

# California Regulatory Notice Register

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Time-Dated Material

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 10. CALIFORNIA FILM COMMISSION

CALIFORNIA FILM AND TELEVISION TAX CREDIT PROGRAM 3.0 CALIFORNIA SOUNDSTAGE FILMING TAX CREDIT PROGRAM TITLE 10, CHAPTER 7.75 ARTICLE 3, SECTION 5528; ARTICLE 4, SECTION 5541

Notice is hereby given that the California Film Commission (CFC) proposes to amend the regulations described below after considering all comments, objections and recommendations regarding the proposed action.

#### PROPOSED REGULATORY ACTION

The CFC proposes to amend section 5528 in Article 3 and section 5541 in Article 4 of Chapter 7.75 of Title 10 of the California Code of Regulations in order to implement, interpret and make specific Revenue and Taxation Code sections 17053.98 and 23698 relating to a film and television tax credit program.

No public hearing is scheduled; however, any interested person or their duly authorized representative may request a public hearing no later than fifteen (15) days prior to the close of the public comment period.

#### WRITTEN COMMENT PERIOD

Any interested person, or their authorized representative, may submit written comments relevant to the proposed regulatory action to the Agency. Written comments will be accepted by the Agency until 5:00 p.m. on April 30, 2024. Submit comments to:

Name: Hedvig Marx

Address: California Film Commission, 7080 Hollywood Boulevard, Hollywood, CA 90028

Email: Hedvig.Marx@film.ca.gov

#### AUTHORITY AND REFERENCE

The proposed regulation will be adopted under the authority of Government Code section 11152, and Revenue and Taxation Code sections 17053.98(e) and 23698(e). The proposed regulation implements, interprets, and makes specific Revenue and Taxation Code sections 17053.98 and 23698.

### INFORMATIVE DIGEST/POLICY STATEMENT OVERVIEW

The California Film Commission (CFC) proposes to amend section 5528 in Article 3 and section 5541 in Article 4 of Chapter 7.75 of Title 10 of the California Code of Regulations. The sections contain requirements related to motion picture production end credits and the procedure for certifying allocated tax credits to qualified taxpayers in the motion picture industry. The proposed amendments will enable applicants to fulfill Program requirements without risking potential conflict with the terms of their labor agreements.

### Summary of Related Existing Laws and Regulations:

In 2018, the Legislature and Administration approved Senate Bill (SB) 878 (Ch. 456, Stat. 2018), which created the third iteration of the California Film and Television Tax Credit Program (Program 3.0), applicable to taxable years beginning on or after January 1, 2020, and before January 1, 2025. Permanent regulations for Program 3.0 were adopted on February 10, 2022. Program 3.0 was preceded by the California Film and Television Tax Credit Program (Program 1.0), 2009 through 2017, and the California Film and Television Tax Credit Program 2.0 (Program 2.0), 2015-2020. Program 1.0 was enacted by SB 15 (Ch. 17, Stat. 2009), and is outlined in sections 17053.85 and 23685 of the Revenue and Taxation Code. Program 2.0 was enacted by Assembly Bill (AB) 1839 (Ch. 413, Stat. 2014), and is outlined in sections 17053.95 and 23695 of the Revenue and Taxation Code.

In 2021, the Legislature and Administration approved SB 144 (Ch. 114, Stat. 2021), as modified by AB 176 (Ch. 256, Stat. 2021), which among other things, created the new California Soundstage Filming Tax Credit Program (Soundstage Filming Program), applicable to taxable years beginning on or after January 1, 2022, and before January 1, 2032. Permanent regulations for the California Soundstage Filming Tax Credit Program were adopted on February 15, 2023.

On July 10, 2023, the Legislature and Administration approved SB 132 (Ch. 56, Stat. 2023), which contained modifications to both Programs. Through the rulemaking process, the permanent regulations of Program 3.0 were amended as of December 22, 2023, and the permanent regulations of the Soundstage

Filming Program were amended as Emergency Regulations as of August 18, 2023, and made permanent as of February 8, 2024.

These promulgated regulations provide two programs to the motion picture industry allocating tax credits for qualified motion pictures and incentivizing construction of soundstages in California.

After the adoption of the amended regulations for both Programs, the CFC was made aware that the updated end credits requirements proposed and adopted in the most recent rulemaking process unintentionally created a potential conflict with a collective bargaining agreement for those Program participants that are signatories to guild and union agreements with stipulations related to end credits. This rulemaking action seeks to modify the amendments adopted on August 18, 2023 (made permanent on February 8, 2024), and December 22, 2023, respectively, to rectify the unintentional conflict with that bargaining agreement.

### Broad Objectives and Anticipated Benefits of the Proposed Regulations:

Program 3.0 and the Soundstage Filming Program encourage production companies regardless of distribution outlet to film in California instead of other states, provinces, and countries offering incentives. The Programs are structured to encourage job creation and training opportunities for disadvantaged youth, and to increase and retain motion picture production in California. The proposed amendments to the previously adopted Program 3.0 and Soundstage Filming Program regulations safeguard the compatibility between the Programs and industry guild and union collective bargaining agreements, enabling the state to successfully operate the Program and realize its benefits. The objective of these amendments is to ensure that Program participants can comply with the Program requirements without violating the end creditsrelated terms of their labor agreements. The CFC is eager to rectify the unintentional consequences of the previously proposed language with retroactive functions in place to ensure that any applicants issued a Credit Allocation Letter between the effective date of the previous amendments (August 18 and December 22, 2023, respectively) and the effective date of these proposed amendments will be able to complete their projects without having to compromise other contractual obligations.

### Consistency and Compatibility with Existing State Regulations:

During the process of developing these regulations, the CFC 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. The CFC has endeavored to ensure that these regulatory amendments comply with the non–duplication standard found in Title 1, California Code of Regulations.

#### ESTIMATES OF ECONOMIC IMPACT

The California Film Commission has made the following determinations:

- Mandate on local agencies and school districts: None
- Cost or savings to any state agency: None.
- Cost to any local agency or school district which must be reimbursed in accordance with Government Code sections 17500 through 17630: None.
- Other nondiscretionary cost or savings imposed on local agencies: None.
- Cost or savings in federal funding to the state: None.
- Significant effect on housing costs: None.
- Significant statewide adverse economic impact directly affecting business, including the ability of California businesses to compete with businesses in other states: None.
- Potential cost impact on representative person or businesses: The agency is not aware of any cost impacts that a representative private person or business would necessarily incur in reasonable compliance with the proposed action.

#### EFFECT ON SMALL BUSINESS

The California Film Commission has determined that the proposed regulations will not directly affect small businesses. The businesses that may elect to participate in the Programs and in such cases will be complying with these regulations are film production companies and are as such not small businesses, as defined in section 11342.610 of the Government Code. Small businesses in California may, however, provide goods and services to the businesses electing to comply with these regulations and thus benefit from the additional filming in California.

### RESULTS OF THE ECONOMIC IMPACT ASSESSMENT

Pursuant to paragraph (3) of subdivision (e) and clause (iii) of subparagraph (C) of paragraph (10) of subdivision (k) of Sections 17053.98 and 23698 of the Revenue and Taxation Code the CFC is not required

to provide an economic impact analysis. Due to the nature of tax credit incentives in relation to economic impact, the CFC has been exempted from the economic impact analysis throughout the existence of the California Film and Television Tax Credit Programs in all iterations; this exemption is consistent with previous practice.

#### REASONABLE ALTERNATIVES CONSIDERED

The California Film Commission must determine that no reasonable alternative considered by the Commission 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 or would be as effective as and less burdensome to affected private persons than the proposed action, or would be more cost effective to affected private persons and equally effective in implementing the statutory policy or other provision of law.

#### CONTACT PERSON

Inquiries concerning the proposed action may be directed to:

Name: Leah Medrano

Email: <u>Leah.Medrano@film.ca.gov</u> Phone Number: (323) 860–2960

The backup contact person for these inquiries is:

Name: Hedvig Marx

Email: Hedvig.Marx@film.ca.gov

Phone Number: (323) 817-4115 or (310) 290-6501

Questions on the substance of the proposed regulations may be directed to:

Name: Hedvig Marx

Email: Hedvig.Marx@film.ca.gov

Phone Number: (323) 817-4115 or (310) 290-6501

### AVAILABILITY OF CHANGED OR MODIFIED TEXT

After the close of the forty-five (45) day public comment period, the CFC may adopt the proposed regulation. As a result of public comments, either oral or written, that are received by the CFC regarding this proposal, the CFC may determine that changes to the proposed regulation are appropriate. If the CFC makes modifications that 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 CFC adopts the regulations as revised. The CFC will provide notification of any such modifications to all persons whose comments were received during the public comment period, all persons whose comments (written or oral) were received at the public hearing (if one is held) and all persons who requested notice of such modifications. Otherwise, please send requests for copies of any modified regulations to the attention of Hedvig Marx at the above email address. The CFC will accept written comments on the modified regulations for 15 days after the date on which they are made available.

# AVAILABILITY OF INITIAL STATEMENT OF REASONS, RULEMAKING FILE AND EXPRESS TERMS OF THE PROPOSED REGULATIONS

The CFC has established a rulemaking file for this regulatory action, which contains those items required by law. The file is available for inspection at the California Film Commission, 7080 Hollywood Boulevard, Suite 900, Hollywood, California during normal business working hours (9 a.m.–5 p.m.). Please contact Hedvig Marx at the above email address to arrange a date and time to inspect the files. As of the date this Notice is published in the Notice Register, the rulemaking file consists of this Notice, the Initial Statement of Reasons and the proposed text of the regulations. Copies of these items are available, upon request, from the Contact Person designated in this Notice.

### AVAILABILITY OF FINAL STATEMENT OF REASONS

The CFC is required to prepare a Final Statement of Reasons. Once the CFC has prepared a Final Statement of Reasons, a copy will be made available to anyone who requests a copy. Requests for copies should be addressed to the Contact Person identified in this Notice.

#### OFFICE INTERNET WEBSITE

The Office maintains an Internet website for the electronic publication and distribution of written material. Copies of the Notice of Proposed Action, the Initial Statement of Reasons and the text of the regulations can be accessed through our website at: <a href="https://www.film.ca.gov">www.film.ca.gov</a>

#### TITLE 14. DEPARTMENT OF RESOURCES RECYCLING AND RECOVERY

DEALER REGISTRATION AND DEALER COOPERATIVES
PERMANENT REGULATIONS
NATURAL RESOURCES
DIVISION 2. DEPARTMENT
OF CONSERVATION
CHAPTER 5. DIVISION
OF RECYCLING

NOTICE IS HEREBY GIVEN that the Department of Resources Recycling and Recovery (CalRecycle) proposes to adopt the California Code of Regulations, Title 14, Division 2, Chapter 5, Subchapter 4.5, Articles 1 through 5, commencing with Section 2370.

CalRecycle additionally proposes to amend the California Code of Regulations, Title 14, Division 2, Chapter 5, Subchapters 1, 2, 5, and 6, commencing with Section 2000.

The proposed regulation(s) is intended to promulgate a process for the registration of dealers and stewardship plan, reporting, and operational requirements for dealer cooperatives. After considering all comments, objections, and recommendations regarding the proposed action, CalRecycle may adopt the proposals substantially as described in the below Informative Digest or may modify such proposals if such modifications are sufficiently related to the original text.

#### PUBLIC HEARING

CalRecycle will hold a hybrid public hearing starting at 9:00 a.m. (PDT) on April 30, 2024, and concluding upon submission of any public hearing comments. The public hearing will be accessible in person in the Byron Sher Auditorium located on the 2<sup>nd</sup> floor of the CalRecycle headquarters at 1001 I Street, Sacramento, California. The Byron Sher room is wheelchair accessible. The public hearing will also be accessible virtually via Zoom for direct participation and via Webcast for observation only. Instructions for how to access the Zoom public hearing (registration required) or Webcast (no registration required), can be found on CalRecycle's website at <a href="https://calrecycle.ca.gov/Laws/Rulemaking/">https://calrecycle.ca.gov/Laws/Rulemaking/</a>.

Please note that Webcast participants will not be able to provide comments during the public hearing. To participate remotely and provide comments, it is recommended to join via Zoom. No registration is necessary to view the Webcast.

At the public hearing, any person may present statements or arguments orally or in writing relevant to the

proposed action. CalRecycle requests, but does not require, that any person who makes oral comments also submit a written copy of their testimony at the hearing. All comments at the public hearing will be collected and recorded.

Simultaneous Spanish interpretation will be available in—person at the public hearing and remotely via Zoom or Webcast. For in—person interpretation services, headsets will be available and can be provided by CalRecycle staff prior to or during the hearing. If interpretation services are needed in a language other than Spanish, please notify CalRecycle at regulations@calrecycle.ca.gov by April 23, 2024, and CalRecycle staff will do their best to accommodate this request.

#### WRITTEN COMMENT PERIOD

The written comment period permits any interested person, or their authorized representative, to submit written comments addressing the proposed amendments to CalRecycle. Written comments, which offer a recommendation and/or objection, or support the proposed regulations, should indicate the section to which the comment or comments are directed. Cal-Recycle will only consider written comments sent to CalRecycle and received during the written comment period, which begins on March 15, 2024, and ends on April 30, 2024. Written comments received by Cal-Recycle after the close of the public comment period are considered untimely. CalRecycle may, but is not required to, respond to untimely comments, including those raising significant environmental issues. Comments submitted in writing must be addressed to one of the following:

Postal mail:

Csilla Richmond
SB 1013 Dealer Registration and Dealer
Cooperatives Permanent Regulations
Department of Resources Recycling and
Recovery, Regulations Unit
1001 "I" Street, MS-24B, Sacramento, CA 95814

Electronic submittal: SB 1013 Dealer Registration and Dealer Cooperatives Regulations (45–Day Public Comment Period)

#### **AUTHORITY AND REFERENCES**

Public Resources Code (PRC) Sections 14530.5, 14536 and 14578.5 provide authority for this regulation.

The purpose of the proposed actions is to implement, interpret, and make specific laws related to dealer registration, dealer cooperative implementation and operation, enforcement of dealer cooperatives, shipping reports, and calculating various fees for payment and reimbursement. The following is a list of references

cited in this proposed regulation: PRC Sections 14501, 14510.2, 14552, 14553, 14554, 14571, 14571.9, 14578, 14578.5, 14585, 14591.1, and 14595.5.

#### INFORMATIVE DIGEST

#### **Summary of Existing Laws**

CalRecycle administers the California Beverage Container Recycling and Litter Reduction Act (the Act), which was added to state law by Assembly Bill Number 2020 (1985-1986 Regular Session). The Act mandated CalRecycle to notify all dealers in any convenience zone where a recycling location or locations were initially established, but had ceased to operate, to establish a recycling location. In a convenience zone unserved by a recycling center, the Act requires dealers to either redeem all beverage container types on the premises or pay CalRecycle \$100 per day until a recycling location is established. The intent of the Act is to encourage increased, and more convenient, beverage container redemption opportunities for all consumers, and to provide the opportunity to return beverage containers conveniently, efficiently, and economically, in every region of the State. The Act became effective on September 29, 1986, and since then there have been several amendments to PRC section 14571.6 pertaining to the dealer requirements in unserved convenience zones where a recycling center is not established: Assembly Bill Number 20 (1987-1988 Regular Session); Assembly Bill Number 1001 (1989– 1990 Regular Session); Assembly Bill Number 3417 (1989–1990 Regular Session); Assembly Bill Number 87 (1991–1992 Reg Sess.); and Assembly Bill Number 3752 (1993-1994 Regular Session).

Senate Bill 1013 (2021–2022 Reg. Session, Chapter 610 of the Statutes of 2022) (SB 1013) amended the Act to establish a date of January 1, 2025, to repeal the requirements for dealers to redeem all beverage container types or pay CalRecycle \$100 per day in an unserved convenience zone. SB 1013 established PRC sections 14510.2, 14578, and 14578.5 pertaining to dealer cooperatives and mandates dealers in any convenience zone where no recycling location exists to, commencing January 1, 2025:

- Redeem all beverage container types on the premises with three requirements related to

   redemption location, (2) redemption signage, and (3) delivery of empty beverage containers received from the public (PRC section 14578(a)(1)(A)–(C));
- or join a dealer cooperative to provide a dealer cooperative redemption plan to CalRecycle and implement the approved plan for redeeming beverage containers in the unserved convenience zone (PRC section 14578(a)(2)(A)).

The Act exempts a dealer from either requirement if its gross annual sales are less than \$1.5 million, excluding fuel sales, or if the dealer is less than 5,000 square feet (PRC section 14578(b)(1) and (2).

SB 1013 bolsters the intent of the Act by expanding redemption opportunities for consumers to redeem beverage containers at a dealer cooperative redemption site in underserved communities, incentivizing formation of dealer cooperatives with eligibility for program payments, increasing clean streams of recyclable materials to support a circular economy, and reducing environmental litter by providing accessible and convenient recycling options.

Existing regulations define specific terms by including a list of certified or registered entities.

Existing regulations generally refer to the "Division" or "Division of Recycling".

Existing regulations generally use the phrase "of these Regulations" after citing to a section of the regulations.

Existing regulations establish processor operating standards, load inspection requirements, and recordkeeping, reporting, and payment provisions.

Existing regulations establish handling fee eligibility, calculation, payment, and appeal provisions.

Existing regulations establish recycling center load inspection requirements, accounting and reporting requirements, and consumer payment provisions.

Existing regulations establish the recycling center certification application process and describe bases on which to deny a recycling center certification application.

#### **Effect of the Proposed Action**

These regulations will make conforming changes applicable throughout Chapter 5 to include dealer cooperatives where a list of certified or registered entities is present.

These regulations will generally make conforming changes to replace "Division" with "Department" in any section being amended in this rulemaking action.

These regulations will generally make conforming changes to remove "these regulations" in any section being amended in this rulemaking action.

These regulations will establish definitions for specified terms that are only applicable within the proposed subchapter for dealers and dealer cooperatives.

These regulations will establish a dealer registration process including the required information for registration, submission of the registration, updating a registration, describing when a new registration is required, and timelines for approval or disapproval by CalRecycle.

These regulations will establish when a dealer is required to redeem in-store, including establishing an implementation period for dealer members of a deal-

er cooperative that submits a stewardship plan within 120 days of the effective date of the regulations.

These regulations will establish a process for a dealer cooperative to submit a stewardship plan to CalRecycle including the required information and contents, submission process, and how CalRecycle will review the stewardship plan and issue a decision on approval or disapproval.

These regulations will establish a process for a dealer cooperative to submit an operational notice to CalRecycle after stewardship plan approval once the stewardship plan is fully operational.

These regulations will establish a process for a dealer cooperative to submit five—year stewardship plan updates to CalRecycle including the required information, submission process, and how CalRecycle will review the update and issue a decision on approval or disapproval.

These regulations will establish a process for a dealer cooperative to submit stewardship plan changes to CalRecycle, including when notification to CalRecycle is required, describing the required information, establishing the kinds of information that only require notification, and how CalRecycle will review the stewardship plan change and issue a decision on approval or disapproval.

These regulations will establish recordkeeping, reporting, and operational requirements for dealer cooperatives.

These regulations will establish the process by which CalRecycle will enforce violations of the Act and regulations against dealers and dealer cooperatives, including revocation of a stewardship plan, mandatory resubmittal of a stewardship plan, mandatory additional reporting, and the assessment of penalties and interest.

These regulations will make conforming changes to processor operating standards, load inspection requirements, recordkeeping, reporting, and payment provisions to incorporate dealer cooperatives within the regulatory framework to ensure dealer cooperatives may receive program payments for redeemed material delivered to a processor.

These regulations will make changes to the handling fee eligibility, calculation, payment, and appeal provisions of Chapter 5 to ensure that dealer cooperatives may receive handling fees pursuant to a standardized process.

These regulations will make changes to the recycling center load inspection requirements, accounting and reporting requirements, and consumer payment provisions to impose inspection requirements on dealer cooperatives and to incorporate dealer cooperatives within the existing regulatory framework to ensure they meet standards for operation and paying consumers.

These regulations will revise the recycling center certification application procedures to clarify that CalRecycle may deny a recycling center certification application if the proposed recycling center is located within a convenience zone where a dealer cooperative is operating an approved stewardship plan.

These proposed regulations do not substantially differ from a comparable federal regulation or statute because there are no existing comparable federal regulations or statutes.

### **Policy Statement Overview and Anticipated Benefits of the Proposed Regulations**

The broad objectives of the regulation is to increase empty California Redemption Value (CRV) beverage container redemption rates, increase access and convenience to all consumers in every region of California to CRV redemption opportunities, reduce the risk of worker injury by utilizing innovative methods of redemption, incentive the formation of dealer cooperatives by paying these non–profit organizations processing payments, administrative fees, and handling fees, protect the environment for the benefit of the state by reducing the injury to wildlife and reducing litter, and improve the health and welfare of California's residents.

The proposed amendments in these regulations will provide the following anticipated benefits that are aligned with the goal of SB 1013:

- Allows, through dealer registration, an accurate count of all dealers located in convenience zones, to enable CalRecycle to determine which dealers are redeeming beverages in—store, participating in a dealer cooperative, or that are exempt from those requirements pursuant to PRC section 14785(b) due to being a small dealer. This promotes business transparency by ensuring that CalRecycle has the information necessary to answer basic consumer questions as to where and when consumers may redeem empty beverage containers in a convenience zone not served by a recycling center.
- Provides incentives for dealers to participate in a dealer cooperative such as eligibility for program payments under the Act from CalRecycle, including handling fees, administrative fees, processing payments, and reimbursement for the refund value paid out to consumers. This increases recycling, which benefits the environment by reducing litter and landfill disposal of beverage containers.
- Prevents discrimination and promotes fairness and social equity by requiring education materials regarding dealer cooperative redemption to be distributed in languages suitable to the community being served.

- Increases openness and transparency in business and government by requiring the dealer cooperative stewardship plans to be posted on publicly available websites and also by requiring Cal-Recycle to engage in a public comment process when reviewing a stewardship plan.
- Enables dealer cooperatives to be economically feasible through both of the following: (1) the receipt of program payments and dealer cooperative stewardship fees and (2) protecting a dealer cooperative's investment in its stewardship program from recycling centers that would locate in the same unserved convenience zones, thereby making the dealer cooperative ineligible for program payments.
- Promotes environmental stewardship through educational awareness to consumers to recycle CRV beverage containers.
- Defines procedures to record and report data on beverage container redemption in specific unserved convenience zones in California. This increases the transparency of businesses in the state.
- Establishes a performance standard for dealer cooperatives to redeem an amount equal to 80% of the beverages containers sold by the dealer members of the dealer cooperative in an unserved convenience zone, which aligns with the 80 percent beverage container recycling goal in PRC section 14501(c).
- Establishes clear standards for a dealer cooperative's compliance with the Act and Regulations while ensuring maximum flexibility for a dealer cooperative to create its own stewardship program that will best serve the needs of the community, rather than imposing a one-size-fits-all approach that has been shown to need improvement due to the large number of convenience zones in the state unserved by traditional recycling centers.
- Increases opportunities for consumers to conveniently recycle CRV beverage containers in unserved convenience zones by allowing dealer cooperatives to tailor redemption services to their community through creation of a stewardship plan.
- Increase—CRV containers that are diverted into clean recycling streams instead of littered into the environment or disposed of in landfills.
- Provides employment and contracting opportunities in unserved convenience zones for persons working to implement a dealer cooperative stewardship program.

Decreases the risk of negative human health impacts or worker injury resulting from the litter abatement or landfill processing of beverage container material.

These anticipated benefits are also aligned with Cal-Recycle's policy goals to do all of the following:

- Increase CRV beverage container redemption rates to 80% pursuant to PRC section 14501(c).
- Transition from a disposable, single use system to a society with zero waste.
- Create a network of convenient redemption opportunities for consumers statewide.
- Support California's transition to a circular economy by increasing clean streams of recyclable materials.
- Facilitate resource conservation in the state by providing consumers with beverage container redemption opportunities that are tailored to their communities, thereby increasing convenience and redemption.
- Reduce litter and the associated negative impacts to human health, wildlife, and the environment.
- Protect the environment and climate by providing an economically feasible business model for the redemption and recycling of beverage containers, thereby removing those beverage containers from the waste stream.
- Modernize the beverage container recycling program by implementing an extended producer responsibility stewardship program for the redemption of beverage containers, which has been proven to work in the neighboring state of Oregon.
- Increase the opportunity for small businesses to operate beverage container redemption services in unserved convenience zones under a more flexible model than traditional recycling centers.

#### **Consistency with State Regulations**

Pursuant to Government Code (Gov. Code) Section 11346.5(a)(3)(D), CalRecycle conducted an evaluation of existing state regulations. CalRecycle determined that the proposed regulations are neither inconsistent nor incompatible with existing state regulations and that CalRecycle is the only agency that can implement this proposed regulation.

#### INCORPORATION BY REFERENCE

GAAP — generally accepted accounting principles adopted by the Federal Accounting Standards Advisory Board as published in the handbook entitled "FASAB Handbook of Federal Accounting Standards and Other Pronouncements, as Amended" dated December 15, 2023, which can be accessed here: <a href="https://">https://</a>

files.fasab.gov/pdffiles/2023\_FASAB\_Handbook.pdf (accessed January 25, 2024).

The entirety of the Web Content Accessibility Guidelines (WCAG) 2.0 published in 2008 by the World Wide Web Consortium, which can be accessed here: <a href="https://www.w3.org/TR/WCAG20/">https://www.w3.org/TR/WCAG20/</a> (accessed January 25, 2024).

#### OTHER STATUTORY REQUIREMENTS (GOVERNMENT CODE SECTION 11346.5(a)(4))

CalRecycle has determined that no other matters, as prescribed by statute, need to be addressed.

### MANDATES ON LOCAL AGENCIES OR SCHOOL DISTRICTS

CalRecycle has determined the following: Mandate Imposed on Local Agencies or School Districts: None

#### FISCAL IMPACT

#### Local Agencies or School Districts Subject to Reimbursement

CalRecycle has determined that the proposed regulations do not result in costs to any local agency or school district that must be reimbursed as required by Part 7 of Division 4 of Title 2 of the Government Code.

#### **Cost or Savings to Any State Agency**

There will be two areas where there will be a fiscal impact on State Government. The first area is on the costs for staffing specified in the Dealer Registration and Dealer Cooperatives sections of the "Beverage Container Recycling: Implementation (SB 1013)" Budget Change Proposal (BCP) authorized in 2023 and as modified in the CalRecycle Request for Approval dated July 25, 2023 (RFA July 25). The second area is the impact as a result of allowing Dealer Cooperatives to apply for handling fees (see Section C: Estimated Benefits) and its impact on the California Beverage Container Recycling Fund.

To calculate staffing costs, the BCP had to be reconciled with the RFA July 25 to determine staffing costs and adjustments.

- Staffing:
  - \$539,434 in fiscal year 2023–2024 for dealer cooperatives (1 Senior Environmental Scientist (Supervisor) and 3 Environmental Scientists)
  - \$176,608 in fiscal year 2023–2024 for dealer cooperatives (1 Attorney III)
  - o Total: \$716,042 in fiscal year 2023–2024

- \$1,840,820 in fiscal year 2024–2025 for dealer registration (1 Staff Services Manager 1, 5
   Associate Governmental Program Analysts, and 10 2–year limited term Associate Governmental Program Analysts)
- Total: \$2,556,862 in fiscal year 2024–2025, includes both dealer cooperatives and dealer registration staffing costs from the prior bullet points.
- Total: \$1,414,784 in fiscal year 2025–2026 for both dealer cooperatives and dealer registration because 10 2–year limited term Associate Governmental Program Analysts positions expire beginning in fiscal year 2025–2026.
- Total: \$1,414,784 ongoing (annual funding) for both dealer cooperatives and dealer registration.
- Handling Fee, Processing Payments, and Administrative Payments made to Dealer Cooperatives<sup>1</sup>:
  - \$4,525,200 in handling fees, processing payments, and administrative payments beginning in fiscal year 2024–2025, calculated for the 6 months that Dealer Cooperatives will begin to be eligible for these payments beginning on January 1, 2025.
  - \$9,050,400 in handling fees, processing payments, and administrative payments beginning in fiscal year 2025–2026 will be an additional draw on the California Beverage Container Recycling Fund.
  - \$9,050,400 in handling fees, processing payments, and administrative payments for each subsequent year until the statute or regulations are repealed.
  - CalRecycle expects these costs to be absorbable by the Beverage Container Recycling Fund.

#### Non-Discretionary Cost or Savings Imposed Upon Local Agencies

CalRecycle has determined that there are no non–discretionary costs or savings imposed upon any local agencies.

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

CalRecycle has determined that adoption of these regulations will not have an impact on costs or savings in federal funding to the State.

<sup>&</sup>lt;sup>1</sup> The dollar amount for annual handling fees, processing payments, and administrative payments is from Table 10 of the STD 399 Appendix.

#### **HOUSING COSTS**

CalRecycle has determined that adoption of these regulations will not have no significant effect on housing cost.

#### SIGNIFICANT STATEWIDE ADVERSE ECONOMIC IMPACT DIRECTLY AFFECTING BUSINESS

CalRecycle has determined that the proposed regulations will not have a significant, statewide adverse economic impact directly affecting business, including the ability of California businesses to compete with businesses in other states. CalRecycle relied on the Economic and Fiscal Impact Statement (STD 399), STD 399 Appendix and Initial Statement of Reasons (ISOR) to support this determination. The scope of the proposed regulations is limited to dealer registration and developing a program for dealer cooperatives pursuant to PRC section 14578.5. Where this statute lacks the specificity for an operational and fully implemented approved redemption plan and reporting requirements to CalRecycle, these proposed regulations clarify the definition of impacted businesses, dealer registration, procedures for dealers to create non-profit dealer cooperative organizations to collect empty CRV beverage containers, redemption plan components and submittal, recordkeeping and reporting requirements, and enforcement authority for CalRecycle. The goal of the proposed regulatory action is to provide dealers in unserved convenience zones with a new pathway for compliance with their beverage container redemption obligations. For dealers to utilize this option, there are anticipated upfront costs in infrastructure investments and recurring costs in staffing and servicing that infrastructure. However, the benefits available to participating businesses, specifically handling fees, processing payments and administrative fees from CalRecycle, assist to offset the recurring costs of participation. Also, participation in the dealer cooperatives option is voluntary, so if a business determines that this option is less economically efficient than the alternative (instore redemption), they are free to choose that option instead.

### RESULTS OF ECONOMIC IMPACT ASSESSMENT

### Creation or Elimination of Jobs within the State of California

CalRecycle has determined that the proposed action will create approximately 103 jobs and eliminate 0 jobs within California. The jobs created are related to developing and reviewing the stewardship plan, and

implementation and operation of the dealer cooperative stewardship program.

### **Creation of New Businesses or Elimination of Existing Businesses within California**

CalRecycle has estimated that the proposed action will create 20 new businesses and eliminate 0 existing businesses within California. The new businesses created are the formation of 501(c)(3) non-profit organizations for dealers to comply with PRC section 14578(a)(2).

### **Expansion of Businesses Doing Business within the State**

CalRecycle has determined that the proposed action will create an expansion of business doing business within California. CalRecycle expects an expansion of recycling–related businesses such as processors and transporters.

# Benefits of the Regulation to the Health and Welfare of California Residents, Worker Safety, and the State's Environment

CalRecycle has determined that the proposed action will provide benefits to the health and welfare of California residents, worker safety, and the state's environment. The anticipated benefits to the health and welfare of California residents include:

- Increased access to convenient CRV redemption opportunities.
- Consumers will reap the financial gain of CRV redemption by redeeming beverage containers for the refund value at a dealer cooperative redemption site instead of recycling via curbside pickup and passing the financial benefit of the CRV to the mixed recycling hauler.
- Reduced pollution from littered beverage containers and exposure to landfilled and contaminated beverage containers will improve the health of California residents.

The anticipated benefits of worker safety include:

- Use of innovative methods of redemption reduce worker injury through automation, weight limits, bag size restrictions, and limit interaction time of managing bagged contents.
- Reduce landfill worker exposure and litter abatement worker exposure to contaminated beverage containers.

The anticipated benefits of the state's environment include:

- Reduction of environmental litter by requiring dealer cooperatives to create recycling opportunities for consumers and to collect 80 percent of the beverage containers sold in an area.
- Increase the recycling awareness of the public and the ability to utilize dealer cooperative re-

- demption sites over disposing CRV beverages to the environment as litter or in the trash.
- Reduction of beverage container material in landfills and an increase in clean streams of beverage container material used as feedstock for new products.

### COST IMPACTS TO REPRESENTATIVE PRIVATE PERSON OR BUSINESS

The proposed regulations will require all retail businesses in convenience zones that sell beverages in beverage containers to consumers to register with CalRecycle, certify registration information annually, and notify CalRecycle of any information changes as needed. The cost impacts of the regulations will stem from the time needed for these activities.

Additionally, some of these businesses located in an area where there are no recycling locations may voluntarily develop a stewardship plan, purchase infrastructure, and retain labor to the stewardship plan including by site and monthly recordkeeping, annual reporting, and a five-year review of the stewardship program, to support convenient accessible opportunities for consumers to return empty beverage containers for the redemption value. The cost impacts of the regulations will stem from the time, labor, and infrastructure needed for: 1) establishing a non-profit stewardship organization, 2) development of a stewardship plan specific to the zone, 3) recordkeeping and reporting required by the regulations, 4) administrative and recycling services labor, and 5) infrastructure required to establish redemption sites for consumer access. CalRecycle estimates the costs per entity in the first year to be \$19.08 for small businesses and typical businesses, and \$71,635.02 for dealer cooperative typical businesses; each subsequent year is estimated to cost \$4.77 for small businesses and typical businesses, and \$14,620,71 for dealer cooperative typical businesses.

#### **BUSINESS REPORT**

The proposed regulation does require a report, and the reporting requirement applies to all applicable businesses. All dealers in California are required to register with CalRecycle, provide notification of any ownership or business operation changes, and on an annual basis recertify its registration. Only those dealers who join a dealer cooperative will be required to submit a 5-year review of the stewardship program and quarterly report of material collection, redemption activities, and education and outreach conducted to demonstrate the stewardship plan is fully implemented and operational. It is necessary for the health, safety, and welfare of the people of the State that the regulations and reporting requirements apply to busi-

nesses because reporting is the only method for Cal-Recycle to ensure that the requirements of the Act are being carried out and that its environmental benefits are achieved.

### DETERMINATION OF EFFECT ON SMALL BUSINESS

CalRecycle has determined that the proposed regulations will limitedly affect small businesses. CalRecycle estimates that approximately 73% of all dealer businesses are small businesses, and pursuant to PRC section 14578(b), dealers that do not exceed \$1.5 million in gross annual sales, excluding fuel sales, or are less than 5,000 square feet are exempt from further requirements. Small businesses dealers in unserved convenience zones will be required to register with CalRecycle, provide notice of change in business information or operation, and on an annual basis confirm the registration information is accurate. The STD 399 Appendix estimates the limited financial impact on each affected small business will be approximately \$19.08 for the first year, and \$4.77 for each subsequent year.

#### CONSIDERATION OF ALTERNATIVES

In accordance with Gov. Code section 11346.5(a)(13), CalRecycle must determine that no reasonable alternative considered by the agency or that has otherwise been identified and brought to the attention of the agency would be more effective in carrying out the purpose for which the action is proposed, would be as effective and less burdensome to affected private persons than the proposed action, or would be more cost–effective to affected private persons and equally effective in implementing the statutory policy or other provision of law.

CalRecycle invites interested persons to present statements or arguments with respect to alternatives to the proposed regulations during the written comment period, or at the scheduled public hearing.

#### CONTACT PERSONS

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

Csilla Richmond
Dealer Registration and Dealer Cooperatives
Permanent Regulations

Department of Resources Recycling and Recovery, Regulations Unit

 $1001\ {\rm ``I''}$  Street, MS–24B, Sacramento, CA 95814

Phone: (916) 327-0089

Email: regulations@calrecycle.ca.gov

The backup contact person is:

Craig Castleton

Dealer Registration and Dealer Cooperatives Permanent Regulations

Department of Resources Recycling and Recovery, Regulations Unit

1001 "I" Street, MS-24B, Sacramento, CA 95814

Phone: (916) 327–0089

Email: regulations@calrecycle.ca.gov

#### **AVAILABILITY STATEMENTS**

#### Availability of Initial Statement of Reasons, Text of Proposed Regulations, Information Upon Which this Proposal is Based, and Rulemaking File

CalRecycle will have the entire rulemaking file, the express terms of the proposed regulations, and all information that provides the basis for the proposed action, available for public inspection and copying during normal business hours at the address provided above. As of the date this Notice is published in the Notice Register, the rulemaking file consists of this Notice, the text of the proposed regulations, the Initial Statement of Reasons (ISOR), the documents relied upon for the proposed action, and the economic and fiscal impact statement. Copies may be obtained by contacting the contact persons at the address, email, or phone number listed above.

#### **Availability of Modified Text**

CalRecycle may adopt the proposed regulations substantially as described in this Notice. If CalRecycle makes modifications that 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 fifteen (15) days before CalRecycle adopts the regulations as revised. Requests for the modified text should be made to the contact persons named above. CalRecycle will transmit any modified text to all persons who testify at the scheduled public hearing, all persons who submit a written comment at the scheduled public hearing, all persons whose comments are received during the comment period, and all persons who request notification of the availability of such changes. CalRecycle will accept written comments on the modified regulations for fifteen (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 request from the contact persons identified in this Notice or accessed through CalRecycle's website at <a href="https://calrecycle.ca.gov/Laws/Rulemaking/">https://calrecycle.ca.gov/Laws/Rulemaking/</a>.

#### INTERNET ACCESS

For more timely access to the rulemaking file, and in the interest of waste prevention, interested parties are encouraged to access CalRecycle's Internet webpage for the rulemaking at <a href="https://calrecycle.ca.gov/Laws/Rulemaking/">https://calrecycle.ca.gov/Laws/Rulemaking/</a>. All rulemaking files published through CalRecycle's internet website will be available on that page.

### TITLE 22. DEPARTMENT OF HEALTH CARE SERVICES

PSYCHOLOGY SERVICES, DHCS-19-001

**NOTICE IS HEREBY GIVEN** that the Department of Health Care Services (Department) proposes to amend California Code of Regulations, title 22, section 51505.3 after considering all public comments, objections, and recommendations.

#### WRITTEN COMMENT PERIOD

Any interested person or their duly authorized representative may submit written comments to the Department relevant to the regulatory action described in this notice.

Please label any comments as pertaining to Psychology Services, DHCS-19-001 and submit them using any of the following methods:

Mail Delivery:

Department of Health Care Services Office of Regulations, MS 0015 P.O. Box 997413 Sacramento, CA 95899–7413

Fax: (916) 440-5748

Email: regulations@dhcs.ca.gov

The written comment period closes at 5:00 p.m. on May 1, 2024. Any written comments, regardless of the method of transmittal, must be received by the Office of Regulations by 5:00 p.m. on this date for consideration.

Written comments should include the author's contact information so the Department can provide notification of any further changes to the regulation proposal.

A public hearing has not been scheduled for this rulemaking. However, the Department will conduct a hearing if a written request for a public hearing is received from any interested person or their duly authorized representative, no later than 15 days prior to the close of the written comment period, pursuant to Government Code section 11346.8.

The Department shall consider all comments received regarding the proposal equally, whether submitted in writing or through oral testimony at a public hearing.

#### AUTHORITY AND REFERENCE

These regulations are being proposed under the following authorities:

Sections 10725, 14105.05 and 14124.5, Welfare and Institutions Code.

These regulations implement, interpret, or make specific the following:

Sections 14105, 14105.05 and 14132, Welfare and Institutions Code; Statutes of 1982, Chapter 1594, Section 77; Statutes of 1983, Chapter 323, Section 149; Statutes of 1984, Chapter 258, Items 4260–106–001 and 890; Statutes of 1984, Chapter 268, Section 66; Statutes of 1985, Chapter 111, Items 4260–106–001 and 890; and Statutes of 2000, Chapter 52, Items 4260–101–0001 and 0890.

### INFORMATIVE DIGEST/POLICY STATEMENT OVERVIEW

#### Background

The purpose of the Department is to provide equitable access to quality health care leading to a healthy California for all. In support of this purpose, the Department administers many health care programs, including California's State Medicaid program, which is known as the Medi–Cal program.

The Benefits Division is responsible for managing and ensuring the uniform application of federal and state laws and regulations governing Medi–Cal covered services and policies, which includes the development and promulgation of regulations for psychology services. The Department reimburses Medi–Cal providers (providers) for delivering covered psychology services to Medi–Cal beneficiaries. These providers submit claims for reimbursement using standardized procedure codes specific to psychology services.

#### Related Federal and State Laws

Federal and state law govern the Medi–Cal program. Federal Medicaid law is provided under Title 42 United States Code (U.S.C.) section 1396a et seq. State Medicaid law is provided under Welfare and Institutions (W&I) Code division 9, part 3, chapters 7 and 8.

W&I Code sections 10725 and 14124.5 authorize the Director of the Department to adopt, amend, or repeal regulations as necessary and proper to carry out the purposes and intent of the statutes governing the Medi–Cal program. These include regulations that specify covered benefits and rates for reimbursement under the Medi–Cal program.

W&I Code section 14105.05 authorizes the Department to update procedure—coding systems required for compliance with federal Medicaid requirements or the federal Health Insurance Portability and Accountability Act (HIPAA). This statute also authorizes the Department to establish corresponding reimbursement rates for these updated procedure codes. The Department may adopt these procedure codes and reimbursement rates without taking regulatory action. Further, the Department may publish these updated procedure codes and corresponding reimbursement rates in the Medi—Cal Provider Manual or a similar publication.

W&I Code section 14131 et seq. set forth the uniform schedule of health care benefits under the Medi–Cal program. Psychology services are covered outpatient benefits as provided under W&I Code section 14132(a).

California Code of Regulations division 3, subdivision 1, chapter 3 provides the regulations that govern the Medi–Cal program and includes section 51505.3, which specifies the Medi–Cal rates, corresponding procedure codes, and other related requirements for the reimbursement of covered psychology services.

#### Statement of Purpose/Problem to Be Addressed

The purpose of this regulatory proposal is to update California Code of Regulations, title 22, section 51505.3 to provide the most current benefits information for psychology services. This proposal addresses the issue of the outdated information in regulations regarding reimbursement rates, procedure codes and covered benefits for psychology services. Updating covered benefits information and removing references to outdated rates and inactive billing codes serves to avoid confusion and potential administrative inefficiencies associated with denied claims. These amendments will remove obsolete information and direct providers to the Department's Medi–Cal Provider website where they can readily access up–to–date information.

#### Anticipated Benefits or Goals of the Regulations

This proposed regulatory action updates information related to the provision of and payment for psychology services. These amendments directly benefit providers of psychology services through the adoption of current benefit information, requirements for payment and readily accessible reimbursement rates. Another anticipated benefit of these amendments is enhanced communication and the flow of accurate information between the Department and the provider community, which facilitates the delivery of psychology services to beneficiaries.

This regulatory proposal supports the purpose and intent of the Medi–Cal program, as specified under W&I Code section 14000 et seq. (chapter 7, Basic Health Care) to afford qualifying individuals covered health care services in a manner equitable to the gen-

eral public and without duplication of benefits available under other federal or state laws.

W&I Code section 14124.5 further specifies that the Director may establish regulations as are necessary or proper to carry out the purpose and intent of this chapter. This includes the implementation of the uniform schedule of health care benefits under the Medi–Cal program, as described under section 14131 et seq. and section 14132, which includes psychology services.

Additionally, this regulatory proposal supports the intent of section 14105.05, which authorizes the Department to provide a timely and efficient means for the Director to communicate updated reimbursement rates and procedure codes to providers of psychology services and the regulated public.

In addition to meeting the goals of the authorizing statutes as described above, these proposed regulations ensure the proper and efficient administration of the Medi–Cal program in accordance with the federal and state laws that govern the Program's rules of participation and funding.

Consistency and Compatibility with Existing State Regulations

The Department has conducted an evaluation of the related existing state regulations under the California Code of Regulations, title 22, division 3 and has determined that the proposed regulations are consistent with and compatible with those regulations. An automated search of the California Code of Regulations, title 22, division 3 using the following keywords was conducted in Westlaw and yielded no conflicting state regulations: "psychology," "psychology services," "psychotherapy," "individual therapy," "group therapy," "family therapy," "psychodiagnostic," "psychodiagnostic services," "case conference," and "reimbursement rate."

#### Proposed Regulation Amendments

This regulatory proposal seeks to adopt the following amendments to section 51505.3 of the California Code of Regulations:

- Removes outdated reimbursement rates and procedure codes for psychology services.
- Directs providers to current reimbursement rates and procedure codes for psychology services.
- Updates psychology services benefits information.

### DISCLOSURES REGARDING THE PROPOSED ACTION

The Department has made the following initial determinations:

#### FISCAL IMPACT STATEMENT

- A. Costs to any Local Agency or School District that is required to be reimbursed under part 7 (commencing with section 17500), division 4 of the Government Code: None.
  - Costs to any Local Agency or School District that is not reimbursable by the State: None.
- B. Costs or Savings to any State Agency: None.
- C. Costs or Savings in Federal Funding to the State: None.
- D. Other Nondiscretionary Costs or Savings Including Revenue Changes Imposed on State or Local Agencies: None.

All cost impacts, known to the Department at the time the notice of proposed action was submitted to the Office of Administrative Law, that a representative private person or business would necessarily incur in reasonable compliance with the proposed action:

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

### MANDATES ON LOCAL AGENCIES OR SCHOOL DISTRICTS

The Department has determined that the proposed regulations would not impose a mandate on local agencies or school districts, nor are there any costs for which reimbursement is required by part 7 (commencing with section 17500) of division 4 of the Government Code.

#### SIGNIFICANT STATEWIDE ADVERSE ECONOMIC IMPACT AFFECTING BUSINESSES

The Department has made an initial determination that the proposed regulations would not have a significant statewide adverse economic impact directly affecting businesses, including the ability of California businesses to compete with businesses in other states.

### RESULTS OF THE ECONOMIC IMPACT ASSESSMENT (ANALYSIS)

In accordance with Government Code section 11346.3(b)(1), the Department has determined that the proposed regulations would not significantly affect the following:

- 1. The creation or elimination of jobs within the State of California.
- 2. The creation or elimination of businesses within the State of California.

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

#### IMPACT ON JOBS AND BUSINESSES

The proposed regulations will only impact providers who choose to participate in the Medi–Cal program and provide psychology services. The regulations will clarify covered psychology services for beneficiaries and providers; delete outdated reimbursement rates and billing procedure codes for these services to avoid potential confusion and reliance on obsolete information; and specify the new location where providers may access updated reimbursement rates and corresponding procedure codes. This regulatory proposal is not anticipated to have an impact on the creation or elimination of jobs, the creation of new businesses, the elimination of existing businesses, or the expansion of businesses in California.

### BENEFITS OF THE PROPOSED REGULATION

The Department has determined that the proposed regulations will not specifically affect worker safety or the state's environment. However, the regulations will benefit providers of psychology services administratively by offering clear and current psychology services benefit information, procedure codes and reimbursement rates. The regulations will support these providers, which in turn will benefit the health and welfare of California's residents by facilitating the continued delivery of these critical mental health services. Increasing the maximum number of beneficiaries per group psychotherapy session to 10 and decreasing the minimum duration of group psychotherapy sessions to one hour will increase access to this form of psychotherapy and is consistent with medical literature showing these thresholds to be beneficial. This regulatory proposal supports the proper and efficient administration of Medi-Cal, in accordance with federal and state laws.

#### EFFECT ON SMALL BUSINESSES

The Department has made the determination that the proposed regulations would only affect small businesses (providers) that voluntarily participate in the Medi–Cal program and provide psychology services.

#### HOUSING COSTS DETERMINATION

The Department has made the determination that the regulations would have no impact on housing costs.

#### CONSIDERATION OF ALTERNATIVES

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 purposes for which this regulatory action was taken, would be as effective and less burdensome to affected private persons than the regulatory action, or would be more cost—effective to affected private persons and equally effective in implementing the statutory policy or other provision of law.

Regulations related to Medi–Cal benefits, including those pertaining to psychology services are located in California Code of Regulations division 3, subdivision 1, chapter 3. Using this regulatory proposal to make amendments related to psychology services, including reimbursement rates and procedure codes is the most effective method to provide current information to those affected by the regulations in a convenient location. This regulatory action specifically directs providers of psychology services to the most recent and updated reimbursement rates on the Department's Medi–Cal Provider website and is necessary to remove outdated rates and inactive procedure codes from regulations in order to avoid confusion and the potential for denial of claims.

#### **ASSISTIVE SERVICES**

For individuals with disabilities, the Department will provide assistive devices, including sign—language interpretation, real—time captioning, note takers, reading or writing assistance, and conversion of training or meeting materials into braille, large print, audio, or electronic format. To request these services, copies in an alternative format or language services, all free of charge, please call or write:

Department of Health Care Services Office of Regulations MS 0015 P.O. Box 997413 Sacramento, CA 95899–7413

Program Phone Number: (916) 440–7695 Program Email: www.regulations.ca.gov

Please note that the range of assistive services available may be limited if requests are received less than ten working days prior to the meeting or event.

The Department shall provide, upon request from a person with a visual disability or other disability for which effective communication is required under state or federal law, a narrative description of the additions to, and deletions from, the California Code of Regulations or other publication in a manner that allows for accurate translation by reading software used by the visually impaired. Providing this description may re-

quire extending the period of public comment for the proposed action pursuant to Government Code section 11346.6.

#### **CONTACT PERSONS**

Inquiries regarding the proposed regulations described in this notice may be directed to Jim Elliott of the Benefits Division at (916) 345–8242.

All other inquiries concerning the action described in this notice may be directed to Erika Drayton–Jebali of the Office of Regulations, at (916) 345–8404, or to the designated backup contact person, Jasmin Delacruz, at (916) 345–8418.

#### AVAILABILITY OF TEXT OF REGULATIONS AND STATEMENT OF REASONS

The Department has prepared and has available for public review an initial statement of reasons for the proposed regulations, all the information upon which the proposed regulations are based, and the text of the proposed regulations. The Office of Regulations, at the address noted above, will be the location of public records, including reports, documentation, and other material related to the proposed regulations (rulemaking file). In addition, a copy of the final statement of reasons (when prepared) will be available upon request from the Office of Regulations.

The full text of any regulation which is changed or modified from the express terms of this proposed action will be made available by the Department's Office of Regulations at least 15 days prior to the date on which the Department adopts, amends, or repeals the resulting regulation.

Materials regarding the regulatory action described in this notice (including this public notice, the regulation text, and the initial statement of reasons) are posted to the Department's Internet site at: <a href="http://www.dhcs.ca.gov/formsandpubs/laws/Pages/ProposedRegulations.aspx">http://www.dhcs.ca.gov/formsandpubs/laws/Pages/ProposedRegulations.aspx</a>.

In order to request a copy of this public notice, the regulation text, and the initial statement of reasons be mailed to you, please call (916) 440–7695 (or California Relay at 711), email regulations@dhcs.ca.gov, or write to the Office of Regulations at the address noted above.

### TITLE 22. DEPARTMENT OF PUBLIC HEALTH

### TEMPORARY MANAGEMENT (DPH-11-017)

Notice is hereby given that the California Department of Public Health (Department) is proposing the regulation described below. This notice of proposed rulemaking commences a rulemaking to make the regulations permanent after considering all comments, objections, and recommendations regarding the regulation.

#### PUBLIC PROCEEDINGS

The Department is conducting a 45-day written public proceeding during which time any interested person or such person's duly authorized representative may present statements, arguments or contentions (all of which are hereinafter referred to as comments) relevant to the action described in the Informative Digest/Policy Statement Overview section of this notice.

To request copies of the regulatory proposal in an alternate format, please write or call: Veronica Rollin, Office of Regulations, 1415 L Street Suite 500, Sacramento, CA 95814, at (279) 217–0836, email to veronica.rollin@CDPH.ca.gov or use the California Relay Service by dialing 711.

#### **PUBLIC HEARING**

A public hearing has not been scheduled for this rulemaking. However, the Department will conduct a public hearing if a written request for a public hearing is received from any interested person, or his or her authorized representative, no later than 15 days prior to the close of the written comment period, pursuant to Government Code Section 11346.8.

#### Assistive Services:

For individuals with disabilities, the Department will provide assistive services such as conversion of written materials into Braille, large print, audiocassette, and computer disk. For public hearings, assistive services can include sign—language interpretation, real—time captioning, note takers, reading, or writing assistance. —To request these assistive services, please call (916) 558—1710 or (California Relay at 711 or 1—800—735—2929), email Regulations@cdph.ca.gov or write to the Office of Regulations at the address noted above. Note: The range of assistive services available may be limited if requests are received less than 10 business days prior to public hearing.

#### WRITTEN COMMENT PERIOD

Written comments pertaining to this proposal, regardless of the method of transmittal, must be received by Office of Regulations on May 4, 2024, which is hereby designated as the close of the written comment period. Comments received after this date will not be considered timely.

Written comments must be submitted as follows:

- 1. By email to: <a href="regulations@cdph.ca.gov">regulations@cdph.ca.gov</a>. It is requested that email transmission of comments, particularly those with attachments, contain the regulation package identifier "DPH-11-017" in the subject line; to facilitate timely identification and review of the comment:
- 2. By fax transmission to: (916) 636–6220;
- By postal service or hand delivered to: California Department of Public Health, Office of Regulations, 1415 L Street, Suite 500, Sacramento, CA 95814.

All comments, including email or fax transmissions, should include the regulation package identifier, DPH–11–017 "Temporary Management," along with your name and your mailing address or email address in order for the Department to provide copies of any notices for proposed changes to the regulation text on which additional comments may be solicited.

#### **AUTHORITY AND REFERENCE**

The Department proposes to adopt the regulation sections identified under the authority provided in sections 1275, 1325.5, and 1335 of the Health and Safety Code. This proposal implements, interprets, or makes specific, section 1325.5 of the Health and Safety Code (HSC).

The Department is authorized to adopt and enforce regulations pursuant to HSC sections 1275 and 131200 as may be necessary for the execution of its duties. Pursuant to HSC section 131051(b), the Department is charged with the licensure and regulation of long—term health care facilities.

### INFORMATIVE DIGEST/POLICY STATEMENT OVERVIEW

Summary of Proposal

This regulatory action establishes the qualifications, powers, and duties of a temporary manager appointed by the California Department of Public Health (Department) to manage a long—term health care facility when the facility has serious quality of care and/or financial difficulties, and the current facility ownership does not have the ability to correct the deficiencies. This regulatory action specifies: the process for applying for placement on the list of potential temporary

managers; the process by which the Department makes an appointment from the list; the duties of the licensee upon appointment of a temporary manager; and the powers, duties, and financial reporting requirements of the temporary manager.

Background

As part of its regulatory authority, the Department may appoint a temporary manager of a long-term health care facility under either of the following circumstances: when residents are in immediate danger of death or permanent injury due to the facility's failure to comply with state or federal requirements applicable to the operation of the facility; or when, as a result of a change in the status of the license or operation of the facility, the facility is required to comply with HSC section 1336.2,2 the facility fails to comply with HSC section 1336.2, and the Department determines that the facility is unwilling or unable to meet the requirements of HSC section 1336.2. This authority enables the Department to take quick, effective action to protect the health and safety of residents when the facility itself is not in a position to do so, and to minimize the effects of transfer trauma that often accompany the abrupt transfer of elderly and disabled residents (HSC section 1325.5(a)).

A temporary manager is the person, corporation, or other entity appointed as the substitute facility manager or administrator with authority to hire, terminate, or reassign staff, obligate facility funds, alter facility procedures, and manage the facility to correct the deficiencies identified in the facility's operation (HSC section 1325.5(b)). It is the temporary manager's duty to take all necessary steps and make best efforts to eliminate the immediate danger of death or permanent injury to residents or complete the transfer of residents to alternative placements (HSC section 1325.5(d)). To be successful, a temporary manager must have sufficient experience managing facility operations in compliance with applicable state and federal requirements and mitigating risk to residents.

Appointment of a temporary manager is made pursuant to an agreement between the temporary manager and the Department that outlines the circumstances under which the temporary manager may expend facility funds (HSC section 1325.5(e)(2)). Once all facility funds have been exhausted, the Department may use funds from the Health Facilities Citation Penalties Account to operate the facility and pay the temporary manager's salary or fee (HSC section 1325.5(l)).

HSC section 1325.5 prescribes the general qualifications and duties of a temporary manager but also directs the Department to adopt regulations (HSC section 1325.5(m)). The Department recognizes the need for more specificity with regard to these qualifications as well as a standardized application process for temporary managers. The Department also recognizes the

need for increased accountability and transparency with respect to payments made to temporary managers using state funds from the Health Facilities Citation Penalties Account. With this in mind, the proposed regulations would establish the qualifications for appointment as a temporary manager, the powers and duties of a temporary manager, and the procedures for temporary managers to document and justify expenditures when seeking reimbursement from state funds.

Problem Statement

Regulations for the appointment and application process of a temporary manager do not exist, requiring regulations to avoid confusion among the regulated community and to preserve and protect the health and safety of patients.

Objectives (Goals) of the Regulation

The broad objectives of this proposed regulatory action are to:

- Protect the health and safety of long-term health care facility residents and minimize the effects of transfer trauma.
- Create uniform standards for the appointment of temporary managers.
- Clearly delineate authority between a temporary manager and the facility's licensee.
- Provide improved oversight over disbursements of state funds used to operate facilities during periods in which a temporary manager is in place.

  Anticipated Benefits

Benefits: The expected benefits of this proposed regulatory action include:

- Ensuring that standards of care are maintained throughout a temporary manager's appointment.
- Reducing the risk of confusion, conflict, or harm to residents during the appointment period, including the risk of transfer trauma.
- Clarifying the criteria applicants must satisfy to qualify to serve as a temporary manager.
- Streamlining the application and selection process for potential temporary managers.
- Ensuring transparency between the Department, applicants, and long-term health care facilities regarding the application and appointment process.
- Increasing the pool of qualified temporary managers.
- Ensuring transparency regarding disbursements of funds from the Health Facilities Citation Penalties Account used to operate facilities once other facility revenues have been exhausted.

Evaluation as to Whether the Proposed Regulations Are Inconsistent or Incompatible with Existing State and Federal Regulations

The Department evaluated whether the regulations are inconsistent or incompatible with existing state regulations. This evaluation included a review of the

Department's existing state regulations and those regulations specific to long—term care facilities regulations. An internet search of other state agency regulations was also performed and it was determined that no other state agency regulation addressed the same subject matter and that this proposal is not inconsistent or incompatible with other state regulations. Therefore, the Department has determined that the regulations is not inconsistent or incompatible with existing state regulations.

#### FORMS INCORPORATED BY REFERENCE (IDENTIFIED IN THE INFORMATIVE DIGEST)

None.

### MANDATED BY FEDERAL LAW OR REGULATIONS

None.

#### OTHER STATUTORY REQUIREMENTS

None.

#### LOCAL MANDATE

The Department has determined that this regulatory action would not impose a mandate on local agencies or school districts, nor are there any costs that require state reimbursement pursuant to Part 7 (commencing with Section 17500) of Division 4 of the Government Code.

### DISCLOSURES REGARDING THE PROPOSED ACTION

#### FISCAL IMPACT ESTIMATES

# Cost to any local agencies or school districts that must be reimbursed pursuant to Section 17561 of Government Code:

The Department has determined that these regulations would not impose a mandate on any local agencies or school districts.

#### The cost or savings to any state agency

The Department anticipates minor and absorbable costs to the Department stemming from this regulatory proposal. The Department's authority to appoint and oversee a temporary manager comes from HSC section 1325.5. There is no reason to believe that these regulations will increase or decrease the frequency of temporary manager appointments, since the need for a temporary manager appointment arises out of the circumstances at a facility. All enforcement and over-

sight activity by the Department, including allocation of staff time to review temporary manager applications and responses to requests for information, result in minor and absorbable costs to the Center for Health Care Quality. Any savings are attributable to increases in efficiency resulting from the proposed regulation.

Further, the proposed regulations related to the expense reporting requirements assist auditing if funds from the Health Facilities Citation Penalties Account are used and will not result in any costs or savings of any state agency. HSC section 1325.5 authorizes the Department to use funds from this account to operate a long—term health care facility under temporary management after all other facility revenues are exhausted.

### Other Nondiscretionary Cost or Savings Imposed on Local Agencies:

The Department has determined that these regulations will not impact local government.

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

The Department has determined that the regulations will not affect federal funding.

#### HOUSING COSTS

The Department has determined that the proposed regulations would not have an impact on housing costs.

#### SIGNIFICANT STATEWIDE ADVERSE ECONOMIC IMPACT DIRECTLY AFFECTING BUSINESS, INCLUDING ABILITY TO COMPETE

The Department has made an initial determination that the regulations would not have a significant statewide adverse economic impact directly affecting businesses, including the ability of California businesses to compete with businesses in other states. The Department has determined that a small or typical business would incur minor administrative costs in reasonable compliance with the proposed action. The proposed regulations require interested temporary manager applicants to submit an application package to the Department and to comply with the Department's procedural requirements, but they do not compel a private person or business to take any additional action. The proposed regulations do not impose any costs on residents of long-term health care facilities and will have no effect on Medi-Cal or Medicare.

### STATEMENT OF THE RESULTS OF THE ECONOMIC IMPACT ASSESSMENT (EIA)

The Department has determined that the proposed regulations would not significantly affect the following:

- A. The creation or elimination of jobs within the state
- B. The creation of new businesses or the elimination of existing businesses within the state.
- C. The expansion of businesses currently doing business within the state.
- D. The benefits of the regulation to the health and welfare of California residents, worker safety, and the state's environment:

The proposed regulations benefit the health and welfare of California residents because they create additional safeguards to protect the residents of long—term health care facilities, who are among the most vulnerable members of the state's population. Establishment of a standing list of potential temporary managers will expedite the appointment process when the need for a temporary manager arises. By clarifying the qualifications and duties of all temporary managers, these regulations ensure that the quality of resident care does not decline during appointment of a temporary manager.

### COST IMPACTS ON REPRESENTATIVE 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.

#### **BUSINESS REPORTING REQUIREMENTS**

None.

#### EFFECT ON SMALL BUSINESS

The Department has determined that the proposed regulations will have a minimal impact on small businesses. The regulations affect only individuals or business entities who wish to apply to become a temporary manager of a long-term health care facility and do not impose a statewide mandate. Any small business that meets the proposed qualifications for placement on the list of potential temporary managers would likely already be compiling and submitting similar information to the Department as either a nursing home administrator or a facility management company. Applicants for these types of approvals already submit information similar to the materials required by these proposed regulations to the Department. Thus, the Department anticipates that preparation and submission of a temporary manager application will not create significant workload for interested small businesses.

#### SPECIFIC TECHNOLOGIES OR EQUIPMENT

None.

#### ALTERNATIVES CONSIDERED

In accordance with Government Code Section 11346.5(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 law.

The Department itself has made an initial determination that there are no acceptable alternatives to the regulations to protect the public interest. However, the Department invites interested persons to present alternatives with respect to the proposed regulation either during the public comment period or at the public hearing (if scheduled).

#### TECHNICAL, THEORETICAL, AND/ OR EMPIRICAL STUDIES, REPORTS OR DOCUMENTS RELIED UPON

- 1. California Advocates for Nursing Home Reform. Letter received September 26, 2019.
- 2. Temporary Management, Stakeholder Engagement Meeting Comments, August 26, 2019.

#### **CONTACT PERSON**

Inquiries regarding the substance of the proposed regulations described in this notice may be directed to Sultana Blair of the Center for Health Care Quality, at sultana.blair@cdph.ca.gov.

All other inquiries concerning the action described in this notice may be directed to Veronica Rollin, Office of Regulations, at (279) 217–0836, or to the designated backup contact person, Linda Cortez at (279) 217–0681.

In any inquiries or written comments, please identify the action by using the Department regulation package identifier, DPH-11-017.

#### **AVAILABILITY STATEMENTS**

The Department has prepared and has available for public review an initial statement of reasons for the proposed regulations, all the information upon which the proposed regulations are based, and the text of the proposed regulations. The Office of Regulations, 1415 L Street, Suite 500, Sacramento, CA 95814, will be the custodian of public records, including reports, documentation, and other material related to the proposed regulations (rulemaking file).

In order to request that a copy of this public notice, the regulation text, and the initial statement of reasons or alternate formats for these documents be mailed to you, please call (279) 217–0836 (or the California Relay Service at 711), send an email to regulations@cdph.ca.gov, or write to the Office of Regulations at the address previously noted. Upon specific request, these documents will be made available in Braille, large print, audiocassette, or computer disk.

The full text of any regulation which is changed or modified from the express terms of the proposed action will be made available by the Department's Office of Regulations at least 15 days prior to the date on which the Department adopts, amends, or repeals the resulting regulation.

Final Statement of Reasons

A copy of the final statement of reasons (when prepared) will be available upon request from the Office of Regulations.

#### **INTERNET ACCESS**

Materials regarding the action described in this notice (including this public notice, the text of the proposed regulations, and the initial statement of reasons) that are available via the Internet may be accessed at <a href="https://www.cdph.ca.gov">www.cdph.ca.gov</a> by clicking on these links, in the following order: Decisions Pending & Opportunities for Public Participation, Proposed Regulations.

#### GENERAL PUBLIC INTEREST

#### FISH AND GAME COMMISSION

NOTICE OF LOCATION OF HEARING FOR ADOPTION OF REGULATIONS RE: WATERFOWL HUNTING (OAL NOTICE NUMBER Z2024–0116–01) AND ADOPTION OF REGULATIONS RE: MAMMAL HUNTING (OAL NOTICE NUMBER Z2024–0123–07)

On January 16, 2024, the Fish and Game Commission (Commission) provided notice of its intent to amend Section 502, Title 14, California Code of Regulations (CCR), relating to waterfowl, migratory: American coot and common moorhen (common galli-

nule). On January 23, 2024, the Commission provided notice of its intent to amend sections 362, 363, 364, 364.1, 554, 555, and 708.14, Title 14, CCR and add Section 555.1, Title 14, CCR relating to mammal hunting regulations.

At the time the notices were published, the location for the April 17–18, 2024 Commission meeting had not yet been determined.

At a meeting to be held on April 17–18, 2024, at 8:30 a.m., or as soon thereafter as the matter may be heard, the Commission will consider the following actions:

#### **Consider adopting:**

- Waterfowl hunting (Waterfowl, Migratory; American Coot and Common Moorhen (Common Gallinule)
- Mammal hunting (Bighorn Sheep, Pronghorn, Elk Hunting, Co-op Hunting Regulations, and Preference Points)

Any person interested may present statements, orally or in writing, relevant to these actions at the April 17–18, 2024 hearing from the following location:

 San Jose Scottish Rite Center 2455 Masonic Drive San Jose, CA 95125

The original notices, initial statement of reasons, and proposed regulatory language are posted on the Commission's website at https://fgc.ca.gov/.

FISH AND GAME COMMISSION

Date: March 5, 2024 Melissa Miller–Henson Executive Director

## 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 Health Care Access and Information File # 2024–0221–01

Total Health Care Expenditures Data Collection

This emergency action implements California Health Care Quality and Affordability Act (Senate Bill (SB) 184, Chapter 47, Statutes of 2022) by establishing the Spending Targets Program, under which the Office of Health Care Affordability within the Department of Health Care Access and Information requires specified health care entities to submit data on total health care expenditures (THCE) and per capita THCE. This is a deemed emergency under Health and Safety Code section 127501.2.

Title 22

Adopt: 97445, 97449 Filed 03/04/2024 Effective 03/04/2024

Agency Contact: Jillian Hosseini (916) 326–3660

Department of Justice

File # 2024-0223-01

Uniform Carry Concealed Weapons (CCW) Licenses

This emergency file and print action creates a uniform carry concealed weapons (CCW) license format to align with new statutory requirements in Penal Code section 26175(a)(3) and (i) via Senate Bill 2 (2023). The emergency is deemed and exempt from OAL review pursuant to Penal Code section 26225(d).

Title 11

Adopt: 4401, 4402 Amend: 4432 Filed 03/04/2024 Effective 03/04/2024

Agency Contact: Marlon Martinez (213) 269-6437

California Debt Limit Allocation Committee

File # 2024-0222-01

Emergency regulations readoption

This is a readoption of emergency rulemaking action number 2023–0802–01E, which amended definitions and requirements pertaining to the Qualified Residential Rental Project Program.

Title 04

Amend: 5020, 5170, 5190, 5193, 5231, 5233

Filed 02/28/2024 Effective 02/28/2024

Agency Contact: DC Navarrette (916) 813–1947

Department of Managed Health Care

File # 2024-0214-01

Geographic Access and Tiered Network

The request of the Department of Managed Health Care to file with the Secretary of State and print in Title 28 of the California Code of Regulations amendments to regulations concerning access to health care services and network reporting is granted.

Title 28

Amend: 1300.51, 1300.67.2, 1300.67.2.2

Filed 03/06/2024 Effective 03/06/2024

Agency Contact: Leah Gray (916) 327–8031

Board of Forestry and Fire Protection File # 2024–0130–01 1038.3(x) Expiration Amendment

This action without regulatory effect repeals CCR, title 14, section 1038.3, subsection (x), which expired by its own terms on February 19, 2024.

Title 14

Amend: 1038.3 Filed 03/04/2024 Agency Contact: Jane Van Susteren

(916) 619–9795

Delta Stewardship Council File # 2024–0131–01 Definitions

This action without regulatory effect corrects cross references to section 5001 of Title 23 of the California Code of Regulations in various other sections of Title 23 to account for the renumbering of subdivisions within section 5001 resulting from Office of Administrative Law matter number 2023–1214–01FP which took effect January 24, 2024.

Title 23

Filed 02/29/2024

Agency Contact: Eva Bush (916) 284–1619

Emergency Medical Services Authority File # 2024–0122–02 Address Change

This action without regulatory effect updates the agency address and the revision dates on various forms and makes corresponding revision date changes to the agency's regulations wherein the forms are incorporated by reference.

Title 22

Amend: 100000.34(d); 100046; 100164; 100165;

100167

Filed 03/05/2024

Agency Contact:

Ryan McElhinney (916) 969–8826

Environmental Protection Agency
File # 2024–0125–02
Hazardous Materials Business Plan and California
Accidental Release Prevention Program

In this filing for a change without regulatory effect pursuant to section 100 of Title 1 of the California Code of Regulations, the California Environmental Protection Agency is amending and relocating sections 2640–2671 of chapter 4, division 2, Title 19 of the California Code of Regulations, two appendices and chapter 4.5 into a new division with two new articles and two new chapters pursuant to AB 148, chaptered on July 22, 2021.

Title 19

Adopt: Section 5010.1), Section 2621 (identical version adopted as Section 5010.2), Section 2622 (identical version adopted as Section 5010.3), Section 2630 (identical version adopted as Section 5010.4)

Amend: Section 2640 (renumbered to Section 5020.1), Section 2642 (renumbered to Section 5020.2), Section 2643 (renumbered to Section 5020.3), Section 2644 (renumbered to Section 5020.4), Section 2645 (renumbered to Section 5020.5), Section 2646 (renumbered to Section 5020.6), Section 2647 (renumbered to Section 5020.7), Section 2648 (renumbered to Section 5020.8), Section 2650 (renumbered to Section 5030.1), Section 2651 (renumbered to Section 5030.2), Section 2652 (renumbered to Section 5030.3), Section 2653 (renumbered to Section 5030.4), Section 2654 (renumbered to Section 5030.5), Section 2655 (renumbered to Section 5030.6), Section 2656 (renumbered to Section 5030.7), Section 2657 (renumbered to Section 5030.8), Section 2627 Appendix A (renumbered to Section 5030.8 Appendix A), Section 2627 Appendix B (renumbered to Section 5030.8 Appendix B), Section 2658 (renumbered to Section 5030.9), Section 2659 (renumbered to Section 5030.10), Section 2660 (renumbered to Section 5030.11), Section 2670 (renumbered to Section 5040.1), Section 2671 (renumbered to Section 5040.2), Section 2735.1 (renumbered to Section 5050.1), Section 2735.2 (renumbered to Section 5050.2), Section 2735.3 (renumbered to Section 5050.3), Section 2735.4 (renumbered to Section 5050.4), Section 2735.5 (renumbered to Section 5050.5), Section 2735.6 (renumbered to Section 5050.6), Section 2735.7 (renumbered to Section 5050.7), Section 2740.1 (renumbered to Section 5060.1), Section 2740.2 (renumbered to Section 5060.2), Section 2745.1 (renumbered to Section 5070.1), Section 2745.2 (renumbered to Section 5070.2), Section 2745.3 (renumbered to Section 5070.3), Section 2745.4 (renumbered to Section 5070.4), Section 2745.5 (renumbered to Section 5070.5), Section 2745.6 (renumbered to Section 5070.6), Section 2745.7 (renumbered to Section 5070.7), Section 2745.7.5 (renumbered to Section 5070.8), Section 2745.8 (renumbered to Section 5070.9), Section 2745.9

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(renumbered to Section 5070.10), Section 2745.10
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(renumbered to Section 5110.3), Section 2762.2
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(renumbered to Section 5120.2), Section 2770.1
(renumbered to Section 5130.1), Section 2770.2
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(renumbered to Section 5130.2), Section 2770.3
(renumbered to Section 5130.3), Section 2770.4
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Table 1 (renumbered to Section 5130.6 Table
1), Section 2770.5 Table 2 (renumbered to Sec-
tion 5130.6 Table 2), Section 2770.5 Table 3
(renumbered to Section 5130.6 Table 3), Sec-
tion 2775.1 (renumbered to Section 5140.1),
Section 2775.2 (renumbered to Section 5140.2),
Section 2775.2.5 (renumbered to Section 5140.3),
Section 2775.3 (renumbered to Section 5140.4),
Section 2775.4 (renumbered to Section 5140.5),
Section 2775.5 (renumbered to Section 5140.6),
Section 2775.6 (renumbered to Section 5140.7),
Section 2780.1 (renumbered to Section 5150.1),
Section 2780.2 (renumbered to Section 5150.2),
Section 2780.3 (renumbered to Section 5150.3),
Section 2780.4 (renumbered to Section 5150.4),
Section 2780.5 (renumbered to Section 5150.5),
Section 2780.6 (renumbered to Section 5150.6),
Section 2780.7 (renumbered to Section 5150.7),
Section 2785.1 (renumbered to Section 5160.1),
Appendix A (renumbered to Appendix A)
Filed 03/06/2024
Agency Contact: Elizabeth Brega (916) 318–8156
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Air Resources Board

File # 2024-0119-01

Oil and Gas Regulation Amendments

This action amends existing regulations governing Greenhouse Gas Emission Standards for Crude Oil and Natural Gas Facilities to address deficiencies in California's State Implementation Plan identified by the United States Environmental Protection Agency, improve and streamline processes based on implementation experience gained since the regulations were adopted in 2017, and establish a new requirement for owners or operators of oil and gas facilities to respond when notified of remotely detected methane emission plumes.

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Title 17
Adopt: 95669.1, 95670.1
Amend: 95665, 95666, 95667, 95668, 95669, 95670, 95671, 95672, 95673, 95674, 95675, 95676, 95677
Filed 03/04/2024
Effective 04/01/2024
Agency Contact: Bradley Bechtold (279) 208–7266
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Dental Board of California File # 2024-0119-02

Temporary Licenses — Military Spouses or Partners

This action interprets and makes specific requirements enacted by Assembly Bill 107 (Stats. 2021, ch. 693) which requires all boards within the Department of Consumer Affairs to issue temporary licenses to the spouses or partners of active duty members of the Armed Forces assigned to a duty station in California when specific additional requirements are met.

Title 16 Adopt: 1006 Filed 03/01/2024 Effective 07/01/2024 **Agency Contact:** David Bruggeman

(916) 263-2027

Department of Health Care Access and Information File # 2024-0123-02 SNF Financial and Ownership Transparency

This action establishes the policies and procedures to implement Health and Safety Code section 128734.1 (Senate Bill 650, Chapter 493, Statutes of 2021) which requires organizations that operate, conduct, own, manage, or maintain a skilled nursing facility or facilities to prepare and file with the Department of Health Care and Access and Information, an annual consolidated financial report and documentation of the corporate structure.

Title 22 Adopt: 97046, 97046.1, 97046.2, 97046.3, 97046.4, 97046.5, 97046.6 Filed 03/06/2024 Effective 03/06/2024 Agency Contact: Adrienne Wahleithner

(916) 326–3848

Department of Justice File # 2024-0123-01 Failed Private Party Transfers

This action amends the procedure for a dealer to notify the Department of Justice ("DOJ") that the dealer has delivered a firearm to law enforcement, pursuant to Penal Code section 28050, when a dealer may not legally return the firearm to the seller, transferor, or person loaning the firearm; and adopts the procedure when a dealer may not legally return a firearm to a seller, transferor, or person loaning the firearm, for the dealer to notify DOJ that they (the dealer) has retained possession of a firearm at the request of the seller, transferor, or person loaning the firearm for a period of up to 45 days, pursuant to subdivision (f) of Penal Code section 28050, so that the seller, transferor, or

person loaning the firearm may designate another person to take possession of that firearm.

Title 11 Adopt: 4026 Amend: 4025 Filed 03/06/2024 Effective 07/01/2024

Agency Contact: Marlon Martinez (213) 269-6437

Department of Social Services File # 2024-0118-01 Personal Rights in Foster Care

This rulemaking action by the Department of Social Services amends and adopts regulations to implement personal rights established by Welfare and Institutions Code, section 16001.9. This action also amends regulations relating to the reasonable and prudent parent standard and addressing sexual and reproductive health in group homes and transitional housing placement programs. Changes are also made to replace gender-specific language with gender-neutral language.

Title 22, MPP Adopt: 86067, 86179 Amend: 83001, 83026, 83061, 83064, 83066, 83068.1, 83068.2, 83068.3, 83070, 83070.1, 83072, 83072.1, 83075, 83076, 83079, 83088, 8400, 84018, 84026, 84051, 84064.2, 84064.3, 84065, 84065.5, 84066.1, 84068.1, 84068.2, 84070, 84072, 84072.1, 84075, 84076, 84077, 84079, 84087, 84087.2, 84088, 84110, 84122, 84165, 84168.1, 84168.2, 84168.4, 84172, 84201, 84222, 84265, 84268.2, 84272, 84272.1, 84274, 84276, 84277, 84278, 84278.1, 84279, 84288, 84300, 84300.1, 84322. 84322.1, 84368.3, 86001, 86019, 86019.1, 86022, 86028, 86030.5, 86055, 86058, 86059, 86064, 86065, 86065, 86065.5, 86066, 86068.3, 86069, 86072.1, 86088, 86126, 86161, 86168, 86168.2, 86168.4, 86170, 86172, 86174, 86175, 86176, 86187, 86224.1 Filed 03/01/2024

(916) 216-5845

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

Effective 07/01/2024 **Agency Contact:** 

Kenneth Jennings

A quarterly index of regulatory decisions by the Office of Administrative Law (OAL) is provided in

#### CALIFORNIA REGULATORY NOTICE REGISTER 2024, VOLUME NUMBER 11-Z

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 <u>oal.ca.gov</u>.