesses. Student loan servicers are businesses. Aggregate servicing reports called for in this regulatory action will contain information about the loans serviced by these entities. With access to comprehensive information in these aggregate reports, Department examinations and supervision of servicers will be more efficient and effective. The Department will be most able to ensure compliance with student borrower protections.

# CONSIDERATION OF ALTERNATIVES [Government Code Section 11346.5, subdivision (a)(13)]

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

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

[Government Code Section 11346.5, subdivisions (a)(16) and (20), and (b)]

As of the date this notice is published, the rulemaking file consists of this notice; the initial statement of reasons, which contains all the information upon which the proposal is based; and the proposed text of the regulation. The notice, initial statement of reasons, and proposed text are available by contacting the person designated below.

<sup>&</sup>lt;sup>10</sup> Fin. Code, § 28112.

<sup>&</sup>lt;sup>11</sup> Fin. Code, § 28130.

<sup>&</sup>lt;sup>12</sup> Fin. Code, § 28142.

<sup>&</sup>lt;sup>13</sup> Fin. Code, § 28152.

<sup>14</sup> Fin. Code, § 28148.

<sup>15</sup> Fin. Code, § 28144.

Department of Financial Protection and Innovation

Attention: Sandra Navarro 2101 Arena Boulevard Sacramento, California 95834 Telephone: (213) 897–3432

E-mail: regulations@dfpi.ca.gov

The notice, initial statement of reasons and proposed text are also available on the Department's website at www.dfpi.ca.gov.

As required by the Administrative Procedure Act, the Legal Division maintains the rulemaking file. The rulemaking file is available for public inspection and copying throughout the rulemaking process at the Department of Financial Protection and Innovation, Legal Division, 300 South Spring Street, Suite 15513, Los Angeles, California 90013.

#### AVAILABILITY OF CHANGED OR MODIFIED TEXT

[Government Code Section 11346.5, subdivision (a)(18)]

If the Department makes changes which are sufficiently related to the originally proposed text, it will make the modified text (with changes clearly indicated) available to the public for at least 15 days before the Department adopts, amends or repeals the regulations as revised. A request for a copy of any modified regulations should be addressed to the contact person designated below. The Department will accept written comments on the modified regulations for at least 15 days after the date on which they are made available.

#### AVAILABILITY OF FINAL STATEMENT OF REASONS [Government Code Section 11346.5, subdivision (a)(19)

Upon its completion, the Final Statement of Reasons will be available and copies may be requested from the contact person named below or may be accessed on the Department's website listed above.

Inquiries regarding the substance of the regulations described in this notice may be directed to:

Department of Financial Protection and Innovation

Attention: Senior Counsel Mary D. Tomé 300 South Spring Street, Suite 15513 Los Angeles, CA 90013-1259

Telephone: (213) 897–2160 E-mail: mary.tome@dfpi.ca.gov

Non-substantive inquiries concerning this action, such as requests for copies of the proposed regulation or questions regarding the timelines or rulemaking status, may be directed to:

Department of Financial Protection and

Innovation

Attention: Sandra Navarro 2101 Arena Boulevard Sacramento, California 95834 Telephone: (213) 897–3432 E-mail: regulations@dfpi.ca.gov

The backup contact person for non-substantive inquiries is:

Department of Financial Protection and

Innovation

Attention: Araceli Dyson 2101 Arena Boulevard Sacramento, California 95834 Telephone: (916) 576-3637

E-mail: regulations@dfpi.ca.gov

#### TITLE 16. CEMETERY AND FUNERAL **BUREAU**

#### § 2326.6. APPROVAL TO SHARE A CREMATORY MANAGER

**NOTICE IS HEREBY GIVEN** that the Cemetery and Funeral Bureau (Bureau) is proposing to take the rulemaking action described below under the heading Informative Digest/Policy Statement Overview. Any person interested may present statements or arguments relevant to the action proposed in writing. Written comments, including those sent by mail, facsimile, or email to the addresses listed under Contact Person in this Notice, must be received by the Bureau at its office by 5:00 p.m., Tuesday, October 25, 2022.

#### PUBLIC HEARING

The Bureau has not scheduled a public hearing on this proposed action. The Bureau will, however, hold a hearing if it receives a written request for a public hearing from any interested person, or his or her authorized representative, no later than 15 days prior to the close of the written comment period.

#### AVAILABILITY OF CHANGED OR **MODIFIED TEXT**

The Bureau may, after considering all timely and relevant comments, adopt the proposed regulations substantially as described in this notice, or may modify the proposed regulations if such modifications are sufficiently related to the original text. With the exception of technical or grammatical changes, the full text of any modified proposal will be available for 15 days prior to its adoption from the person designated in this Notice as the contact person and will be mailed to those persons who submit written or oral testimony related to this proposal or who have requested notification of any changes to the proposal.

#### AUTHORITY AND REFERENCE

Pursuant to the authority vested by Business and Professions Code (BPC) sections 7606 and 7713, and to implement, interpret, or make specific BPC sections 7606 and 7713, the Bureau is considering adopting section 2326.6 of Division 23 of the Title 16 of the CCR, as described in this Notice.

### INFORMATIVE DIGEST/POLICY STATEMENT OVERVIEW

The death care industry transacts business with consumers at a time when they are emotionally vulnerable. Protection of the public is mandated to be the highest priority for the Bureau in exercising its licensing, regulatory, and disciplinary functions. The Bureau achieves its goal of consumer protection through the following primary methods: issuing and renewing licenses; overseeing funeral and cemetery trust funds; investigating complaints; conducting inspections; and disciplining licensees for violations of its laws and regulations.

The Bureau licenses, regulates, and investigates complaints against 14 different licensure categories in California, totaling approximately 13,100 licensees. These licensing categories include funeral establishments, funeral directors, embalmers, apprentice embalmers, cemetery brokers, cemetery broker branch, cemetery broker additional, cemetery salespersons, cremated remains disposers, crematories, crematory managers, hydrolysis facilities, cemetery managers, and private, nonreligious cemeteries. It is the Bureau's duty to enforce and administer the Cemetery and Funeral Act (Chapter 12 (commencing with section 7600) of Division 3 of the Business and Professions Code (BPC)) (Act). (BPC, § 7602, subdivision (a)(2).) The Bureau is authorized to establish necessary rules and regulations for the enforcement of the Act and the laws subject to its jurisdiction. (BPC, § 7606.)

Senate Bill (SB) 800 (Committee on Professions, Business Professions and Economic Development, Chapter 573, Statutes of 2017), amended BPC section 7713(a) to authorize "licensed crematories within close geographical proximity of each other to request the Bureau to allow a licensed crematory manager to manage, supervise, and direct the business or profes-

sion of more than one facility." To implement this statutory change, the Bureau needs to adopt a regulation.

There are no existing regulations that specify the processes and procedures for how a licensed crematory may apply to the Bureau to share a licensed crematory manager to manage, supervise, and direct the business or profession of more than one facility.

This proposal would establish such a regulation.

The Bureau has drafted proposed text to specify the requirements for applying for and receiving approval from the Bureau to share a designated crematory manager to manage, supervise, and direct the business or profession of more than one facility. The Bureau has consulted with stakeholders (licensees, consumer advocates, and members of the public) regarding the proposed sharing of crematory manager regulations. At the Bureau's Advisory Committee meeting held on May 24, 2018, the draft language for sharing a crematory manager was discussed and made available for public comment. The Bureau received no comments from stakeholders. However, since 2018, the Bureau has made certain modifications to the proposed text to enhance clarity.

The Bureau therefore proposes to:

#### Adopt Section 2326.6, Approval to Share a Crematory Manager

The Bureau proposes to adopt a regulation to allow licensed crematories, upon approval by the Bureau, to designate a licensed crematory manager to manage more than one licensed crematory and to set forth the conditions under which the bureau will grant approval.

### ANTICIPATED BENEFITS OF PROPOSED REGULATIONS

This proposal would establish a consistent and simple process for licensed crematories to obtain Bureau approval to share a designated crematory manager to supervise and manage more than one facility. It also provides licensed crematories an opportunity to be more efficient and save money by making the business decision to share a designated crematory manager to manage more than one of its facilities.

#### DETERMINATION OF INCONSISTENCY/ INCOMPATIBILITY WITH EXISTING REGULATIONS

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

#### INCORPORATION BY REFERENCE

Request for Approval to Share Crematory Manager, form 23–SCRM (New 4/22)

### DISCLOSURES REGARDING PROPOSED ACTION

#### FISCAL IMPACT ESTIMATES

### Fiscal Impact on Public Agencies Including Costs or Savings to State Agencies:

The Bureau has determined the proposed regulation will not have a fiscal impact to the state.

#### Cost or Savings in Federal Funding to the State:

Under current law and existing business practice, crematories may submit a request and be granted permission to share a manager, as specified. As a result, there is no fiscal impact to the state.

The regulations do not result in costs or savings in federal funding to the state.

Nondiscretionary Costs/Savings to Local Agencies: None.

**Local Mandate:** None.

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

#### **Business Impact:**

The Bureau has made an initial determination that the proposed regulation would not have a statewide adverse economic impact directly affecting business, including the ability of California businesses to compete with businesses in other states because this proposal only affects licensed crematories in California.

The Bureau currently is responsible for 230 licensed crematories throughout California. The change in the number of crematories licensed by the Bureau has been negligible over the period from fiscal years 2018–19 through 2020–21. While the law has been in effect for the past three years, the number of licensed crematory managers has increased by less than one percent from fiscal years 2018–19 through 2020–21. Opting to seek Bureau approval is a voluntary business decision made by the licensed crematory and therefore any business impact is a result of this choice and not the regulations.

### Cost Impact on Representative Private Person or Business:

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

Effect on Housing Costs: None.

### RESULTS OF ECONOMIC IMPACT ASSESSMENT/ANALYSIS

#### Impact on Jobs/Businesses:

The Bureau has determined that this regulatory action will not create or eliminate jobs, will not create new business or eliminate existing businesses, and will not affect the expansion of businesses currently doing business within the State of California because this proposed regulation applies to licensed crematories seeking the Bureau's approval to designate its licensed crematory manager to manage more than one licensed crematory. There is no cost for the crematory to apply and it provides the licensed crematory the flexibility to make a business decision to be more efficient and save money by sharing a designated crematory manager to manage more than one of its facilities.

#### Benefits of Regulation:

- There are no anticipated benefits to the health and welfare of California residents because the implementation of the regulatory package allowing a crematory to share a crematory manager has no impact on the health, welfare, and safety of California residents.
- There are no anticipated benefits to worker safety because this regulatory package allowing a crematory to share a crematory manager has no impact on worker safety.
- There are no anticipated benefits to the state's environment because this regulatory package allowing a crematory to share a crematory manager has no impact on the state's environment.

#### Effect on Small Business:

The Bureau has determined that the proposed regulation does not affect small businesses because this proposed regulation applies to licensed crematories seeking the Bureau's approval to designate its licensed crematory manager to manage more than one licensed crematory. There is no cost for the crematory to apply and it provides the licensed crematory the flexibility to make a business decision to be more efficient and save money by sharing a designated crematory manager to manage more than one of its facilities

### INITIAL STATEMENT OF REASONS AND INFORMATION

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

#### TEXT OF PROPOSAL

Copies of the exact language of the proposed regulations, and any document incorporated by reference,

and of the initial statement of reasons, and all of the information upon which the proposal is based, may be obtained upon request from CFB at 1625 North Market Boulevard, Suite S–208, Sacramento, California 95834.

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

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

You may obtain a copy of the final statement of reasons once it has been prepared, by making a written request to the Contact Person named below or by accessing the website listed below.

#### CONSIDERATION OF ALTERNATIVES

In accordance with Government Code section 11346.5(a)(13), the Bureau 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 or would be as effective and less burdensome to affected private persons than the proposed regulatory action or would be more costeffective to the affected private persons and equally effective in implementing the statutory policy or other provision of the law. Interested persons are invited to present statements or arguments orally or in writing relevant to the above determinations at the above scheduled hearing or during the written comment period.

#### **CONTACT PERSON**

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

Name: Carolina Sammons

Address: 1625 North Market Boulevard,

Suite S-208

Sacramento, CA 95834

Telephone Number: (916) 574–7876

Fax Number (916) 928–7988

Email Address: <a href="mailto:carolina.sammons@dca.ca.gov">carolina.sammons@dca.ca.gov</a>

The backup contact person is:

Name: Gina Sanchez

Address: 1625 North Market Boulevard,

Suite S–20

Sacramento, CA 95834

Telephone Number: (916) 574-8203

Fax Number (916) 928–7988

Email Address: gina.sanchez@dca.ca.gov

Inquiries concerning the substance of the proposed regulations may be directed to Carolina Sammons at (916) 574–7876.

Website access: Materials regarding this proposal can be found at <a href="https://www.cfb.ca.gov/laws\_regs/">https://www.cfb.ca.gov/laws\_regs/</a> proposed regs.shtml

#### TITLE 16. SPEECH-LANGUAGE PATHOLOGY AND AUDIOLOGY AND HEARING AID DISPENSERS BOARD

NOTICE IS HEREBY GIVEN that the Speech— Language Pathology and Audiology and Hearing Aid Dispensers Board (Board) is proposing to take the action described in the Informative Digest below, after considering all comments, objections, and recommendations regarding the proposed action.

#### PUBLIC HEARING

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

#### WRITTEN COMMENT PERIOD

Written comments relevant to the action proposed, including those sent by mail, facsimile, or e-mail to the addresses listed under "Contact Person" in this Notice, must be *received* by the Board at its office no later than Tuesday, October 25, 2022, by 5:00 p.m., or must be received by the Board at the hearing, should one be scheduled.

#### **AUTHORITY AND REFERENCE**

Pursuant to the authority vested by sections 2531.06 and 2531.95 of the Business and Professions Code (BPC), and to implement, interpret, or make specific BPC section 138, the Board is considering amending

sections 1399.129 and 1399.157.1 of title 16 of the California Code of Regulations (CCR).<sup>1</sup>

### INFORMATIVE DIGEST/POLICY STATEMENT OVERVIEW

This proposed regulation is necessary to begin the process to implement, interpret, and make specific the provisions of BPC section 138 (Chapter 879, Statutes of 1998) and ensure that consumers are aware that individuals engaged in the practices of speechlanguage pathology, audiology, or hearing aid dispensing are licensed by the State and inform consumers of where they can file a complaint against these licensed individuals.

Existing law, under BPC section 138, mandates that individuals regulated by this Board notify their consumers that they are licensed in the State of California. It also mandates that this Board implement, interpret, and make specific the provisions of BPC Section 138 through the rulemaking process to begin on or before June 30, 1999. This proposed regulation will amend sections 1399.129 and 1399.157.1 to implement, interpret, and make specific the provisions of BPC section 138.

Existing law, under BPC sections 2531.06 and 2531.95, authorizes the Board to adopt, amend, or repeal regulations that may be necessary to execute any provisions of the Speech–Language Pathologists and Audiologists and Hearing Aid Dispensers Licensure Act. The Board intends to use its authority to amend regulations to implement, interpret, and make specific the provisions of BPC Section 138.

There is no existing federal regulation or statute comparable to this proposed regulation.

Public protection is the highest priority of the Board and it is enhanced when consumers and other interested parties are made aware of the Board's existence at the time and place of service. This proposed regulation will be requiring licensees of the Board to provide notice to consumers of the Board's name and contact information. The following are the proposed changes the Board seeks to make:

### Adopt Section 1399.129 of Article 5 of Division 13.3 of Title 16 of the CCR

#### (Hearing Aid Dispenser Regulations)

Section 1399.129 is amended to specify the statement and method of the notice to consumers within the practice of hearing aid dispensing. The title is amended to replace the existing title with a new title so that it matches the content of the regulation section. The content of this section is being added as subsections (a) and (b) with subsections (b)(1), (b)(2), and (b)(3).

Subsection (a) is added to specify the statement that should be used in the notice to consumers within the practice of hearing aid dispensing. Subsection (b) is added to specify three methods for how the notice could be provided to consumers within the practice of hearing aid dispensing as subsections (b)(1), (b)(2), and (b)(3).

### Amend Section 1399.157.1 of Article 8 of Division 13.4 of Title 16 of the CCR

### (Speech-Language Pathology and Audiology Regulations)

Section 1399.157.1 is amended to specify the statement and method of the notice to consumers within the practice of speech—language pathology and audiology. The title is amended to replace the existing title with a new title so that it matches the content of the regulation section. The content of this section is being added as subsections (a), (b), and (c) with subsections (c)(1), (c)(2), and (c)(3).

Subsection (a) is added to specify the statement that should be used in the notice to consumers within the practice of speech–language pathology. Subsection (b) is added to specify the statement that should be used in the notice to consumers within the practice of audiology. Subsection (c) is added to specify three methods for how the notice could be provided to consumers within the practice of speech–language pathology and audiology as subsections (c)(1), (c)(2), and (c)(3).

#### **Anticipated Benefits of Proposal**

The Board expects an increase in public awareness, transparency, and accountability as the public becomes more informed about the roles and responsibilities of the Board under which an individual is licensed.

This regulatory proposal will also have the following effects:

This regulatory proposal may affect the health and welfare of California residents. The proposed regulatory action may increase public awareness of the Board's roles and responsibilities to regulate the profession by being easily and publicly available to non–licensed California residents.

These types of benefits are unquantifiable and cannot be easily measured or estimated. Therefore, the Board cannot provide an estimate of the total of statewide benefits that may occur from this regulation over its lifetime.

### **Consistency and Compatibility with Existing State Regulations**

During the process of developing this regulatory proposal, the Board has conducted a search of any similar regulations on these topics and has concluded that these regulations are neither duplicative, inconsistent, nor incompatible with existing state regulations.

<sup>&</sup>lt;sup>1</sup> All CCR references are to Title 16 unless otherwise noted.

### DISCLOSURES REGARDING THIS PROPOSED ACTION

The Board has made the following initial determinations:

#### FISCAL IMPACT ESTIMATES

Fiscal Impact on Public Agencies Including Costs or Savings to State Agencies or Costs/Savings in Federal Funding to the State: The Board does not anticipate any increase in workload or costs to the state as a result of the proposed regulations.

The regulations do not result in costs or savings in federal funding to the state.

Nondiscretionary Costs/Savings to Local Agencies: None.

Local Mandate: None.

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

**Business Impact:** The Board has made the initial determination that the proposed regulatory action will have no significant, statewide adverse economic impact directly affecting business, including the ability of California businesses to compete with businesses in other states.

### RESULTS OF ECONOMIC IMPACT ASSESSMENT/ANALYSIS

#### Impact on Jobs/Businesses

The Board has determined that this regulatory proposal will not have any significant impact on the creation of jobs or new businesses, or the elimination of jobs or existing businesses, or the expansion of businesses in the State of California. This is because the proposed regulatory action is related to educating and informing the public about the roles and responsibilities of the Board and not enhancing industry growth within the industries the Board regulates.

The proposed regulations will benefit the health and welfare of California residents by increasing consumer awareness of the existence of the Board and how to contact the Board by phone or via the Board's website. Increased consumer awareness about the Board will facilitate consumers checking the license status of licensees, and if necessary, filing a complaint with the Board. The proposed regulations are not expected to affect worker safety or the state's environment.

Furthermore, the Board's authorization is over licensees and not on all businesses within the industries the Board regulates. The Board only maintains data on businesses where hearing aid dispensers and dispensing audiologists are authorized to sell hearing aids in accordance with BPC sections 2538.33 and

2538.34. The Board does not maintain data relating to the number of businesses for other license types or the types of business (e.g., private, nonprofit, public, or small business) in which licensees are employed. As a result, the Board cannot provide any estimates for the total number or type of businesses that may be impacted.

#### **Business Reporting Requirements**

The regulatory action does not require businesses to file a report with the Board.

#### **Effect on Small Business**

The Board has determined that the proposed regulations will not affect small businesses. This is because the proposed regulatory action is related to educating and informing the public about the roles and responsibilities of the Board and not enhancing industry growth within the industries the Board regulates.

Furthermore, the Board's authorization is over licensees and not over all businesses within the industries that employ licensees the Board regulates. The Board only maintains data on business where hearing aid dispensers and dispensing audiologists are authorized to sell hearing aids in accordance with BPC sections 2538.33 and 2538.34. The Board does not maintain data relating to the number of businesses for other license types or the types of business (e.g., private, nonprofit, public, or small business) in which licensees are employed. As a result, the Board cannot provide any estimates for the total number or types of businesses that may be impacted.

### Cost Impact on Representative Private Person or Business

The Board is aware of costs that businesses or individuals may incur to comply with this regulation over its lifetime. The Board expects the costs for printing and materials to be minor and absorbable within normal business operations. As a result, no additional costs are anticipated.

The Board is not aware of any other economic costs that may occur.

#### Significant Effect on Housing Costs: None.

#### CONSIDERATION OF ALTERNATIVES

In accordance with Government Code section 11346.5, subdivision (a)(13), the Board must determine that no reasonable alternative it considered to the regulation 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; as effective and less burdensome to affected private persons than the proposal described in this Notice; or would be more cost—effective to affected private persons and equally effective in implementing the statutory policy or other provision of law.

Set forth below are the alternatives which were considered and the reasons each alternative was rejected:

1. Do not seek a regulatory change.

The Board is directed by statute to develop these regulations. Failure to adopt the proposed regulatory action prevents consumers from accessing the information that the individual they are obtaining services from is licensed by the State. This would result in some consumers continuing to be unaware that they can contact the Board to check the status of their practitioner's license, disciplinary history, or file a complaint. Some consumers may also continue to be unaware that this includes any assistants, aides, trainees, or Required Professional Experience (RPE) licensees from which the consumer may receive services. Given the Board relies upon consumer complaints for enforcement actions, failure to increase consumer awareness of the Board's roles and responsibilities reduces the Board's ability to meet its consumer protection mandate.

Any interested person may submit comments to the Board in writing relevant to the above determinations to the contact persons named in this notice at 1601 Response Road, Suite 260 Sacramento, CA 95815.

### AVAILABILITY OF STATEMENT OF REASONS AND RULEMAKING FILE

The Board has compiled a record for this regulatory action, which includes the Initial Statement of Reasons, proposed regulatory text, and all the information on which this proposal is based. This material is contained in the rulemaking file and is available for public inspection upon request to the contact persons named in this notice.

#### TEXT OF PROPOSAL

Copies of the exact language of the proposed regulations, and any document incorporated by reference, and of the Initial Statement of Reasons, and all of the information upon which the proposal is based, may be obtained upon request from the Board at 1601 Response Road, Suite 260 Sacramento, CA 95815.

### AVAILABILITY OF CHANGED OR MODIFIED TEXT

After considering all timely and relevant comments, the Board, upon its own motion or at the request of any interested party, may thereafter adopt the proposals substantially as described herein or may modify such proposals if such modifications are sufficiently related to the original text. With the exception of technical or grammatical changes, the full text of any modified

proposal, with the modifications clearly indicated, will be available for review and written comment for 15 days prior to its adoption from the person designated in this Notice as the contact person and will be mailed to those persons who submit written or oral testimony related to this proposal or who have requested notification of any changes to the proposal.

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

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

You may obtain a copy of the Final Statement of Reasons once it has been prepared by making a written request to the Contact Person named below or by accessing the website listed below.

#### **CONTACT PERSONS**

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

Name: Maria Liranzo; Legislation, Regulations, and Budget Analyst

Address: Speech–Language Pathology and Audiology and Hearing Aid Dispensers Board

1601 Response Road, Suite 260 Sacramento, CA 95815

Telephone Number: (916) 905–5441

E-Mail Address:

<u>SpeechandHearingRegulations@dca.ca.gov</u>

The backup contact person is:

Name: Cherise Burns, Assistant Executive Officer Address: Speech–Language Pathology and

Audiology and Hearing Aid Dispensers Board

1601 Response Road, Suite 260 Sacramento, CA 95815

Telephone Number: (916) 905-5454

E-Mail Address:

SpeechandHearingRegulations@dca.ca.gov

### AVAILABILITY OF DOCUMENTS ON THE INTERNET

Copies of the Notice of Proposed Action, the Initial Statement of Reasons, and the text of the regulations can be accessed through the Board's website at <a href="https://www.speechandhearing.ca.gov/board\_activity/lawsregs/proposed">https://www.speechandhearing.ca.gov/board\_activity/lawsregs/proposed</a> regulations.shtml

#### TITLE 16. PHYSICIAN ASSISTANT BOARD

### APPLICATION, EXAM SCORES, ADDRESSES, AND RECORDKEEPING

The Physician Assistant (PA) Board (Board) proposes to adopt the proposed regulations described below after considering all comments, objections, and recommendations regarding the proposed action.

#### PUBLIC HEARING

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

#### WRITTEN COMMENT PERIOD

Any interested person, or their authorized representative, may submit written comments relevant to the proposed regulatory action to the Board. Comments may also be submitted by mail, facsimile (FAX), or email to the addresses listed under "Contact Persons" in this Notice. The written comment period closes at 5:00 p.m. on Tuesday, October 25, 2022. The Board will consider only comments received at the Board's office by that time, or comments received at the hearing if the Board holds a hearing.

#### AUTHORITY AND REFERENCE

Business and Professions Code (BPC) section 3510 authorizes the Board to adopt this proposed regulation. The proposed regulation implements, interprets, and makes specific the provisions of Senate Bill 697 (Caballero, Chapter 707, Statutes of 2019), and the Board is seeking to amend sections 1399.506, 1399.507, and 1399.511 of Article 1 of Division 13.8 of Title 16 of the California Code of Regulations (CCR) and repeal Section 1399.546 of Article 4 of Division 13.8 of Title 16 of the California Code of Regulations.

### INFORMATIVE DIGEST/POLICY STATEMENT OVERVIEW

SB 697 became effective on January 1, 2020 and made numerous changes to the Physician Assistant Practice Act (Act), which provides for licensure and regulation of physician assistants (PAs) by the Physician Assistant Board. Generally, SB 697 revised the way PAs are supervised by physicians, allowing multi-

ple physicians and surgeons to supervise a PA; generally allowed the supervising physicians and surgeons to determine the appropriate level of supervision for PA practice; renamed the supervision agreement from a "delegation of services" agreement to a "practice agreement"; and eliminated the statutory requirement of medical records review. This rulemaking updates the Board's regulations by setting out what information is required in an initial application, and aligns the Board's regulations with SB 697 by removing the Board's obligation to establish a passing score on the written examination administered by the National Commission on Certification of Physician Assistants; by clarifying applicants' obligation to provide a mailing address that will be released by the Board to the public, posted on the website, and used by the Board for correspondence and service of documents on the applicant; and by repealing 16 CCR 1399.546, which imposed requirements better determined within a practice agreement between a PA and the supervising physician and surgeon.

#### Anticipated Benefits of the Proposed Regulation:

The proposed amendments bring these four regulation sections up—to—date and into compliance with SB 697. This is accomplished by adding a new provision to existing 16 CCR 1399.506 subdivision (a) requiring applicants to submit two sets of fingerprint cards or Live Scan inquiry and permitting the Board to conduct a criminal background check, and listing all information requested on the application of licensure. The amendments change the title of 16 CCR 1399.506 to "Application for Licensure."

The proposed amendments amend 16 CCR 1399.507 to comply with recently amended BPC section 3517, such that the Board is no longer required to establish a passing score for the examination administered by the National Commission on Certification of Physician Assistants.

The proposed amendments change the title of 16 CCR 1399.511 to "Address of Record." The proposed amendments add that a mailing address must be provided to the Board and will be posted on the Board's public website and used for official correspondence, notices, and orders.

The proposed amendments repeal 16 CCR 1399.546 as unnecessary, as it places procedures in regulation that are better addressed by the terms agreed upon by the PA and the supervising physician and surgeon in the practice agreement.

### Evaluation of Inconsistency/Incompatibility with Existing State Regulations:

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

### DISCLOSURES REGARDING THE PROPOSED ACTION

#### FISCAL IMPACT ESTIMATES

The proposed regulations do not result in a fiscal impact to the state because the amendments align the Board's regulations with current law and/or with existing practice.

The proposed regulations do not result in a fiscal impact to the state in the form of federal funding or any cost or savings to any state agency.

The Board has made the following initial determinations:

**Mandate on local agencies and school districts:** None.

Cost or savings to any state agency: None. The regulations do not result in a fiscal impact to the state. The amendments align the Board's regulations with current law and existing practice.

Cost to any local agency or school district for which Government Code sections 17500 through 17630 requires reimbursement: None.

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

Cost or savings in federal funding to the state: None. There are no costs or savings in federal funding to the state.

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

Significant effect on housing costs: None.

#### **Business Impact:**

The Board has determined that the proposed regulation will not have any significant statewide adverse economic impact directly affecting businesses, including the ability to compete.

#### Effect on Small Business:

The Board has determined that the proposed regulation would not affect small businesses because the proposal only clarifies the requirements of SB 697 that applied to applications for licensure, that the Board is no longer to establish the passing score for the licensure examination; clarifies the requirement to provide the Board with an address of record; and clarifies some recordkeeping requirements revised by SB 697.

### RESULTS OF ECONOMIC IMPACT ASSESSMENT/ANALYSIS

This regulatory proposal will have the following effects:

It will not create or eliminate jobs within the state of California because the proposal only lists the information required on initial applications for licensure, removes language about the Board establishing a passing score for the licensure examination, clarifies the requirement to provide the Board with an address of record, and eliminates recordkeeping requirements that conflict with statute since the passage of SB 697, all changes needed to align the Board's regulations with prevailing law.

It will not create new businesses or eliminate existing businesses within the state of California because the proposal only lists the information required on initial applications for licensure, removes language about the Board establishing a passing score for the licensure examination, clarifies the requirement to provide the Board with an address of record, and eliminates recordkeeping requirements that conflict with statute since the passage of SB 697, all changes needed to align the Board's regulations with prevailing law.

It will not affect the expansion of businesses currently doing business within the state of California because the proposal only lists the information required on initial applications for licensure, removes language about the Board establishing a passing score for the licensure examination, clarifies the requirement to provide the Board with an address of record, and eliminates recordkeeping requirements that conflict with statute since the passage of SB 697, all changes needed to align the Board's regulations with prevailing law.

The Board's proposed regulations will benefit the health and welfare of California residents by aligning the Board's regulations with the changes to statute resulting from the passage of SB 697. This regulatory proposal will not affect worker safety or the state's environment because it does not address issues involved in worker safety and does not involve environmental issues.

#### CONSIDERATION OF ALTERNATIVES

In accordance with Government Code section 11346.5, subdivision (a)(13), the Board must determine that no reasonable alternative it considered or that has otherwise been identified and brought to its attention would be more effective in carrying out the purpose for which the regulation is proposed, would be as effective and less burdensome to affected private persons than the adopted 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 Board invites interested persons to present statements or arguments with respect to alternatives to the proposed regulation at any scheduled hearing or during the written comment period.

#### CONTACT PERSONS

Inquiries concerning the proposed administrative action may be directed to:

Name: Jasmine Dhillon

Address: 2005 Evergreen Street, Suite 2250

Sacramento, CA 95815–3893 Telephone Number: (279) 666–2838

Fax Number: (916) 263–2671

E-Mail Address: jasmine.dhillon@dca.ca.gov

The backup contact person is:

Name: Kristy Voong

Address: 2005 Evergreen Street, Suite 2250

Sacramento, CA 95815–3893 Telephone Number: (916) 561–8787 Fax Number: (916) 263–2671

E-Mail Address: kristy.voong@dca.ca.gov

#### AVAILABILITY OF STATEMENT OF REASONS, TEXT OF PROPOSED REGULATIONS AND RULEMAKING FILE

The Board will have the entire rulemaking file available for inspection and copying throughout the rulemaking process at its office at the above address. As of the date this notice is published in the Notice Register, the rulemaking file consists of this notice, the proposed text of the regulation, the initial statement of reasons, and other information on which the rulemaking is based, including the Agenda, relevant Meeting Materials, and Minutes of the Physician Assistant Board's August 7, 2020 meeting; Agenda, relevant Meeting Materials, and Minutes of the Physician Assistant Board's November 9, 2020 meeting; Agenda, relevant Meeting Materials, and Minutes of the PA Board's February 8, 2021 meeting; and Agenda, relevant Meeting Materials, and Minutes of the PA Board's November 8, 2021 meeting.

### AVAILABILITY OF CHANGED OR MODIFIED TEXT

After considering all timely and relevant comments received, the Board may adopt the proposed regulations substantially as described in this notice. If the Board 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 public comment on the modifications for at least 15 days. Please send requests for copies of any modified regulations to the attention of the Contact Person designated above at the address indicated above. The Board will accept written com-

ments on the modified regulation for 15 days after the date on which the modified text is made available.

### AVAILABILITY OF THE FINAL STATEMENT OF REASONS

Upon its completion, copies of the Final Statement of Reasons may be obtained by contacting the Contact Person at the above address.

### AVAILABILITY OF DOCUMENTS ON THE INTERNET

Copies of the Notice of Proposed Action, the Initial Statement of Reasons, and the text of the regulation in underline and strikeout can be accessed through our website at: <a href="https://pab.ca.gov/lawsregs/regulations.shtml">https://pab.ca.gov/lawsregs/regulations.shtml</a>.

#### GENERAL PUBLIC INTEREST

### DEPARTMENT OF FISH AND WILDLIFE

CESA CONSISTENCY DETERMINATION
REQUEST FOR
LEGACY HOMES TRACT NUMBER 14608
DEVELOPMENT PROJECT
2080–2022–014–05
SANTA BARBARA COUNTY

The California Department of Fish and Wildlife (CDFW) received a notice on August 23, 2022, that Legacy Homes proposes to rely on a federal permit to carry out a project that may adversely affect a species protected by the California Endangered Species Act (CESA). The proposed project involves the subdivision and development of Legacy Homes Tract Number 14608 in Los Alamos, Santa Barbara County (Assessor's Parcel Numbers: 101-201-001, 101-202-001, 101-231-001, 101-232-001, 101-233-001, 101-234-001, and 101-242-001). Proposed activities will include, but are not limited to, grading; installation of exterior lighting; infrastructure installation or extension; roadway improvements and extensions; and installation of a pipeline, bank stabilization, and energy dissipation associated with the storm drain outfall at San Antonio Creek.

Legacy Homes prepared a Habitat Conservation Plan (HCP) which considered the effects of the proposed project on state threatened and federally endangered California tiger salamander (*Ambystoma californiense*). The U.S. Fish and Wildlife Service (Service) issued a federal incidental take permit (ITP)

(Permit Number ESPER0048285) to Legacy Homes on August 18, 2022.

Pursuant to California Fish and Game Code section 2080.1, Legacy Homes is requesting a determination that the ITP and its associated HCP are consistent with CESA for purposes of the proposed project. If CDFW determines the ITP and its associated HCP are consistent with CESA for the proposed project, Legacy Homes will not be required to obtain an incidental take permit under Fish and Game Code section 2081 subdivision (b) for the proposed project.

### DEPARTMENT OF TOXIC SUBSTANCES CONTROL

#### NOTICE OF PROPOSED SETTLEMENT

THIS NOTICE OF PROPOSED SETTLEMENT is published on September 9, 2022, for the property located at 2501–2533 East 56th Street, Huntington Park, Los Angeles County California (the "Site").

In accordance with Health and Safety Code sections 25100 et seq. (the Hazardous Waste Control Act), 25300 et seq. (the Hazardous Substance Account Act), 58009 and 58010, the Department of Toxic Substances Control ("DTSC") has authority to enter into agreements whereby DTSC covenants not to sue or assert claims for environmental remediation against prospective owners and certain long term lessees of environmentally—impacted properties if such agreements are sufficiently in the public interest.

Notice is hereby given that DTSC proposes to enter into an Agreement and Covenant Not to Sue, also known as a Prospective Purchaser Agreement ("PPA"), associated with the Site located at 2501–2533 East 56<sup>th</sup> Street in Huntington Park. The PPA would resolve certain potential claims of DTSC against the potential prospective owner of the Site upon its acquisition of the Site and resulting change in status to owner. The potential prospective owner is North Palisade OpCo, LLC (North Palisade).

North Palisade intends to use the 3.39 acre Site located at 2501–2533 East 56<sup>th</sup> Street in Los Angeles County Assessor's Parcel Numbers: 6309–013–012, –020, 6309–014–017, –018, –019, and –026 for commercial uses.

Corrective action to address releases of hazardous wastes and hazardous constituents at the Site will be conducted under the oversight of DTSC. North Palisade agrees to cooperate fully with DTSC in its oversight of the investigation and cleanup, and agrees to comply with the land use controls and to provide ongoing access to DTSC for the oversight of any long term operation and maintenance activities at the Site.

The Prospective Purchaser Agreement is in the public interest because:

- 1. The Site will be investigated and cleaned up to make it safe for its intended commercial/industrial use.
- 2. The beneficial reuse of the Site will allow for the potential employment of an estimated 100 construction–related jobs.
- 3. The project will generate approximately \$398,000 in annual property taxes and other revenue.

DTSC will hold a 30-day comment period on the above referenced PPA. Written comments on this proposed settlement must be submitted on or before 5:00 p.m., October 10, 2022. To ensure timely receipt by DTSC and North Palisade, you are requested to transmit your comments by overnight mail to:

#### **Department of Toxic Substances Control**

Attention: Jose Diaz 9211 Oakdale Avenue Chatsworth, California 91311 (818) 717–6614 Jose.Diaz@dtsc.ca.gov

#### Mr. Brian Wong

North Palisade OpCo, LLC 1330 Factory Place, Suite 105 Los Angeles, California 90013 Telephone: (310) 242–1612 brian.wong@northpalisade.com

If you have any questions regarding the Prospective Purchaser Agreement, or wish to obtain a copy, please call the DTSC contact identified above.

#### 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.

Department of Corrections and Rehabilitation File # 2022–0720–01 Program and Credit Earning Revisions

This certificate of compliance action by the Department of Corrections and Rehabilitation makes permanent the changes approved in OAL File Numbers

2021–0407–03EON, 2022–0112–01EON, and 2022–0422–01EE. Those actions updated terminology, expanded rehabilitative programs and reentry services, and eliminated the Long–Term Offender Program by incorporating participants into the new Integrated Substance Use Disorder Treatment Program. Those actions also amended the Milestone Completion Credit Schedule to add new programs, discontinue programs that are no longer available to inmates, amend the amount of credit earned for some programs, and reorganize the schedule. This action makes additional revisions to the Milestone Completion Credit Schedule and the procedures regarding evaluation of an inmate's educational history.

Title 15

Adopt: 3040.1

Amend: 3000, 3040, 3041, 3041.3, 3043.3, 3043.5, 3044, 3044.1 [Previously section 3043.7], 3044.2 [Previously section 3043.8], 3075.1, 3077.1, 3315,

3375, 3375.2, 3375.4, 3375.5, 3375.6, 3379

Repeal: 3040.1, 3040.2 Filed 08/31/2022 Effective 08/31/2022

Agency Contact: Sarah Pollock (916) 445–2308

Department of Housing and Community
Development
File # 2022–0722–02
Mobilehome Park/Special Occupancy Park Permit to
Operate Penalty Fee Waiver

This action makes permanent emergency regulatory amendments that created a waiver application process and criteria for the waiver of penalties for late payment of permit—to—operate fees due to economic hardship experienced by mobile home park and special occupancy park permit holders during States of Emergency.

Title 25

Amend: 1002, 1009, 2002, 2009

Filed 08/30/2022 Effective 08/30/2022

Agency Contact: Jenna Kline (916) 841–5286

Secretary of State File # 2022–0823–02

Notices Regarding Prohibition of Electioneering and Corruption of the Voting Process

This action by the Secretary of State readopts, with amendments, emergency regulations that establish notice requirements concerning the prohibition of electioneering and activity related to the corruption of the voting process.

Title 02

Adopt: 20180, 20181, 20182

Filed 08/31/2022 Effective 08/31/2022 Agency Contact:

Robbie Anderson (916) 216–6488

Business, Consumer Services and Housing Agency File # 2022–0810–01 Conflict–of–Interest Code

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

Title 02

Amend: 59760 Filed 08/24/2022 Effective 09/23/2022

Agency Contact: Phil Laird (916) 653–4090

Commission on State Mandates File # 2022–0819–01 Conflict–of–Interest Code

This is a Conflict—of—Interest code that has been approved by the Fair Political Commission and is being submitted for filing with the Secretary of State and printing.

Title 02

Amend: 1189.10 Filed 08/31/2022 Effective 09/30/2022

Agency Contact: Jill Magee (916) 323–3562

Department of Insurance File # 2022–0817–03 Commercial Auto Rates

The Department of Insurance (DOI) submitted this action for filing and printing pursuant to Government Code section 11343.8. This action makes changes to the California Automobile Assigned Risk Plan (CAARP), which is incorporated by reference in title 10, California Code of Regulations, section 2498.5. This action is exempt from the Administrative Procedure Act pursuant to Insurance Code section 11620(c).

Title 10 Amend: 2498.5

Filed 08/30/2022 Effective 08/30/2022 Agency Contact:

Michael Riordan

(415) 538–4226

Department of Insurance File # 2022–0817–04 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 08/30/2022 Effective 08/30/2022 Agency Contact: Michael Riordan

(415) 538–4226

Department of Insurance File # 2022–0817–05 CAARP Private Passenger Rates

The Department of Insurance (DOI) submitted this action for filing and printing pursuant to Government Code section 11343.8. This action makes changes to the California Automobile Assigned Risk Plan (CAARP), which is incorporated by reference in title 10, California Code of Regulations, section 2498.5. This action is exempt from the Administrative Procedure Act pursuant to Insurance Code section 11620(c).

Title 10 Amend: 2498.5 Filed 08/30/2022

Effective 08/30/2022 Agency Contact:

Michael Riordan

(415) 538–4226

Department of Insurance File # 2022–0817–06

CAARP Simplified Manual of Rules and Rates

The Department of Insurance (DOI) submitted this action for filing and printing pursuant to Government Code section 11343.8. This action makes changes to the California Automobile Assigned Risk Plan (CAARP), which is incorporated by reference in title 10, California Code of Regulations, section 2498.5. This action is exempt from the Administrative Procedure Act pursuant to Insurance Code section 11620(c).

Title 10

Amend: 2498.5 Filed 08/30/2022 Effective 08/30/2022 Agency Contact:

Michael Riordan

(415) 538-4226

Department of Insurance File # 2022–0817–07 CLCA Plan of Operations

This request for filing and printing, pursuant to Government Code section 11343.8, amends the California Automobile Insurance Low Cost Program Plan of Operations (CLCA). This action is exempt from the Administrative Procedure Act pursuant to California Insurance Code section 11620(c).

Title 10

Amend: 2498.6 Filed 08/30/2022 Effective 08/30/2022 Agency Contact:

Michael Riordan (415) 538–4226

Board of Equalization File # 2022–0715–03

**Definitions and General Provisions** 

This change without regulatory effect filing by the Board of Equalization amends the definition of the term "Board" as it pertains to local equalization hearings by county boards.

Title 18 Amend: 301

Filed 08/25/2022

Agency Contact: Honey Her (916) 274–3523

Board of Psychology File # 2022–0720–04

Clean-up of Registered Psychologist, TOEFL, and Supervision

This action makes changes without regulatory effect to remove gendered pronouns, align with statutory changes, and amend the name of the test "Test of English as a Foreign Language" ("TOEFL") to "TOEFL iBT" to correspond with how the test is now identified by Educational Testing Service.

Title 16

Amend: 1387, 1388, 1391.5

Filed 08/30/2022 Agency Contact:

Jason Glasspiegel

(916) 574–7137

California Energy Commission

File # 2022-0714-02

Gender–Neutral Language and Other Grammatical Changes

This action by the California Energy Commission makes changes without regulatory effect by updating regulatory text to incorporate gender–neutral language and to correct grammatical errors.

Title 20
Amend: 1002, 1102, 1104, 1105, 1206, 1221, 1302, 1303, 1312, 1342, 1392, 1394.1, 1602, 1603, 1605.3, 1606, 1608, 1609, 1622, 1625, 1673, 1709, 1709.8, 1715, 1727, 1747, 1770, 1867, 2323, 2506, 2507, 2510, 2554, 2555, 2556, 3201, 3204, 3207
Filed 08/24/2022
Agency Contact: Nicolas Oliver (916) 931–8011

California Prison Industry Authority File # 2022–0718–01 Intoxicants

This action by the California Prison Industry Authority makes changes without regulatory effect to a regulation concerning intoxicants to revise structure, grammar, and punctuation.

Title 15 Amend: 8107 Filed 08/24/2022

Agency Contact: Moira Doherty (916) 413–1140

Board of Pharmacy File # 2022–0713–01 Pharmacy/Hospital Self–Assessment Forms

This action amends regulations governing Self–Assessment of a Pharmacy by the Pharmacist–in–Charge to update and establish the requirements for the following self–assessment forms in regulation: Community Pharmacy Self–Assessment/Hospital Outpatient Pharmacy Self–Assessment (Form 17M–13) and Hospital Pharmacy Self–Assessment (Form 17M–14), which are used as a self–assessment tool for pharmacies to confirm compliance with provisions of applicable state and federal law.

Title 16 Amend: 1715 Filed 08/24/2022 Effective 10/01/2022

Agency Contact: Lori Martinez (916) 518–3078

Board of Pharmacy File # 2022–0713–02 Wholesaler/Third Party Logistics Self–Assessment Form

In this rulemaking action, the Board amends its regulation to reflect changes in the terminologies used in pharmacy laws. The amendment also modifies the content of Form 17M–26, now entitled "Wholesaler/Third Party Logistics Provider Self–Assessment," and adds instructions related to the form in the regulation.

Title 16 Amend: 1784 Filed 08/24/2022 Effective 10/01/2022

Agency Contact: Lori Martinez (916) 518–3078

Department of Food and Agriculture File # 2022–0721–05 Japanese Beetle Exterior Quarantine

This rulemaking action by the Department of Food and Agriculture specifies that Japanese Beetle infestations of conveyances must be abated by the transporter of the conveyance.

Title 03 Amend: 3280 Filed 08/25/2022 Effective 10/01/2022

Agency Contact: Karen Olmstead (916) 403-6879

Department of Pesticide Regulation File # 2022–0809–02 Medical Supervision Program

The Department of Pesticide Regulation in this action is requiring that a physician contracted as a medical supervisor for purposes of protecting employees who regularly mix, load, or apply organophosphate/carbamate (OP/CB) pesticides with the signal word "DANGER" or "WARNING" must be registered with OEHHA. Additionally, this action requires that employees undergoing baseline red cell and plasma cholinesterase determinations do so after a period of at least 30 days during which the employee has had no exposure to OP/CB pesticides.

Title 03 Amend: 6728 Filed 08/30/2022 Effective 01/01/2023

Agency Contact: Lauren Otani (916) 445–5781

California Architects Board
File # 2022–0720–02
Citations Concerning Orders of Abatement and/or
Administrative Fines

This is a resubmittal of OAL action number 2021–1230–05S and will broaden the Board's ability to issue citations and fines to unlicensed persons for violations of the Architects Practice Act.

Title 16 Amend: 152 Filed 08/29/2022 Effective 10/01/2022

Agency Contact: Katie Wiley (916) 575–7208

Department of Veterans Affairs File # 2022–0713–03 Veteran Homes Eligibility Determinations

This action amends eligibility requirements for Veterans Homes. It clarifies eligibility for joint applications and joint admissions for a veteran and a nonveteran spouse/domestic partner, adds requirements for veterans to provide records related to criminal background, and for restrictions on admission based on criminal background. It additionally adds provisions for an appeals process.

Title 12 Amend: 505.2 Filed 08/24/2022 Effective 10/01/2022

Agency Contact: Phil McAllister (916) 653–1961

# 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 oal.ca.gov.