GAVIN NEWSOM, GOVERNOR OFFICE OF ADMINISTRATIVE LAW

California Regulatory Notice Register

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PROPOSED ACTION ON REGULATIONS

(Continued on next page)

***Time-
Dated
Material***

GENERAL PUBLIC INTEREST

PETITION DECISIONS

SUMMARY OF REGULATORY ACTIONS

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

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PROPOSED ACTION ON REGULATIONS

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

TITLE 2. FAIR POLITICAL PRACTICES COMMISSION

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

CONFLICT–OF–INTEREST CODES

AMENDMENT

STATE AGENCY: Office of the State Public Defender

A written comment period has been established commencing on July 24, 2026 and closing on September 7, 2026. Written comments should be directed to the Fair Political Practices Commission, Attention: Maia Kocinsky–Kirkham, 1102 Q Street, Suite 3050, Sacramento, California 95811.

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

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

The Executive Director of the Commission, upon their own motion or at the request of any interested person, will approve, or revise and approve, or return the proposed code to the agency for revision and re–submission within 60 days without further notice.

Any interested person may present statements, arguments, or comments, in writing to the Executive Director of the Commission, relative to review of the proposed conflict–of–interest code. Any written comments must be received no later than September 7, 2026. If a public hearing is to be held, oral comments may be presented to the Commission at the hearing.

COST TO LOCAL AGENCIES

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

EFFECT ON HOUSING COSTS AND BUSINESSES

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

AUTHORITY

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

REFERENCE

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

CONTACT

Any inquiries concerning the proposed conflict–of–interest code should be made to Maia Kocinsky–Kirkham, Fair Political Practices Commission, 1102 Q Street, Suite 3050, Sacramento, California 95811, or email mkocinsky–kirkham@fppc.ca.gov.

AVAILABILITY OF PROPOSED CONFLICT–OF–INTEREST CODES

Copies of the proposed conflict–of–interest codes may be obtained from the Commission offices or the respective agency. Requests for copies from the Commission should be made to Maia Kocinsky–Kirkham, Fair Political Practices Commission, 1102 Q Street, Suite 3050, Sacramento, California 95811, or email mkocinsky–kirkham@fppc.ca.gov.

TITLE 2. OFFICE OF EXPOSITION PARK MANAGEMENT

ADOPT CONFLICT–OF–INTEREST CODE

NOTICE IS HEREBY GIVEN that the *Office of Exposition Park Management* pursuant to the authority vested in it by section 87300 of the Government Code, proposes its conflict–of–interest code. A comment period has been established commencing on July 24, 2026 and closing on September 8, 2026.

The *Office of Exposition Park Management* proposes to adopt its conflict–of–interest code to include employee positions that involve the making or participation in the making of decisions that may foreseeably have a material effect on any financial interest, as set forth in subdivision (a) of section 87302 of the Government Code. A written explanation of why each position was selected and the reasons for the disclosure categories is available.

Exposition Park is a place where you can explore, express and experience. The Office of Exposition Park Management provides access to a beautiful and enriching park community by delivering a safe, clean environment through public safety, parking operations and land use management. In addition, the Office of Exposition Park Management administers supervision and coordination of park–wide events, and facilities communication efforts between state, city, and county entities represented within the park. Copies of the proposed code are available and may be requested from the Contact Person set forth below.

Any interested person may submit written statements, arguments, or comments relating to the proposed code by submitting them in writing no later than *September 8, 2026*, or at the conclusion of the public hearing, if requested, whichever comes later, to the Contact Person set forth below.

At this time, no public hearing has been scheduled concerning the proposed amendments. If any interested person or the person's representative requests a public hearing, he or she must do so no later than *August 24, 2026*, by contacting the Contact Person set forth below.

The (*Office of Exposition Park Management*) has determined that the proposed code:

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

All inquiries should be directed to:

Andrea Ambriz — General Manager, Office of Exposition Park Management
700 Exposition Park Drive
213–744–7412
info@expositionpark.ca.gov

TITLE 2. OFFICE OF THE STATE PUBLIC DEFENDER

AMEND CONFLICT–OF–INTEREST CODE

NOTICE IS HEREBY GIVEN that the **Office of the State Public Defender,** pursuant to the authority vested in it by section 87306 of the Government Code, proposes amendment to its conflict–of–interest code. A comment period has been established commencing on July 24, 2026, and closing on September 8, 2026. All inquiries should be directed to the contact listed below.

The **Office of the State Public Defender** proposes to amend its conflict–of–interest code to include employee positions that involve the making or participation in the making of decisions that may foreseeably have a material effect on any financial interest, as set forth in subdivision (a) of section 87302 of the Government Code. The amendment carries out the purposes of the law and no other alternative would do so and be less burdensome to affected persons.

Changes to the conflict–of–interest code include: Changes to the conflict–of–interest code include: (1) Updating the designated positions to include new positions and/or those that have changed since the last conflict–of–interest code, (2) Removing the disclosure Category 3 from positions assigned to Categories 1 and 3 or to Categories 2 and 3 because Categories 2 and 1 are broad enough to absorb Category 3, (3) Updating designated positions to include title changes.

Each of the following positions is involved as a State employee, at other than a clerical type, in the function of negotiating or signing contracts awarded through competitive bidding, in making decisions in conjunction with the competitive bidding process, or in negotiations, signing or making decisions on contracts executed pursuant to Section 10122 of Public Contact Code and also makes other technical changes.

EXECUTIVE OFFICE

1. The State Public Defender is assigned to disclosure Categories 1, 4.
2. The Assistant State Public Defender is assigned to disclosure Category 2.
3. The Chief Deputy State Public Defender is assigned to disclosure Category 2.
4. The Chief Attorney is assigned to disclosure Category 2.
5. The Staff Services Manager II (Managerial) — Executive Manager & Equal Employment Opportunity (EEO) Officer has been renamed to Manager I — Executive Manager & EEO Officer and is assigned to disclosure Category 2.
6. The Associate Governmental Program Analyst — Diversity, Equity, Inclusion, and Belonging (DEIB) Analyst has been renamed to Analyst (All levels) — Diversity, Equity, Inclusion, and Belonging and is assigned to the disclosure Category 2.

ADMINISTRATION

1. The Staff Services Manager (All levels) has been renamed to Manager II — Administration and is assigned to the disclosure Category 1.
2. The Staff Services Manager (All levels) has been renamed to Supervisor II — Fiscal & Business Services and is assigned to disclosure Category 1.
3. The Staff Services Manager (All levels) has been renamed to Supervisor (All levels) and is assigned to disclosure Category 2.
4. The Administrative Assistant has been removed from the conflict–of–interest code.
5. The Staff Services Analyst — Fiscal Analyst has been renamed to Analyst (All levels) — Fiscal & Business Services and is assigned to disclosure Category 2.
6. The Staff Services Analyst — Contracts and Procurement Analyst has been renamed to Analyst (All levels) — Fiscal & Business Services and is assigned to disclosure Category 2.

APPELLATE

1. The Attorney, Assistant Chief Counsel has been moved from Executive Office and is assigned to disclosure Category 1.
2. The Attorneys (All levels) has been renamed to Appellate Attorney Supervisor and is assigned to disclosure Category 2.
3. The Attorneys (All levels) has been renamed to Appellate Attorney (All levels) — Who act as contract managers or participate in contracting activities (such as serving on vendor panels or providing recommendations, etc.) and is assigned to disclosure Category 2.
4. The addition of the Supervisor (All levels) — Caseworker Unit and is assigned to disclosure Category 2.

INDIGENT DEFENSE IMPROVEMENT

1. The Director of Indigent Defense Improvement has been moved from Executive Office and is assigned to disclosure Categories 2, 4.
2. The Attorneys (All levels) has been renamed to IDID Attorney Supervisor and is assigned to disclosure Categories 2, 4.
3. The Attorneys (All levels) has been renamed to IDID Attorney (All levels) and is assigned to disclosure Categories 2, 4.
4. The Staff Services Manager I — Research Unit Manager has been renamed to Supervisor (All levels) — IDID and is assigned to disclosure Categories 2, 4.

INFORMATION TECHNOLOGY

1. The Information Technology (All levels) has been renamed to Information Technology Supervisor II and is assigned to disclosure Category 2.
2. The Information Technology (All Levels) has been renamed to Information Technology (All Non–Supervisory and Non–Managerial) and is assigned to disclosure Category 3.

Information on the code amendment is available on the agency's intranet site under Administration Memo 26–009.

Any interested person may submit written comments relating to the proposed amendment by submitting them no later than *September 8, 2026*, or at the conclusion of the public hearing, if requested, whichever comes later. At this time, no public hearing is scheduled. A person may request a hearing no later than *August 23, 2026*.

The **Office of the State Public Defender** has determined that the proposed amendments:

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

All inquiries concerning this proposed amendment and any communication required by this notice should be directed to: Lady Diana Gutierrez, Human Resources Analyst II by telephone (916) 322–9325, or by email at LadyDiana.Gutierrez@ospd.ca.gov.

TITLE 3. DEPARTMENT OF FOOD AND AGRICULTURE

JAPANESE BEETLE EXTERIOR QUARANTINE

The California Department of Food and Agriculture (Department) proposes to make permanent the emergency amendment to Title 3, California Code of Regulations (CCR) Section 3280 Japanese Beetle Exterior Quarantine, which removes Oregon from the exterior quarantine.

PUBLIC HEARING

A public hearing is not scheduled. However, a public hearing will be held if any interested person, or his or her duly authorized representative, submits a written request for a public hearing to the Department no later than 15 days prior to the close of the written comment period.

WRITTEN COMMENT PERIOD

Any interested person or their authorized representative may submit written comments relevant to the proposed regulations to the Department. Comments may be submitted by USPS, FAX or email. The written comment period closes on September 7, 2026. The Department will consider only comments received at the Department offices by that date or postmarked no later than September 7, 2026. Submit comments to:

Erin Lovig, Senior Environmental Scientist Supervisor
California Department of Food and Agriculture
Plant Health and Pest Prevention Services
1220 N Street,
Sacramento, CA 95814
(916) 403–6650
Permits@cdfa.ca.gov

Questions regarding the substance of the proposed regulation should be directed to Erin Lovig. In her absence, you may contact Rachel Avila at (916) 698–2947 or Rachel.Avila@cdfa.ca.gov.

AUTHORITY

The Department proposes to amend Section 3280 pursuant to the authority vested by Sections 401.5, 407, 5301, 5302 and 5311 of the Food and Agricultural Code (FAC).

REFERENCE

The Department proposes this action to implement, interpret and make specific Sections 5024, 5301, 5302, 5311, 5701, 6401, 6403, 6441, 6442 and 6461, and 6461.5 of the FAC.

INFORMATIVE DIGEST/POLICY STATEMENT OVERVIEW

This amendment will remove the state of Oregon as a quarantine area for Japanese beetle. The effect of the regulation is to remove this state to the quarantine area to comply with the U.S. Domestic Beetle Harmonization Plan and to prevent a violation of the provisions of the plan and to avoid an unnecessary burden on the public and the state.

Existing law, FAC Section 401.5, states that the department shall seek to protect the general welfare and economy of the state and seek to maintain the economic well–being of agriculturally dependent rural communities in this state.

Existing law, FAC section 407, provides that the Secretary may adopt such regulations as are reasonably necessary to carry out the provisions of this code which the Secretary is directed or authorized to administer or enforce.

Existing law, FAC section 5024, provides that the Secretary, during the maintenance of any quarantine established by the secretary pursuant to Article 1 (commencing with Section 5301) of Chapter 5, inspect any plant or thing that is, or is liable to be, infested or infected by, or which might act as a carrier of, any pest. The person who conducts the inspection shall not permit any of those plants or things to pass over the quarantine line during the inspection, except pursuant to a certificate of inspection and release that is signed by that person.

Existing law, FAC section 5301, provides that the Secretary may establish, maintain, and enforce such quarantine regulations as he or she deems necessary to protect the agricultural industry of this State from pests. The regulations may establish a quarantine at the boundaries of this State or elsewhere within the State.

Existing law, FAC section 5302, provides that the Secretary may make and enforce such regulations as he or she deems necessary to prevent any plant or thing which is, or is liable to be, infested or infected by, or which might act as a carrier of, any pest, from passing over any quarantine line which is established and proclaimed pursuant to this division.

Existing law, FAC section 5311, provides the secretary may levy a civil penalty against a person violating this regulation in an amount not to exceed two thousand five hundred dollars ($2,500) for each violation. The remainder of the section outlines the procedures for implementing this fine and the appeals process.

Existing law, FAC section 5701, provides that if any pest exists on any premises, the Secretary may hold any plant or other host or possible carrier which is, or may be, capable of disseminating or carrying the pest. The Secretary shall notify the owner of the plant or other host or possible carrier, or his or her agent, of this action, and the issuance of any shipping permit or nursery stock certificate with respect to the plant or other host or possible carrier shall be refused and any such permit or certificate which has been previously issued shall be revoked.

Existing law, FAC Section 6401, provinces that it is unlawful for any person to transport, receive, or import into the state any plant or any thing against which a quarantine has been established, or any plant, unless he does both of the following:

(a) Notifies the director or the commissioner of the county in which the plant or thing is received, of the arrival of the plant or thing immediately after its arrival.

(b) Holds the plant, or thing for immediate inspection by the director or commissioner, without unnecessarily moving it, or placing it where it may be harmful.

Existing law, FAC section 6403, provides that the officer who makes the inspection may enter at any time into any conveyance or place within the state where the plant or thing is located to ascertain whether it is, or is liable to be, infested or infected with any pest.

Existing law, FAC section 6441, provides that if, after inspection, any plant or thing is found to be infested or infected, the owner or bailee shall, at his expense, disinfect the conveyance or place where the plant or thing may have been located, in such manner as to destroy all infection or infestation present, or that is liable to be present.

Existing law, FAC section 6442, provides that the officer who makes the inspection shall not permit any article to be removed which has come in contact with the infested or infected plant or thing, if such article might convey infection or infestation, until after the infection or infestation is destroyed, except for the purpose of destruction or disinfection under the supervision of the inspecting officer. Any article which is liable to be infested or infected shall be held until it has been thoroughly disinfected and the pest has been destroyed.

Existing law, FAC section 6461, provides that it is unlawful to ship or transport any plant or any other thing into this state which is infested with any pest which has been listed, by the Secretary, as detrimental to agriculture in this state. In addition to the civil, criminal, and administrative remedies specified in this division, the Secretary may, after notice and opportunity to respond, impose inspection, treatment, certification, holding, or other requirements for any shipper or transporter that has shipped or transported three or more pest–infested shipments into this state within any 12–month period. Regarding any commercial shipment violating any of those requirements imposed pursuant to this section, the Secretary may also charge the shipper or transporter the cost of inspecting and controlling the pest.

Existing law, FAC section 6461.5. Except as otherwise provided in this article, if any shipment of plants or any other things in violation of this chapter or any quarantine which has been established, is brought into this state and it is found to be infested or infected, or there is reasonable cause to believe that it may be infested or infected, with any pest, the shipment shall be immediately destroyed by, or under the supervision of, the officer who inspects it, at the expense of the owner or bailee of the shipment. The existing laws obligates the Secretary to investigate and determine the feasibility of controlling or eradicating pests of limited distribution but establishes discretion with regard to the establishment and maintenance of regulations to achieve this goal.

This amendment provides the necessary regulatory authority to prevent the artificial spread of a serious insect pest which is a mandated statutory goal.

ANTICIPATED BENEFITS OF THE PROPOSED AMENDMENT

Removing Oregon from the quarantine area will help the Department continue to allows covered articles and commodities to move between the states without the requirements of the Japanese beetle exterior quarantine. Including Oregon is no longer necessary as the State has funded its Japanese Beetle eradication program, allowing it to maintain its status “Category 1 state" classification as defined by the National Plant Board. This will benefit the:

- the general public.
- agricultural industry.
- the State's general fund.

There are no existing, comparable federal regulations or statutes.

EVALUATION OF INCONSISTENCY/ INCOMPATIBILITY WITH EXISTING STATE REGULATIONS

As required by Government Code Section 11346.5(a)(3)(D), the Department has conducted an evaluation of Section 3280 and has determined that they are not inconsistent or incompatible with existing state regulations.

CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA)

Prior to conducting any action authorized by this regulation, the Department shall comply with the California Environmental Quality Act of 1970 (Public Resources Code Section 21000 et seq. as amended) and the State CEQA Guidelines (Title 14 California Code of Regulations Section 15000 et seq.).

DISCLOSURES REGARDING THE PROPOSED ACTION

The Department has made the following initial determinations:

Mandate on local agencies or school districts: None.

Cost or savings to any state agency: None.

Cost to any local agency or school district requiring reimbursement pursuant to Gov. Code sec. 17500 et seq.(Gov. Code sec. 11346.5(a)(6).): None.

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

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

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

Significant, statewide adverse economic impact directly affecting businesses, including the ability of California businesses to compete with businesses in other states: The cost impacts are expected to be none and minimal/non–consequential. The Department makes the initial determination that the proposed action will not have a significant, statewide adverse economic impact.

Significant effect on housing costs: None.

Small business determination: The proposed action will not affect small business because this action only provides authority for state quarantine activities and does not require reporting, recordkeeping, or compliance by businesses.

RESULTS OF THE ECONOMIC IMPACT ANALYSIS/ASSESSMENT

The amendment is designed to prevent or minimize the spread of Japanese beetle by amending Section 3280. The Department has made an assessment that the amendment to this regulation would: (1) not create or eliminate jobs within California, (2) not create new business or eliminate existing businesses within California,(3) not affect the expansion of businesses currently doing business within California, (4) is expected to benefit the health and welfare of California residents, (5) is not expected to benefit the state's environment, and (6) not expected to benefit workers' safety.

Health and welfare: The proposed action will benefit the health and welfare of California residents by preventing an unneeded regulator burden. Maintaining the economic baseline is important to the health and welfare of California residents.

CONSIDERATION OF ALTERNATIVES

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

The Department invites interested persons to present alternatives during the written comment period.

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

The Department has prepared an initial statement of reasons for the proposed action and has made available all the information upon which its proposal is based and the express terms of the proposed action. The Department has posted the information regarding this proposed regulatory action on its Internet website (www.cdfa.ca.gov/plant/Regulations.html). A copy of the initial statement of reasons and the proposed regulations in underline and strikeout form may be obtained upon request. The location of the information on which the proposal is based may also be obtained upon request. In addition, the final statement of reasons will be available upon request. Requests should be directed to the contact named herein.

AVAILABILITY OF CHANGED OR MODIFIED TEXT

After the comment period and considering all timely and relevant comments received, the Department may adopt the proposed regulations substantially as described in this notice. If the Department makes modifications which are sufficiently related to the originally proposed text, it will make the modified text (with the changes clearly indicated) available to the public for at least 15 days before the Department adopts the regulations as revised. Any person interested may obtain a copy of said regulations prior to the date of adoption by contacting the agency officer named herein. The Department will accept written comments on the modified regulations for 15 days after the date on which they are made available.

AVAILABILITY OF THE FINAL STATEMENT OF REASONS

Upon its completion, copies of the Final Statement of Reasons may be obtained by contacting the agency officer named herein.

TITLE 11. COMMISSION ON PEACE OFFICER STANDARDS AND TRAINING

AMEND COMMISSION REGULATION 1015

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

PUBLIC COMMENTS DUE BY SEPTEMBER 8, 2026

Notice is also given that any interested person, or authorized representative, may submit written comment(s) relevant to the proposed regulatory action by fax at (916) 404–5619, by email to Jennifer Hardesty at jennifer.hardesty@post.ca.gov, or by letter to:

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

AUTHORITY AND REFERENCE

This proposal is made pursuant to the authority vested by Penal Code (PC) section 13503 (authority of POST), PC § 13506 (POST authority to adopt regulations). This proposal is intended to interpret, implement, and make specific PC § 13522 and 13523, which requires application to the Commission for state aid (POST–participating agency) and specifies that aid shall only be provided for full–time employees.

INFORMATIVE DIGEST/POLICY STATEMENT OVERVIEW

California law establishes application to POST as the criteria for receiving state aid and allows POST to establish regulations that articulate the process to receive that aid.

Currently, Commission Regulation 1015 outlines the process for reimbursement for training through reimbursement plans that are identified when a course is certified. Some reimbursement plans allow POST to cover the actual presentation costs of the course, so POST–participating agencies do not have to pay tuition for their full–time employees to attend training. The current regulatory language does not restrict who can attend a course, nor does it require the presenter to charge tuition for attendees who are not eligible for reimbursement. The current regulatory language also does not require there to be a minimum number of attendees in order to present a course or the minimum number of POST–participating students.

The proposed changes in this rulemaking action will establish a requirement for the presenter of the course to deduct the tuition cost for any attendee who is ineligible for reimbursement; provide the method for determining the tuition cost; establish a standard for how many attendees need to be with POST–participating agencies; and establish a method to request course presentation approval should enrollment fall below that minimum due to extenuating circumstances.

Anticipated Benefits of the Proposed Amendments:

The benefits anticipated by the proposed amendments to the regulation include ensuring agencies who participate in the POST program get priority when registering for courses that POST reimburses and ensuring the cost of the training is shared with any attendees who are not eligible for POST reimbursement. Thus, the changes in reimbursement requirements will ensure more state aid is available for training peace officers employed with POST–participating agencies. The proposed amendments will have no impact on the health and welfare of California residents, worker safety, or the state's environment.

Evaluation of Inconsistency/Incompatibility with Existing State Regulations:

POST has determined that these proposed amendments are not inconsistent nor incompatible with existing regulations. After conducting a review of any regulations that would relate to or affect this area, POST has concluded that these are the only regulations that concern processes and procedures for POST designated training reimbursement in the state.

DOCUMENT(S)/FORM(S) INCORPORATED BY REFERENCE

There are no documents/forms incorporated by reference in this proposed action.

DISCLOSURES REGARDING THE PROPOSED ACTION

POST has made the following initial determinations:

Mandate on local agencies or school districts: None.

Cost or savings to any state agency: None.

Costs to any local agency or school district which must be reimbursed in accordance with GC §§ 17500 through 17630: None.

Other non–discretionary costs or savings imposed on local agencies: None.

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

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

Significant, statewide adverse economic impact directly affecting California businesses: POST has determined that the proposed regulations will not have a significant, statewide adverse economic impact directly affecting businesses, including the ability of California businesses to compete with businesses in other states.

Significant effect on housing costs: None.

Small Business Determination: POST has determined that the proposed regulations will not affect small businesses because the regulations only affect law enforcement agencies who are part of the POST Program. Additionally, the Commission's main function to set reimbursement requirements for training of law enforcement personnel has no effect financially on small businesses.

RESULTS OF ECONOMIC IMPACT ANALYSIS/ASSESSMENT

POST concludes that it is (1) unlikely the proposal will create nor eliminate jobs in the state of California, (2) unlikely that the proposal will create businesses nor eliminate existing businesses, and (3) unlikely that the proposed regulations will result in the expansion of businesses currently doing business within the state.

Benefits of the Proposed Action: As stated above under the Informative Digest/Policy Statement Overview, the benefits of the regulation include ensuring agencies who participate in the POST program get priority when registering for courses that POST reimburses and ensuring the cost of the training is shared with any attendees who are not eligible for POST reimbursement. Thus, the changes in reimbursement requirements will ensure more state aid is available for training peace officers employed with POST–participating agencies. There would be no impact that would affect the health and welfare of California residents, worker safety, or the state's environment.

CONSIDERATION OF ALTERNATIVES

In accordance with GC §11346.5, subdivision (a)(13), POST must determine that no reasonable alternative it considered, or that has otherwise identified and brought to its attention, would be more effective in carrying out the purpose for which the action is proposed, or would be as effective 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 than the proposed action.

CONTACT PERSONS

Questions regarding this proposed regulatory action may be directed to Jennifer Hardesty, Commission on POST, 860 Stillwater Road, Suite 100, West Sacramento, CA 95605–1630, at (916) 227–3917. General questions regarding the regulatory process may be directed to Katie Strickland at (916) 227–2802.

TEXT OF PROPOSAL

Individuals may request copies of the proposed text (the "express terms") of the regulations, the initial statement of reasons, the modified text of the regulations, if any, or other information upon which the rulemaking is based to, the Commission on POST at 860 Stillwater Road, Suite 100, West Sacramento, CA 95605–1630. These documents are also located on the POST Website at www.post.ca.gov/Regulatory–Actions.

ADOPTION OF PROPOSED REGULATIONS/AVAILABILITY OF CHANGED OR MODIFIED TEXT

Following the public comment period, the Commission may adopt the proposal substantially as set forth without further notice, or the Commission may modify the proposal if such modifications remain sufficiently related to the text as described in the Informative Digest. If the Commission makes changes to the language before the date of adoption, the text of any modified language, clearly indicated, will be made available at least 15 days before adoption to all persons whose comments were received by POST during the public comment period and to all persons who request notification from POST of the availability of such changes. A request for the modified text should be addressed to the agency official designated in this notice. The Commission will accept written comments on the modified text for 15 days after the date that the revised text is made available.

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

The rulemaking file contains all information upon which POST is basing this proposal and is available for public inspection by contacting the person(s) named above. As of the date this notice is published in the Notice Register, the rulemaking file consists of this notice, the proposed text of the regulations and the initial statement of reasons.

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

TITLE 13. DEPARTMENT OF MOTOR VEHICLES

DRIVING UNDER THE INFLUENCE PROGRAM

The Department of Motor Vehicles (department) proposes to amend Sections 124.92 in Article 2.5, Chapter 1, Division 1, Title 13 of the California Code of Regulations, related to terminations of suspension or revocation.

PUBLIC HEARING

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

DEADLINE FOR WRITTEN COMMENTS

Any interested party or his or her duly authorized representative may submit written comments relevant to the proposed regulations to the contact person identified in this notice. All written comments must be received at the department no later than **September 7, 2026**, the final day of the written comment period, for them to be considered by the department before it adopts the proposed regulation.

AUTHORITY AND REFERENCE

The department proposes to adopt/amend/repeal these regulations under the authority granted by Vehicle Code section 1651, to implement, interpret, or make specific Vehicle Code section 13353.5.

INFORMATIVE DIGEST/POLICY STATEMENT OVERVIEW

The state of California is a member of the Driver's License Compact and shares with other states information related to a driver who commits serious driving offenses such as driving under the influence, vehicular manslaughter, and reckless driving.

The Driver's License Compact provides uniformity among the member jurisdictions when exchanging information with other states on convictions, record, licenses, and other data pertinent to the licensing process. Compact members will not issue a driver's license to an applicant whose license has been suspended by another state when the suspension period has not yet terminated. Applicants for a driver's license in a Compact member state are required to surrender their driver's licenses issued by any other member state. There are times where a resident who relocates out of California is unable to obtain a driver's license in their new state due to a suspension or revocation on their driving record. Typically, the new state will not issue a driver's license until the suspension or revocation has been lifted.

Vehicle Code section 13353.5 authorizes the department, upon application, to terminate a suspension or revocation of a person's driver's license if that person is a resident of another state. The driver is required to provide the department with proof of residency in that state and an Application for Termination of Action, form DL 4006. Current regulation allows the driver to submit their documentation either through the mail or by email. The department has amended the form

DL 4006 to require the form and supplemental documentation to be submitted only through email. This change to the submission requirements will ensure the application documents are sent directly to the area of the department responsible for processing.

BENEFITS OF THE PROPOSED REGULATION

The revisions to the form will benefit drivers by streamlining the application process and reduce instances where their application documents could be lost or delayed. The submission change will allow for faster processing as the information will be sent directly to the area responsible for processing the termination of action.

CONSISTENCY AND COMPATIBILITY WITH STATE REGULATIONS

The department has conducted a review of other state regulations and has determined this is the only regulation related to drivers applying to terminate their driver's license action. Therefore, the department has determined this action is neither inconsistent nor incompatible with other state regulations.

COMPARABLE FEDERAL STATUTES OR REGULATIONS

There are no comparable federal statutes or regulations related to termination of actions nor the process by which a driver submits their application to the department.

DOCUMENTS INCORPORATED BY REFERENCE

The following document is incorporated by reference:

- Application for Termination of Action, form DL 4006 (Rev. 5/2024).

This form is not published in the California Code of Regulations because it would be impractical and cumbersome to do so; however, the document is readily available to interested parties by contacting the department representative identified below.

ECONOMIC AND FISCAL IMPACT DETERMINATIONS

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

- Cost or Savings to Any State Agency: None.
- Other Non–Discretionary Cost or Savings to Local Agencies: None.
- Costs or Savings in Federal Funding to the State: None.
- Effects on Housing Costs: None.
- Cost to any local agency or school district requiring reimbursement pursuant to Gov. Code section 17500 et seq.: None.
- Cost Impact on Representative Private Persons or Businesses: There are no cost impacts to representative private persons or businesses. This action only amends the application process.
- Small Business Impact: This action will not impact small businesses. The provisions only impact individuals.
- Local Agency/School District Mandate: The proposed regulatory action will not impose a mandate on local agencies or school districts, or a mandate that requires reimbursement pursuant to Part 7 (commencing with Section 17500) of Division 4 of the Government Code.
- Significant statewide adverse economic impact directly affecting businesses, including the ability of California businesses to compete with businesses in other states: The department does not anticipate this action will have a significant statewide adverse economic impact directly affecting businesses, including California businesses ability to compete with businesses in other states. This action only impacts individuals.

RESULTS OF THE ECONOMIC IMPACT STATEMENT

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

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

This proposed action will benefit drivers who reside in other states who are in need of a driver's license to drive and establish identity. This action will streamline the termination of action process to ensure the driver does not experience unnecessary delays during the application process.

PUBLIC DISCUSSIONS OF PROPOSED REGULATIONS

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

ALTERNATIVES CONSIDERED

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

CONTACT PERSON

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

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

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

Telephone: (916) 282–7294
Facsimile: (916) 657–6243
Email: LADRegulations@dmv.ca.gov

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

Peggy Gibson, Attorney IV
Department of Motor Vehicles
Telephone: (916) 657–6469

AVAILABILITY OF STATEMENT OF REASONS AND TEXT OF PROPOSED REGULATIONS

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

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

AVAILABILITY OF MODIFIED TEXT

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

TITLE 18. DEPARTMENT OF TAX AND FEE ADMINISTRATION

TAX REVENUE SHARING AGREEMENT REPORTING AND PUBLICATION

NOTICE IS HEREBY GIVEN that the California Department of Tax and Fee Administration (Department), pursuant to the authority in Revenue and Taxation Code (RTC) section 7213, proposes to make permanent, with proposed amendments, California Code of Regulations (CCR), title 18, section (Regulation or Reg.) 1808, *Tax Revenue Sharing Agreement Reporting and Publication,* which the Department originally adopted as an emergency regulation to address issues with RTC section 7213 prior to April 30, 2025, which was the first reporting and publication deadline under RTC section 7213. The Department is now proposing to make emergency Regulation 1808 permanent through the regular rulemaking process pursuant to the Administrative Procedure Act (APA), commencing with Gov. Code (GC) section 11340. This action also includes proposed amendments to subdivisions (a)(7), (b)(1), (c)(1)(A), and (e)(1)(B) of emergency Regulation 1808. The proposed amendments add to subdivision (a)(7) four clarifying examples of offsets and payments that are rebated sales and use tax revenue pursuant to a tax revenue sharing agreement and two clarifying examples of payments that are not rebated sales and use tax revenue pursuant to a tax revenue sharing agreement. The proposed amendments also update the current example in subdivision (b)(1), the email address for submitting extension requests to the Department's Local Revenue Branch (LRB) in subdivision (c)(1)(A), and the current example in subdivision (e)(1)(B).

AUTHORITY

RTC section 7213.

REFERENCE

RTC section 7213.

INFORMATIVE DIGEST/POLICY STATEMENT OVERVIEW

Background and Current Law

Local Sales and Use Taxes

The Bradley–Burns Uniform Local Sales and Use Tax Law (Bradley–Burns) (commencing with RTC section 7200) authorizes counties and cities to impose local sales and use taxes with provisions generally in conformity with the Sales and Use Tax Law (commencing with RTC section 6001). Bradley–Burns local sales and use taxes (local sales and use taxes) are imposed in every city, county, and city and county in California at a uniform total combined rate of 1.25 percent. When state sales tax applies to a transaction, local sales tax also applies to the transaction, and when state use tax applies to a transaction, local use tax also applies to the transaction. (Reg. 1803, *Application of Tax*). Local sales and use taxes are separate and distinct from district taxes imposed in accordance with the Transactions and Use Tax Law (commencing with RTC section 7251). Also, the administration of Bradley–Burns was transferred from the State Board of Equalization to the Department, operative July 1, 2017, by GC section 15570.22 and references to the State Board of Equalization in Bradley–Burns and the regulations implementing, interpreting, and making specific Bradley–Burns mean the Department pursuant to GC section 15570.24 and RTC section 20.

Section 29 of Article XIII of the California Constitution

Subdivision (a) of section 29 of article XIII of the California Constitution (Section 29) provides that the Legislature may authorize counties, cities and counties, and cities to enter into contracts to apportion between them the revenue derived from any sales or use tax imposed by them that is collected for them by the State. Subdivision (b) of Section 29 provides that notwithstanding subdivision (a), counties, cities and counties, and cities may enter into contracts to apportion between them the revenue derived from any sales or use tax imposed by them pursuant to Bradley–Burns, or any successor provisions, that is collected for them by the State, if the ordinance or resolution proposing each contract is approved by a two–thirds vote of the governing body of each jurisdiction that is a party to the contract.

GC section 53084.5

Subdivision (a) of GC section 53084.5 provides that, on or after January 1, 2016, a local agency shall not enter into any form of agreement that would result, directly or indirectly, in the payment, transfer, diversion, or rebate of any tax revenue resulting from the imposition of local sales and use taxes to any person for any purpose when both of the following apply:

1. The agreement results in a reduction in the amount of revenue under Bradley–Burns that, in absence of the agreement, would be received by another local agency.
2. The retailer continues to maintain a physical presence within the territorial jurisdiction of that other local agency.

Additionally, subdivision (b)(1) of GC section 53084.5 provides that a local agency entering into an agreement that results in a reduction of the amount of revenue under Bradley–Burns that, in the absence of the agreement, would be received by another local agency shall post the proposed agreement on its internet website for at least 30 days prior to ratification or approval of that agreement by its governing body. Subdivision (b)(3) of GC section 53084.5 provides that a local agency shall post on its internet website any agreement it has entered into that results in a reduction of the amount of revenue under Bradley–Burns that, in the absence of the agreement, would be received by another local agency, including any agreements entered into prior to January 1, 2016, that are still in effect on and after that date. Subdivision (c)(1) of GC section 53084.5 also provides that "local agency" means a chartered or general law city, a chartered or general law county, or a city and county, of this state.

Assembly Bill Number (AB) 2854 (Stats. 2024, chapter 842) added RTC section 7213 to Bradley–Burns, effective January 1, 2025. RTC section 7213 imposes new reporting and publication requirements on local agencies as defined in GC section 53084.5 and the Department. It also provides penalties that may be imposed on a local agency that fails to comply with the reporting or publication requirements. AB 2854's legislative history indicates that RTC section 7213 is intended to provide "much needed transparency for local sales tax revenues by requiring cities and counties to annually submit information to the [Department] regarding so–called 'rebate agreements' … resulting in significant — but [previously] unknown — loss of tax revenues for local agencies across the state." (August 28, 2024, Assembly Floor Analysis of AB 2854, p. 2, and August 19, 2024, Senate Floor Analysis of AB 2854, p. 6.)

Subdivision (a)(2) of RTC section 7213 provides that "rebated sales and use tax revenues" means any direct or indirect payment, transfer, diversion, or rebate of any local sales and use tax revenue resulting from the imposition of a local tax to any person pursuant to an agreement (tax revenue sharing agreement). Subdivision (d) of RTC section 7213 provides that on or before April 30 of each year, for each agreement that resulted in rebated sales and use tax revenue during the immediately preceding fiscal year, a local agency shall report to the Department, in a form and manner prescribed by the Department, the following information:

1. The name or names of any parties to the agreement.
2. The total dollar amount of rebated sales and use tax revenues received by each party to the agreement on or after the date of the execution of the agreement through and including June 30 of the fiscal year immediately preceding the date of the report.
3. The total dollar amount of rebated sales and use tax revenues received by each party to the agreement during the fiscal year immediately preceding the date of the report.
4. The date on which the agreement was originally executed, and the date on which the agreement terminated or will terminate, absent any renewal.
5. The percentage of a retailer's sales and use taxes, if any, used to calculate or otherwise determine the rebated sales and use tax revenues received by each party to the agreement.
6. The percentage of a retailer's sales and use taxes, if any, used to calculate or otherwise determine the rebated sales and use tax revenues received by any other person that is not a party to the agreement.

Subdivision (b) of RTC section 7213 provides that a local agency shall publish on its internet website, on or before April 30 of each year, the information submitted to the Department pursuant to subdivision (d). It provides that a hyperlink to an internet web page containing the information submitted to the Department pursuant to subdivision (d) shall be present and visible on the home page of the local agency's internet website at all times. It also provides that if a local agency maintains a web page containing information about the local agency's economic development subsidies, including, but not limited to, the information required pursuant to GC sections 53083 and 53083.1, the local agency may include the information submitted to the Department pursuant to subdivision (d) on that internet web page.

Subdivision (c) of RTC section 7213 provides that a local agency that has not directly or indirectly paid, transferred, diverted, or rebated any sales and use tax revenues pursuant to an agreement in the immediately preceding fiscal year shall, by April 30, report this fact to the Department in a form and manner prescribed by the Department and shall be exempt from the posting requirement outlined in subdivision (b) discussed above.

Subdivision (e)(1)(A) of RTC section 7213 provides that if a local agency fails to timely provide the information required pursuant to subdivisions (c) or (d), or fails to publish information on its internet website pursuant to subdivision (b), the Department shall notify the local agency by certified mail that it has 45 days from the mailing of the notice to provide or publish the required information or submit a statement to the Department, in the form and manner prescribed by the Department, explaining why it is unable to provide or publish the required information within the 45–day period. If a local agency provides such a statement, the Department may extend the 45–day period to provide or publish the required information by 30 days if the local agency demonstrates that the failure to comply timely with the applicable requirement was due to reasonable cause and circumstances beyond the local agency's control, occurred notwithstanding the exercise of ordinary care, and occurred in the absence of willful neglect. The Department shall not grant an extension for a local agency based on the local agency's claim that the information is confidential.

Subdivision (e)(1)(A) of RTC section 7213 further provides that if the Department grants an extension, the Department shall notify the local agency by certified mail that it has 30 days to provide or publish the required information commencing on the next business day following the expiration of the 45–day period discussed above. If the Department declines to grant an extension, the local agency shall provide or publish the required information within 10 days after the Department notifies the local agency by certified mail that it has denied the extension. The notice shall be addressed to the person authorized to receive confidential data at the local agency's address as it appears in the Department's records. The mailing of the notice shall be deemed complete at the time of deposit of the notice in the United States Post Office, or a mailbox, sub–post office, substation or mail chute, or other facility regularly maintained or provided by the United States Postal Service, without extension of time for any reason.

Subdivision (e)(1)(B) of RTC section 7213 provides that if a local agency fails to provide or publish the specified information within the applicable period, the Department may impose a penalty for each day after expiration of the applicable period the local agency fails to provide or publish the information, up to 365 days after the expiration of the applicable period, as follows:

- For days one to 180, inclusive, one thousand dollars ($1,000) per day.
- For days 181 to 365, inclusive, four thousand dollars ($4,000) per day.

The provisions of chapter 4 of the Fee Collections Procedures Law (FCPL) (commencing with RTC section 55121) apply with respect to the collection of the penalties imposed.

Fiscal Year

GC section 13290 provides that the fiscal year shall commence on the first day of July. The Department of Finance Budget Analyst Guide's Glossary of Accounting and Budget Terms further clarifies that in California state government, the fiscal year begins July 1 and ends the following June 30.

Emergency Regulation 1808

The Department previously determined that there were issues (or "problems" as used in GC section 11346.2, subdivision (b)) regarding the reporting and publication requirements imposed by RTC section 7213 and the imposition of the penalties imposed by RTC section 7213. The Department also determined that it was reasonably necessary to adopt Regulation 1808 as an emergency regulation prior to April 30, 2025, which was the first reporting and publication deadline under RTC section 7213. Also, emergency Regulation 1808 became operative on March 24, 2025, and it will be repealed by operation of law on March 25, 2027, unless the Department takes action to make it permanent through the APA's regular rulemaking process and submits the completed rulemaking file to the Office of Administrative Law by March 24, 2027. When stated that the Department determined that something was reasonably necessary, that means the Department determined it was reasonably necessary to have the effect and accomplish the objective of addressing those issues.

Subdivision (a) of Emergency Regulation 1808

The Department determined that there were issues because the terms "department," "fiscal year," and "person" are used in RTC section 7213 but not defined in Bradley–Burns. Therefore, the Department determined that it was reasonably necessary for subdivision (a) of emergency Regulation 1808 to clarify that "Department" means the California Department of Tax and Fee Administration because the California Department of Tax and Fee Administration administers Bradley–Burns. The Department determined that it was reasonably necessary to clarify that "fiscal year" means the 12–month period beginning on July 1 and ending on the following June 30 because that is the state's fiscal year. The Department also determined that it was reasonably necessary to clarify that "person" has the same meaning as defined in RTC section 6005 because Bradley–Burns requires local sales and use tax ordinances to include provisions identical to RTC section 6005, which defines "person" for purposes of the Sales and Use Tax Law.

The Department determined that there were issues because RTC section 7213 defines the term "rebated sales and use tax revenues," but does not clarify:

- When the payment, transfer, diversion, or rebate of money other than local sales and use tax revenue is an indirect payment, transfer, diversion, or rebate of local sales and use tax revenue; or,
- Whether rebated sales and use tax revenues include the apportionment of local sales and use tax revenue between local agencies pursuant to a contract between the local agencies that is authorized by Section 29 (apportionment of local sales and use tax revenue).

The Department determined that a local agency's payment, transfer, diversion, or rebate of any money other than local sales and use tax revenue is an indirect payment, transfer, diversion, or rebate of local sales and use tax revenue if it is based on a retailer's anticipated, estimated, or actual sales, which are subject to local sales and use taxes, or the anticipated, estimated, or actual local sales and use tax revenue from a retailer's sales. This is because the Legislature intended for RTC section 7213 to provide much needed transparency regarding agreements that result in the loss of local sales and use taxes for local agencies across the state. A retailer's anticipated, estimated, and actual sales subject to local sales and use taxes may be used to determine, respectively, the anticipated, estimated, and actual local sales and use tax revenue from the retailer's sales. The Department also determined that a rebate of any money other than local sales and use tax revenue that is based directly or indirectly on the anticipated, estimated, or actual local sales and use tax revenue from a retailer's sales is an indirect rebate of local sales and use tax revenue from the retailer's sales and results in the loss of local sales and use taxes for local agencies across the state.

The Department also determined that the Legislature did not intend for rebated sales and use tax revenue to include the apportionment of local sales and use tax revenue between local agencies pursuant to a contract between the local agencies that is authorized by Section 29 because apportionment does not result in the loss of local sales and use taxes for local agencies across the state. Therefore, the Department determined that it was reasonably necessary for subdivision (a) of emergency Regulation 1808 to incorporate the statutory definition of "rebated sales and use tax revenue" and clarify that the type of agreement referred to in that definition is a tax revenue sharing agreement for ease of reference. The Department determined that it was reasonably necessary to clarify that a local agency's payment, transfer, diversion, or rebate of any money other than local sales and use tax revenue is an indirect payment, transfer, diversion, or rebate of local sales and use tax revenue if it is based on a retailer's anticipated, estimated, or actual sales, which are subject to local sales and use taxes, or the anticipated, estimated, or actual local sales and use tax revenue from a retailer's sales. The Department also determined that it was reasonably necessary to clarify that rebated sales and use tax revenue does not include the apportionment of local sales and use tax revenue between local agencies pursuant to a contract between the local agencies that is authorized by Section 29.

In addition, the Department determined that it was reasonably necessary for subdivision (a) of emergency Regulation 1808 to define "jurisdiction code number" because that term is used in subdivision (e) of the regulation. It was reasonably necessary to incorporate RTC section 7213's definition of "local agency" for ease of reference. It was also reasonably necessary to define the term "local sales and use tax revenue" to mean tax revenue resulting from the imposition of a sales and use tax under Bradley–Burns, so that the shorter term could be used in place of the longer statutory phrase.

Subdivision (b) of Emergency Regulation 1808

The Department determined that there were issues with RTC section 7213 because subdivisions (c) and (d) do not prescribe the form and manner that a local agency is required to report information to the Department for the immediately preceding fiscal year, and the publication requirements in subdivisions (b) and (f) are tied to the reporting requirements in subdivision (d). Therefore, the Department determined that it was reasonably necessary for subdivision (b) of emergency Regulation 1808 to incorporate and clarify the reporting and publication requirements in subdivisions (b), (c), (d), and (f) of RTC section 7213. The Department also determined that it was reasonably necessary for subdivision (e) of emergency Regulation 1808 (discussed below) to prescribe the content of the tax revenue sharing agreement reporting form referred to and cross–referenced in subdivision (b).

The Department determined that it was reasonably necessary for subdivision (b)(1) of emergency Regulation 1808 to require every local agency to electronically complete and submit a tax revenue sharing agreement reporting form to the Department by April 30 of each year to report the information required to be reported by RTC section 7213 for the immediately preceding fiscal year. This was because the Department determined that it needs the local agencies to submit the information required by RTC section 7213 in a uniform electronic manner so that the Department can quickly process the information and publish the information required by subdivision (f) of RTC section 7213 on the Department's internet website in a timely and uniform manner. The Department also determined that to avoid confusion it was reasonably necessary to include an example to clarify that every local agency is required to complete and submit a tax revenue sharing agreement reporting form to the Department by April 30, 2025, to report the tax revenue sharing agreement information required for the fiscal year beginning on July 1, 2023, and ending on June 30, 2024.

The Department determined that it was reasonably necessary for subdivision (b)(2) of emergency Regulation 1808 to require every local agency to report the essential information required by subdivision (e)(1) (discussed below) on their tax revenue sharing agreement reporting form to determine whether they are subject to the reporting requirements in subdivision (c) or (d) of RTC section 7213. The Department determined that it was reasonably necessary for subdivision (b)(3) of emergency Regulation 1808 to incorporate and implement the provision of subdivision (c) of RTC section 7213 by clarifying that a local agency that has not rebated sales and use tax revenue pursuant to a tax revenue sharing agreement during the immediately preceding fiscal year is required to report that fact on their tax revenue sharing agreement reporting form as part of the information required by subdivision (e)(1) and shall be exempt from the additional reporting and publication requirements in subdivision (b)(4). The Department determined that it was reasonably necessary for subdivision (b)(4) of emergency Regulation 1808 to incorporate and implement the provision of subdivisions (b) and (d) of RTC section 7213 by clarifying that a local agency that has rebated sales and use tax revenue pursuant to a tax revenue sharing agreement during the immediately preceding fiscal year is also required to report the information required by subdivision (e)(2) (discussed below) on their tax revenue sharing agreement reporting form and publish the information required by subdivision (e)(2) on the local agency's internet website by April 30 of each year in the manner required by subdivision (b) of RTC section 7213. The Department determined that it was also reasonably necessary for subdivision (b)(5) of emergency Regulation 1808 to clarify that prior to April 30 of each year, the Department shall provide a link to the required tax revenue sharing agreement reporting form to the local agencies to avoid confusion.

In addition, the Department determined that there were issues because the Department may not have the information required to be submitted pursuant to subdivision (d) of RTC section 7213 in time to publish that information on its internet website on or before June 1, 2025, as required by subdivision (f) of RTC section 7213, because of the extension provisions in subdivision (e) of RTC section 7213. Also, subdivision (f) of RTC section 7213 does not prescribe the annual publication date for subsequent years or clarify whether the Department may update the information published on its internet website pursuant to that subdivision. Therefore, the Department determined that it was reasonably necessary for subdivision (b)(6) of emergency Regulation 1808 to clarify that on or before June 1, 2025, and annually on each June 1 thereafter, the Department will publish on its internet website at www.cdtfa.ca.gov the information local agencies reported to the Department for the immediately preceding fiscal year pursuant to subdivision (b)(4), and that the Department may update the information published on its internet website to include information local agencies subsequently report to the Department pursuant to subdivision (b)(4). This was because the Department determined that the Legislature intended for the Department to annually publish the information required by subdivision (f) of RTC section 7213 by June 1 each year based on the initial June 1, 2025, publication date. This was also because the Department determined that the Legislature intended for the Department to update the information published on its internet website to include information reported after June 1 pursuant to extensions provided pursuant to subdivision (e)(1)(A) of RTC section 7213 and information reported after June 1 to prevent penalties from continuing to be imposed pursuant to subdivision (e)(1)(B) of RTC section 7213.

Subdivision (c) of Emergency Regulation 1808

The Department determined that there was an issue with RTC section 7213 because subdivision (e)(1)(A)(i) requires the Department's notices to provide that a local agency has 45 days from the mailing of the notice to provide or publish the required information or submit a statement to the Department explaining why it is unable to provide or publish the required information within the 45–day period, but it does not prescribe the form or manner for a local agency to submit such a statement to the Department. The Department also determined that there was an issue with RTC section 7213 because subdivision (e)(1)(A)(ii)(I) gives the Department discretion to grant a local agency a 30–day extension if it provides such a statement and the local agency demonstrates that the failure to timely comply with the applicable requirement was due to reasonable cause and circumstances beyond the local agency's control, occurred notwithstanding the exercise of ordinary care, and occurred in the absence of willful neglect. However, it seems unreasonable for the Department to deny a 30–day extension when those requirements are met.

Therefore, the Department determined that it was reasonably necessary for subdivision (c) of emergency Regulation 1808 to incorporate the provisions of subdivision (e)(1)(A) of RTC section 7213. It was reasonably necessary to clarify that the Department's notices will provide that a local agency has 45 days from the mailing of the notice to provide or publish the required information or submit a written statement to the Department requesting an extension and explaining why the local agency is unable to report or publish the required information within the 45–day period (extension request). It was reasonably necessary to clarify that an extension request must be submitted by email to the Department's Local Revenue Branch (LRB) and that a local agency may use a form provided by the Department to submit an extension request. This was because the Department determined that it is necessary for local agencies to submit the statements referred to in subdivision (e)(1)(A) of RTC section 7213 by email to LRB so that LRB can process the statements and determine whether to grant extensions as quickly as possible, but that it is not necessary for the Department to prescribe a specific form for local agencies to use to submit the statements. The Department also determined that it was reasonably necessary to clarify that the Department shall grant a 30–day extension when it determines that the statement in a local agency's extension request satisfies all the statutory requirements for an extension because it seems unreasonable for the Department to deny a 30–day extension when all the statutory requirements are met.

Subdivision (d) of Emergency Regulation 1808

The Department determined that there was an issue with RTC section 7213 because subdivision (e)(1)(B) gives the Department discretion to impose penalties if a local agency fails to provide or publish the required information within the applicable period, as determined under subdivision (e)(1)(A). However, the Department is not aware of any reason why it would not impose such penalties when they are applicable. The Department also determined that there may be an issue determining when the penalties are in fact applicable because subdivision (e)(1)(A) of RTC section 7213 provides three different periods. Therefore, the Department determined that it was reasonably necessary for subdivision (d) of emergency Regulation 1808 to incorporate the provisions of subdivision (e)(1)(B) of RTC section 7213, clarify that the Department shall impose the penalties when they are applicable, and provide an example illustrating when the penalties will start to be imposed under each of the three different periods provided in subdivision (e)(1)(A).

The Department determined that there were also issues with RTC section 7213 because subdivision (e)(2) does not clarify when the penalties imposed pursuant to that section are due and payable to the Department for purposes of collection under chapter 4 of the FCPL or specify the manner of payment. The Department also determined that it is necessary for any penalties imposed pursuant to RTC section 7213 to be paid by check because the Department's other systems are not equipped to receive electronic payments from local agencies at this time. Therefore, the Department determined that it was reasonably necessary for subdivision (d) of emergency Regulation 1808 to clarify that a penalty imposed on a local agency pursuant to subdivision (d) of the emergency regulation is due and payable to the Department by check 30 days after the Department notifies the local agency that the penalty was imposed.

Subdivision (e) of Emergency Regulation 1808

The Department determined that it was reasonably necessary for subdivision (e) of emergency Regulation 1808 to prescribe the content of the tax revenue sharing agreement reporting form referred to and cross–referenced in subdivision (b) of the regulation to have the effect and accomplish the objective of prescribing the form and manner in which a local agency is required to report information to the Department for the immediately preceding fiscal year pursuant to subdivision (c) or (d) of RTC section 7213. To ensure the Department can identify the local agency, determine whether the local agency is subject to the reporting requirements in subdivision (c) or (d) of RTC section 7213 for the immediately preceding fiscal year, identify the person that completed the form on behalf of the local agency, and ensure that the person completed the form to the best of their knowledge, the Department determined that it was reasonably necessary for subdivision (e)(1) of emergency Regulation 1808 to require a local agency to report the following information:

- The local agency's jurisdiction code number;
- The end date of the fiscal year (e.g., June 30, 2024) for which information is being reported;
- Whether the local agency rebated sales and use tax revenue pursuant to a tax revenue sharing agreement during the fiscal year for which information is being reported; and,
- The name, title, and email address of the person completing the form and their statement that "I hereby certify that this report has been examined by me and to the best of my knowledge and belief is a true, correct, and complete report."

To implement subdivision (d) of RTC section 7213, the Department determined that it was reasonably necessary for subdivision (e)(2) of emergency Regulation 1808 to require a local agency that rebated sales and use tax revenue pursuant to one or more tax revenue sharing agreements during the fiscal year for which information is being reported to include the following statutorily–required information on their tax revenue sharing agreement reporting form for each agreement:

- The name or names of any parties to the agreement;
- The date the agreement was executed;
- The date the agreement terminated or will terminate, absent a renewal;
- The total dollar amount of rebated sales and use tax revenues received by each party to the agreement on or after the date of the execution of the agreement through and including June 30 of the fiscal year for which information is being reported;
- The total dollar amount of rebated sales and use tax revenues received by each party to the agreement during the fiscal year for which information is being reported;
- The percentage of a retailer's sales and use taxes, if any, used to calculate or otherwise determine the rebated sales and use tax revenues received by each party to the agreement; and,
- The percentage of a retailer's sales and use taxes, if any, used to calculate or otherwise determine the rebated sales and use tax revenues received by any other person that is not a party to the agreement.

To ensure compliance with subdivision (b) of RTC section 7213, the Department determined that it was reasonably necessary for subdivision (e)(3) of emergency Regulation 1808 to clarify that if a local agency reports the information about tax revenue sharing agreements required by subdivision (e)(2) on its tax revenue sharing agreement reporting form, then the local agency must also state on their tax revenue sharing agreement reporting form whether the information is published on the local agency's internet website in the manner required by subdivision (b) of RTC section 7213.

PROPOSED REGULATORY ACTION

The Department is now proposing to make emergency Regulation 1808 permanent through the APA's regular rulemaking process because the Department determined that its adoption is reasonably necessary to have the effect and accomplish the objective of addressing the same issues for which it was originally adopted as an emergency regulation. The Department is also proposing to adopt amendments to subdivisions (a)(7), (b)(1), (c)(1)(A), and (e)(1)(B) of emergency Regulation 1808 as part of the proposed action through the APA's regular rulemaking process because the Department determined that the amendments are reasonably necessary.

Amendments to Subdivision (a)(7)

The Department determined that there is an issue with subdivision (a)(7) of emergency Regulation 1808, which defines the related terms "rebated sales and use tax revenues" and "tax revenue sharing agreement." This is because the Department received several questions from local agencies after emergency Regulation 1808 was adopted about whether specific types of payments and offsets made pursuant to agreements were rebated sales and use tax revenues pursuant to reportable tax revenue sharing agreements, as defined in subdivision (a)(7), and those questions indicated that some local agencies are still confused about the meanings of the terms "rebated sales and use tax revenues" and "tax revenue sharing agreement". Therefore, the Department determined that it is reasonably necessary to propose to amend subdivision (a)(7) of emergency Regulation 1808 to add four clarifying examples of offsets and payments that are rebated sales and use tax revenue pursuant to a tax revenue sharing agreement, as defined in subdivision (a)(7), and two clarifying examples of payments that are not rebated sales and use tax revenue pursuant to a tax revenue sharing agreement. All six examples are based on the specific questions the Department received from local agencies.

Amendments to Subdivisions (b)(1) and (e)(1)(B)

The Department determined that there are issues with the examples in subdivisions (b)(1) and (e)(1)(B) of emergency Regulation 1808. This is because the example in subdivision (b)(1) clarifies the reporting due date for the fiscal year beginning on July 1, 2023, and ending on June 30, 2024, the example in subdivision (e)(1)(B) clarifies the end date of the same fiscal year, and both examples will be outdated by the time emergency Regulation 1808 is made permanent through the APA's regular rulemaking process. Therefore, the Department determined that it is reasonably necessary to propose to update the example in subdivision (b)(1) so that it clarifies that April 30, 2027, is the reporting due date for the fiscal year beginning on July 1, 2025, and ending on June 30, 2026, and update the example in subdivision (e)(1)(B) so that it clarifies the end date of the same fiscal year. This is because the Department anticipates that April 30, 2027, will be the first reporting due date after emergency Regulation 1808 is adopted through the APA's regular rulemaking process.

Amendments to Subdivision (c)(1)(A)

The Department determined that there is an issue with subdivision (c)(1)(A) of emergency Regulation 1808 because it requires extension requests to be emailed to LRB at JServices@cdtfa.ca.gov, which is LRB's general email address. However, LRB now has a new email address for the specific purpose of receiving extension requests so they can be processed as quickly as possible, which is ab2854reporting@cdtfa.ca.gov. Therefore, the Department determined that it is reasonably necessary to propose to amend subdivision (c)(1)(A) of emergency Regulation 1808 to require extension requests to be emailed to LRB at ab2854reporting@cdtfa.ca.gov, instead of JServices@cdtfa.ca.gov.

The Department anticipates that the adoption of this proposed action to make emergency Regulation 1808 permanent benefits local agencies, the Department, and the public by clarifying the reporting and publication requirements imposed by RTC section 7213, clarifying the imposition of the penalties that may be imposed pursuant to RTC section 7213, and generally increasing openness and transparency in government.

The Department has performed an evaluation of whether this proposed regulatory action is inconsistent or incompatible with existing state regulations and has determined that the action is not inconsistent or incompatible with existing state regulations. This is because there are no other regulations that implement, interpret, or make specific RTC section 7213. In addition, the Department has determined that there are no comparable federal regulations or statutes to emergency Regulation 1808 with the proposed amendments.

NO MANDATE ON LOCAL AGENCIES AND SCHOOL DISTRICTS

The Department has determined that the proposed action will not impose a mandate on local agencies or school districts, including a mandate that requires state reimbursement under part 7 (commencing with section 17500) of division 4 of title 2 of the GC.

ONE–TIME COST TO THE DEPARTMENT, BUT NO OTHER COST OR SAVINGS TO STATE AGENCIES, LOCAL AGENCIES, AND SCHOOL DISTRICTS

The Department has determined that this proposed action will result in an absorbable $547 one–time cost for the Department to update its internet website after the proposed regulatory action is completed. The Department has determined that the proposed action will not result in any other direct or indirect cost or savings to any state agency, no cost to any local agency or school district that is required to be reimbursed under part 7 (commencing with section 17500) of division 4 of title 2 of the GC, no other non–discretionary cost or savings imposed on local agencies, and no cost or savings in federal funding to the State of California.

NO SIGNIFICANT STATEWIDE ADVERSE ECONOMIC IMPACT DIRECTLY AFFECTING BUSINESS

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

EFFECT ON SMALL BUSINESS

The Department has determined that this proposed action may affect small business.

NO COST IMPACTS TO PRIVATE PERSONS OR BUSINESSES

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

RESULTS OF THE ECONOMIC IMPACT ASSESSMENT REQUIRED BY GC SECTION 11346.3, SUBDIVISION (B)

The Department assessed the economic impact of this proposed action on California businesses and individuals and determined that the proposed regulatory action is not a major regulation, as defined in GC section 11342.548 and CCR, title 1, section 2000. Therefore, the Department prepared the economic impact assessment required by GC section 11346.3, subdivision (b)(1), and included it in the initial statement of reasons. In the economic impact assessment, the Department determined that the proposed action will neither create nor eliminate jobs in the State of California nor result in the creation of new businesses or the elimination of existing businesses within the state and will not affect the expansion of businesses currently doing business within the State of California. Furthermore, the Department determined that the proposed action will not affect the benefits of the regulation to the health and welfare of California residents, worker safety, or the state's environment.

NO SIGNIFICANT EFFECT ON HOUSING COSTS

This proposed action will not have a significant effect on housing costs.

DETERMINATION REGARDING ALTERNATIVES

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

CONTACT PERSONS

Questions regarding the substance of emergency Regulation 1808 with the proposed amendments should be directed to Michael Patno, Business Taxes Specialist II, by telephone at (916) 309–5303, by email at Michael.Patno@cdtfa.ca.gov, or by mail at California Department of Tax and Fee Administration, Attention: Michael Patno, MIC:50, 651 Bannon Street, Suite 100, Sacramento, CA 95811–0299.

Written comments for the Department's consideration, written requests to hold a public hearing, notices of intent to present testimony or witnesses at the public hearing, and other inquiries concerning the proposed regulatory action should be directed to Kim DeArte, Regulations Coordinator, by telephone at (916) 309–5227, by email at CDTFARegulations@cdtfa.ca.gov, or by mail to: California Department of Tax and Fee Administration, Attention: Kim DeArte, MIC:50, 651 Bannon Street, Suite 100, Sacramento, CA 95811–0299. Kim DeArte is the designated backup contact person to Michael Patno.

WRITTEN COMMENT PERIOD

The written comment period ends on September 8, 2026. The Department will consider the statements, arguments, and/or contentions contained in written comments received by Kim DeArte at the postal address or email address provided above, prior to the close of the written comment period, before the Department decides whether to adopt the proposed action to make emergency Regulation 1808 permanent, with the proposed amendments. The Department will only consider written comments received by that time.

However, if a public hearing is held, written comments may also be submitted during the day of and at the public hearing and the Department will also consider the statements, arguments, and/or contentions contained in written comments submitted during the day of or at the public hearing.

AVAILABILITY OF INITIAL STATEMENT OF REASONS AND TEXT OF PROPOSED REGULATION

Through the APA's regular rulemaking process, the Department is proposing to make emergency Regulation 1808 permanent. This proposed action also includes amendments to Regulation 1808. The Department has prepared the express terms of the proposed regulation with the changes illustrated in underline and strikeout and has also prepared an initial statement of reasons providing the necessity, purpose, and rationale for this action and the amendments. The Initial Statement of Reasons also includes the economic impact assessment required by GC section 11346.3, subdivision (b)(1). These documents and all the information on which the proposed regulatory action is based are available to the public upon request. The rulemaking file is available for public inspection at 651 Bannon Street, Suite 100, Sacramento, California. The express terms of the proposed action and the initial statement of reasons are also available on the Department's internet website at www.cdtfa.ca.gov/taxes–and–fees/regscont.htm.

PUBLIC HEARING

The Department has not scheduled a public hearing to discuss the proposed action. However, any interested person or their authorized representative may submit a written request for a public hearing no later than 15 days before the close of the written comment period, and the Department will hold a public hearing if it receives a timely written request.

SUBSTANTIALLY RELATED CHANGES PURSUANT TO GC SECTION 11346.8

The Department may adopt the proposed regulatory action with changes that are non–substantial or solely grammatical in nature, or sufficiently related to the original proposed text that the public was adequately placed on notice that the changes could result from the originally proposed regulatory action. If a sufficiently related change is made pursuant to GC section 11346.8, the Department will make the full text of the resulting regulation, with the change clearly indicated, available to the public for at least 15 days before adoption. The text of the resulting regulation will be mailed to those interested parties who commented on the original proposed regulation orally or in writing or who asked to be informed of such changes. The text of the resulting regulation will also be available to the public from Kim DeArte. The Department will consider timely written comments it receives regarding a sufficiently related change.

AVAILABILITY OF FINAL STATEMENT OF REASONS

If the proposed action to make emergency Regulation 1808 permanent with the proposed amendments is adopted through the APA's regular rulemaking process, the Department will prepare a final statement of reasons. Upon completion, the final statement of reasons will be made available for inspection at 651 Bannon Street, Suite 100, Sacramento, California, and available upon request by contacting the contact person(s) named above.

AVAILABILITY OF DOCUMENTS ON THE INTERNET

Copies of the notice, initial statement of reasons, and the text of emergency Regulation 1808 with the proposed amendments are available on the Department's internet website at www.cdtfa.ca.gov/taxes–and–fees/regscont.htm. If the Department publishes other related documents, they will also be available there.

TITLE 28. DEPARTMENT OF MANAGED HEALTH CARE

HEALTH EQUITY AND QUALITY

PUBLIC PROCEEDINGS

Notice is hereby given that the Director of the Department of Managed Health Care (Department) proposes to add a regulation under the Knox–Keene Health Care Service Plan Act of 1975 (Knox–Keene Act), sections 1300.870, 1300.870.1, 1300.870.2, 1300.870.3, 1300.870.4, 1300.870.5, 1300.870.6, 1300.870.7, and 1300.870.8 of title 28 of the California Code of Regulations.

PUBLIC HEARING

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

WRITTEN COMMENT PERIOD

Any interested person, or his or her authorized representative, may submit written statements, arguments, or contentions (hereafter referred to as comments) relating to the proposed regulatory action by the Department. Comments shall be received by the Department, Office of Legal Services, ***by September 8, 2026***, which is hereby designated as the close of the written comment period.

Please address all comments to the Department of Managed Health Care, Office of Legal Services, Attention Health Program Specialist I. Comments may be transmitted by standard U.S. mail or email:

Email: regulations@dmhc.ca.gov
Mail: Department of Managed Health Care
Office of Legal Services
Attention: Health Program Specialist
980 9th Street, Suite 500
Sacramento, CA 95814

Please note: If comments are sent via email, there is no need to send the same comments by standard U.S. mail. All comments, including via email or standard U.S. mail, should include the author's name and a U.S. mailing address so the Department may provide commenters with notice of any additional proposed changes to the proposed regulatory text.

Please identify the action by using the Department's rulemaking title and control number, **Health Equity and Quality Regulation, Control Number 2024–HEQ**, in any of the above inquiries.

CONTACTS

Inquiries concerning the proposed adoption of this regulation may be directed to the following persons:

Sara Durston
Attorney IV
Department of Managed Health Care
Office of Legal Services
980 9th Street, Suite 500
Sacramento, CA 95814
916–324–9027 (phone)
sara.durston@dmhc.ca.gov

Kim Bollenbach
Health Program Specialist I
Department of Managed Health Care
Office of Legal Services
980 9th Street, Suite 500
Sacramento, CA 95814
(916) 414–0790 (phone)
kim.bollenbach@dmhc.ca.gov

AVAILABILITY OF DOCUMENTS

The Department prepared and has available for public review the Initial Statement of Reasons, text of the proposed regulation, and all information upon which the proposed regulation is based (rulemaking file). This information is available by request to the Department of Managed Health Care, Office of Legal Services, 980 9th Street, Suite 500, Sacramento, CA 95814, Attention: Health Program Specialist I.

The Notice of Proposed Rulemaking Action, the proposed text, and the Initial Statement of Reasons are also available on the Department's website at: https://wpso.dmhc.ca.gov/regulations/regs/?key=65.

You may obtain a copy of the Final Statement of Reasons once it is completed by making a written request to the Health Program Specialist I named above.

AVAILABILITY OF MODIFIED TEXT

The full text of any modified regulation, unless the modification is only non–substantial or solely grammatical in nature, will be made available to the public at least 15 days before the date the Department adopts the regulation. A request for a copy of any modified regulation should be addressed to the Health Program Specialist I. The Director will accept comments via standard U.S. mail or email on the modified regulation for 15 days after the date on which the modified text is made available. The Director may thereafter adopt, amend, or repeal the foregoing proposal substantially as set forth without further notice.

AUTHORITY AND REFERENCE

Health and Safety Code section 1341, subdivision (a), authorizes the Department to regulate health care service plans (health plans).

Health and Safety Code section 1341.9 vests the Director of the Department with all duties, powers, purposes, responsibilities, and jurisdiction as they pertain to health plans and the health plan business.

Health and Safety Code section 1344 grants the Director the authority to adopt, amend, and rescind such rules, forms, and orders as necessary to carry out the provisions of the Knox–Keene Health Care Service Plan Act of 1975 (Knox–Keene Act).

Health and Safety Code section 1374.72 requires health plans that provide hospital, medical, or surgical coverage to provide coverage for medically necessary treatment of mental health and substance use disorders under the same terms and conditions applied to other medical conditions.

Health and Safety Code section 1386 allows the Director of the Department to discipline a health plan based on the health plan's acts or omissions. It also allows the Director to suspend or revoke a health plan license, or assess administrative penalties, if the Director determines the licensee has committed any of the acts or omissions constituting grounds for disciplinary action.

Health and Safety Code section 1387 states that the civil penalties provided for acts in violation of the Knox–Keene Act are not exclusive and may be sought in any combination.

Health and Safety Code section 1392 authorizes the Director to bring an action in superior court for any violation of the Knox–Keene Act or rules.

Health and Safety Code section 1394 states that the civil, criminal, and administrative remedies available to the Director of the Department are not exclusive.

Health and Safety Code 1399.870 states the Department shall convene a Health Equity and Quality Committee to make recommendations to the Department for standard health equity and quality measures, including annual benchmark standards to assess equity and quality in health care delivery.

Health and Safety Code 1399.871 states the Department shall establish standard measures and annual benchmarks for equity and quality in health care delivery after discussion at a meeting of the Health Equity and Quality Committee. It also states that on or before January 1, 2026, a health plan and subcontracted health plans shall have and maintain National Committee for Quality Assurance (NCQA) accreditation.

Health and Safety Code 1399.872 states that health plans shall annually submit to the Department, at a time and manner specified by the Department, a report containing health equity and quality data and information and the health plan shall submit policies, procedures, and systems to the Department demonstrating how the health plan will achieve compliance with the reporting requirement. If the health plan does not demonstrate compliance with the article, the Department may require the health plan to implement progressive corrective action, including administrative penalties.

Health and Safety Code 1399.873 states the Article, 11.9 Health Equity and Quality, shall apply to health care service health plans that cover hospital, medical, or surgical expenses, including Medi–Cal health plans and specialized health plans that provide behavioral health care and that the obligation of a health plan to comply with the article is not waived if the health plan delegates any service or functions to medical groups, independent practice associations, or other contracting agencies.

Health and Safety Code section 1399.874 states that the Department may implement, interpret, or make specific provisions of the Health Equity and Quality statute, found in Article 11.9 of the Health and Safety Code, by means of all–plan letters (APLs), methodologies, rules, policy, forms, or other similar instructions without taking regulatory action until January 1, 2027.

INFORMATIVE DIGEST/POLICY STATEMENT OVERVIEW

Summary of Existing Laws and Effect of the Proposed Action

Existing law, under the Knox–Keene Act in Article 11.9, establishes the authority for the Department to enact requirements for health plans to improve health equity and quality (HEQ). Article 11.9 provides authority for the Department to create and establish a Health Equity and Quality Committee (Committee). The purpose of the Committee is to make recommendations to the Department for HEQ measures health plans must report to the Department, including annual benchmark standards for assessing equity and quality in health care delivery.

Health and Safety Code section 1399.871 states the Department shall, after considering the Committee's recommendations, establish standard HEQ measures and annual benchmarks for equity and quality in health care delivery that shall sunset at most every five years from the date the Department establishes the HEQ standard measures and annual benchmarks. Health and Safety Code section 1399.872 states that health plans shall annually submit to the Department a report containing HEQ measure data. The Department shall review the health plan's measure data and shall determine if the health plan is in compliance with HEQ standard measure reporting requirements and annual benchmark standards and issue a report of its findings to the health plan, which shall be made available on the Department's website. The Department may take progressive discipline if the health plan is not in compliance with the HEQ standard measure reporting and annual benchmark standard.

Health and Safety Code section 1399.871 also requires that health plans and subcontracted health plans must, on or before January 1, 2026, have and maintain NCQA accreditation. The accreditation requirement does not apply to Medi–Cal health plans.

Health and Safety Code section 1399.874 states that the Department may implement or make specific Article 11.9 by means of all–plan letters (APLs), methodologies, rules, policies, forms, or similar instructions without taking regulatory action until January 1, 2027.

This regulation will clarify the underlying statute by providing detail about the HEQ standard measures, the annual benchmark standard, the NCQA accreditation requirements, and Department enforcement if the health plan fails to meet an HEQ requirement. Specifically, the proposed regulations will define key terms, detail the HEQ measures health plans must report on annually and the format in which they should be reported. The regulation will also provide the annual benchmark standard against which the HEQ measures will be judged for compliance. The proposed regulation will also provide detail about the necessary policies and procedures the health plan must maintain and submit to the Department for HEQ compliance. The regulation will also provide information about the NCQA accreditation(s) the health plan must earn and maintain and how proof of such accreditation shall be submitted to the Department. Finally, the regulation will provide information about the steps that shall be taken if a health plan fails to meet any requirement, including the corrective action requirements and enforcement options.

Objectives and Anticipated Benefits of the Proposed Regulation

Pursuant to Government Code section 11346.5, subdivision (a)(3)(C), the broad objective and anticipated benefit of this regulation are to clarify and make specific state law. The relevant state law permits the Department to collect HEQ data from health plans and require health plans to meet an annual benchmark standard.

Section 1300.870 clarifies the entities to which the regulation will apply. This language is clarifying the underlying statute in Health and Safety Code section 1399.873. The objective and benefit of this section is that it will add clarity to the statutory language by detailing to what types of health plans the regulation will apply and by stating that delegation of services and functions by the health plans does not constitute a waiver of the requirements of the regulation. This clarification will benefit the health plans by specifying their obligations under provisions of the regulation and will benefit the Department by ensuring regulated health plans compliance with the Knox–Keene Act.

Section 1300.870.1 defines the terms used in the regulation. The objective of this section is to allow every person reading the regulation to understand the meaning of the terms used therein, including the regulated health plans. This will benefit the health plans by ensuring the regulation is interpreted consistently.

The objective of section 1300.870.2 is to clarify the accreditation requirement from the underlying statute, Knox–Keene Act section 1399.871, subdivision (d)(1). The statute states that a health plan and its subcontracted health care service health plan shall have and maintain NCQA accreditation. However, the statute does not provide more detail about the type of accreditation, the deadline by which the accreditation must be earned, and how such accreditation must be shown. The regulation will provide benefits to health plans by providing the details necessary to comply with the accreditation requirement of the statute.

Section 1300.870.3 provides the benefit of listing the HEQ measures that health plans must report to the Department. The regulation lists the HEQ measures and states what guidance should be used for more information about the measures. The objective of this section is to tell not only health plans, but also consumers and interested parties, the HEQ measures on which the health plan will be judged. The underlying statute, in Health and Safety Code section 1399.871(a)(1), states the Department shall establish standard measures but defers to the Department to establish such measures after Committee discussion so this section is necessary to make specific the statutory requirement.

The objective of section 1300.870.4 is to provide detail for health plans to understand how to submit HEQ measure data to the Department. As stated above, the underlying statute in Health and Safety Code section 1399.871, requires health plans to submit HEQ measure data to the Department but it does not provide detail about the measures nor about how the data should be submitted. The benefit of the regulation is to provide clarity to health plans on how to report the HEQ measure data. This section will eliminate confusion and make the reporting process easier and faster and ensure the Department receives correct information from the health plans who are reporting HEQ measure data for the Department's compliance review.

The objective of section 1300.870.5 is to list the standard against which the HEQ measure data will be judged for compliance. The statute, in Health and Safety Code section 1399.871, subdivision (a)(1), states the Department shall establish an annual benchmark for equity and quality in health care delivery. The regulation will provide the benefit of identifying the annual benchmark, clarifying for health plans and interested consumers and parties the standard that health plans must meet in order to comply with the statute, and ensuring the Department is receiving correct information to ensure health plan compliance with the benchmark for equity and quality in health care delivery. This provision also benefits enrollees by ensuring that enrollees are receiving health care services meeting the benchmark requirements from their health plans.

Section 1300.870.6 provides details about the policies and procedures health plans must file with the Department. The objective of this section is to state what must be contained in the policies and procedures. The benefit is that by requiring health plans to include details in the policies and procedures about how it will achieve and maintain NCQA accreditation, how health plans will report HEQ measure data and comply with the benchmark standard, and how health plans will comply with corrective action requirements health plans will have a plan in place to ensure the health plan complies with HEQ requirements.

Section 1300.870.7 has the objective of stating the process that shall be followed when the health plan fails to meet regulatory requirements. This section states that if the Department issues a Performance Findings Report for a failure, the Department may require the health plan to complete a corrective action plan (CAP). This has the benefit of giving clear directions for how quickly the CAP must be submitted, as well as details about the corrective action the health plan will take to handle the deficiency.

The objective of Section 1300.870.8 is to clarify that the Department may take enforcement action against any health plan or subcontracted health plan, delegated entities, or subdelegated entities. This provision benefits the health plans and the subcontracted and delegated entities by providing notice to the health plans that the Department may take any civil, criminal, or administrative remedy available.

Evaluation of Inconsistency/Incompatibility with Existing State Regulations

The Rule proposed in this rulemaking action is neither inconsistent nor incompatible with existing state regulations. The Department compared the proposed section 1300.870, et seq. to existing sections, including section 1300.45, 1300.52, and 1300.67.2.2 and found no inconsistencies or incompatibilities with the proposed regulation.

Federal Statutes or Regulations

There are no relevant federal statutes or regulations.

Forms Incorporated by Reference

Pursuant to California Code of Regulation, title 1, section 20(c), the Department is incorporating by reference the following documents:

- Instruction Manual for Health Equity and Quality (Revised on September 12, 2025).
- Health Equity and Quality Pre–Filing Form" (Form 40–290) (Revised September 12, 2025).

ALTERNATIVES CONSIDERED

Pursuant to Government Code section 11346.5(a)(13), the Department shall determine that no reasonable alternative considered by the agency or that has otherwise been identified and brought to the attention of the agency (1) would be more effective in carrying out the purpose for which the action is proposed, (2) would be as effective and less burdensome to affected private persons than the proposed action, or (3) would be more cost effective to affected private persons and equally effective in implementing the statutory policy or other provision of law.

The Department, as required by Health and Safety Code section 1399.870, convened a Health Equity and Quality Committee (the Committee) to discuss options for HEQ measures and the benchmark standard. Through Committee meetings and public comment, the Committee and the Department considered a variety of alternatives to the HEQ measures and benchmark standard in the proposed regulation. The Committee considered state and national trends related to HEQ, as well as the intersection of characteristics in patients that contribute to health disparities. The HEQ measure selection process was rigorous, as the Committee wanted to ensure the measure set was not overly burdensome for plans to report but also provided meaningful data that can improve health equity and quality. The Committee also discussed the benchmark standard, ensuring that the benchmark will not be impossible to meet but will drive forward equity and quality.

Because of the robust Committee discussion, and the opportunity for the public to comment and participate throughout the Committee meetings, the Department has determined the proposed regulation to be the best path forward. Additionally, because the underlying statute requires the Department to provide guidance and enact a regulation regarding the HEQ measure reporting, the benchmark standard, and other provisions regarding the HEQ program, the Department has determined there is no reasonable alternative to this regulation.

The Department invites interested people to present statements or arguments with respect to alternatives to the requirements of the proposed regulation during the written comment period.

PURPOSE OF REGULATION

This proposed regulation interprets, implements, and makes specific the requirements of the underlying HEQ statutes. The regulation will enumerate the HEQ measures on which health plans must report to the Department, the NCQA accreditation they must maintain, and the policies and procedures they must develop and submit to the Department. It will also clarify the annual benchmark standard against which health plans will be assessed and what action will be taken if the health plan fails to comply.

Health and Safety Code section 1399.874 states the Department may implement, interpret, or make specific the HEQ statutes, Article 11.9 of the Health and Safety Code, by means of all–plan letters (APLs), methodologies, rules, policies, forms, or similar instructions without taking regulation action until January 1, 2027. The purpose of this regulation is to make specific and to codify the HEQ requirements, which until now have been implemented via APLs issued to health plans and posted on the Department website.

SUMMARY OF FISCAL IMPACT

- Mandate on local agencies and school districts: None.
- Cost or Savings to any State Agency: None.

- Direct or Indirect Costs or Savings in Federal Funding to the State: None.
- Cost to Local Agencies and School Districts Required to be Reimbursed under Part 7 (commencing with Section 17500) of Division 4 of the Government Code: None.
- Costs to private persons or businesses directly affected: Although the proposed action will directly affect business within the state, the Department concludes that the adverse economic impact, including the ability of California businesses to compete with businesses in other states, will not be significant. The Department estimates that the total lifetime ongoing cost of the regulation, as amended, on all businesses will be between $12,406 and $345,896.
- Effect on Housing Costs: None.
- Other non–discretionary costs or savings imposed upon local agencies: None.
- Small business: The Department determined that a small business may incur between $417 and $834 to implement this regulation.

RESULTS OF THE ECONOMIC IMPACT ASSESSMENT

The Initial Statement of Reasons for this rulemaking action describes the basis for the following Economic Impact Assessment results:

Creation or Elimination of Jobs Within the State of California

The proposed changes to this regulation will neither create new jobs nor eliminate existing jobs because it builds existing industry practice and thus will not have a large financial impact. The proposed regulation will require health plans to report HEQ data to the Department that it already collects as a matter of industry practice. Health plans also already have and maintain NCQA accreditation and so the Rule will not place additional burden on the health plans.

Creation of New Businesses or the Elimination of Existing Businesses Within the State of California

The proposed regulation will neither create new business nor eliminate existing businesses because the regulation only clarifies HEQ requirements, including HEQ data reporting requirements, found in existing statute. Also, as stated above, health plans already collect the required HEQ data and have NCQA accreditation as part of industry practice.

Expansion of Businesses Currently Doing Business Within the State of California

The proposed regulation amendments will not result in an expansion of businesses currently operating with the State of California. The regulation only clarifies HEQ requirements, including HEQ data reporting requirements and NCQA accreditation requirements. Also, as stated above, health plans already collect the required HEQ data and have NCQA accreditation as part of industry practice.

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

The proposed regulation will benefit the health and wellness of California residents by enhancing the ability of the Department to ensure that health plans are providing health care that meets the needs of all individuals, regardless of race and ethnicity. Holding health plans accountable to meeting HEQ standards is important to ensure a fair health care delivery system that meets the needs of all Californians.

The proposed regulation will not have an impact on worker safety nor the state's environment. The proposed regulation will ensure health plans provide equitable health care services, but this will not directly impact worker safety nor the environment.

BUSINESS REPORT

The proposed regulation is intended to clarify and make specific state law for health plans and other persons under the Knox–Keene Act. The Department finds that the provisions of the regulation are necessary for the health, safety or welfare of the people of the state that the rulemaking action applies to businesses.

SIGNIFICANT STATEWIDE ADVERSE ECONOMIC IMPACT

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

GENERAL PUBLIC INTEREST

DEPARTMENT OF FISH AND WILDLIFE

FISH AND GAME CODE SECTION 1653 CONSISTENCY DETERMINATION REQUEST FOR SALLIE KEYES MEADOW RESTORATION PROJECT (TRACKING NUMBER: 1653–2026–189–001–R4) FRESNO COUNTY

California Department of Fish and Wildlife (CDFW) received a Request to Approve on July 13, 2026, that the JMT Wilderness Conservancy (Conservancy) proposes to carry out a habitat restoration or enhancement project pursuant to Fish and Game Code section 1653. The proposed project involves restoring wet meadow habitat by improving hydrologic function, increasing groundwater retention, restoring floodplain connectivity, revitalizing native vegetation, and reducing channel incision. The proposed project will be carried out in Sallie Keyes Meadow, located within the Sierra National Forest, Fresno County, California.

On April 10, 2026, the Central Valley Regional Water Quality Control Board (Regional Water Board) received a Notice of Intent (NOI) to comply with the terms of, and obtain coverage under, the General 401 Water Quality Certification Order for Small Habitat Restoration Projects (General 401 Order) for the Sallie Keyes Meadow Restoration Project. The Regional Water Board determined that the Project, as described in the NOI, was categorically exempt from California Environmental Quality Act (CEQA) review (section 15333 — Small Habitat Restoration Projects) and met the eligibility requirements for coverage under the General 401 Order. The Regional Water Board issued a Notice of Applicability (WDID Number 5B10CR00143) for coverage under the General 401 Order on May 13, 2026.

The Conservancy is requesting a determination that the project and associated documents are complete pursuant to Fish and Game Code section 1653 subdivision (d). If CDFW determines the project is complete, the Conservancy will not be required to obtain an incidental take permit under Fish and Game Code section 2081 subdivision (b) or a Lake or Streambed Alteration Agreement under Fish and Game Code section 1605 for the proposed project.

In accordance with Fish and Game Code section 1653 subdivision (e), if CDFW determines during the review, based on substantial evidence, that the request is not complete, the Conservancy will have the opportunity to submit under Fish and Game Code section 1652.

DEPARTMENT OF FISH AND WILDLIFE

FISH AND GAME CODE SECTION 1653 CONSISTENCY DETERMINATION REQUEST FOR MEMORIAL PARK MAGENTA DRAIN RESTORATION DESIGN PROJECT (TRACKING NUMBER: 1653–2026–186–001–R2) NEVADA COUNTY

California Department of Fish and Wildlife (CDFW) received a Request to Approve on July 14, 2026, that the City of Grass Valley (City) proposes to carry out a habitat restoration or enhancement project pursuant to Fish and Game Code section 1653. The proposed project involves restoring approximately 0.73 acres of habitat along Magenta Drain within Memorial Park. The proposed project will be carried out on Magenta Drain, located in Memorial Park, Grass Valley, Nevada County, California.

On June 18, 2026, the Central Valley Regional Water Quality Control Board (Regional Water Board) received a Notice of Intent (NOI) to comply with the terms of, and obtain coverage under, the General 401 Water Quality Certification Order for Small Habitat Restoration Projects (General 401 Order) for the Memorial Park Magenta Drain Restoration Design Project. The Regional Water Board determined that the Project, as described in the NOI, was categorically exempt from California Environmental Quality Act (CEQA) review (section 15333 — Small Habitat Restoration Projects) and met the eligibility requirements for coverage under the General 401 Order. The Regional Water Board issued a Notice of Applicability (WDID Number 5A29CR00148) for coverage under the General 401 Order on July 13, 2026.

The City is requesting a determination that the project and associated documents are complete pursuant to Fish and Game Code section 1653 subdivision (d). If CDFW determines the project is complete, the City will not be required to obtain an incidental take permit under Fish and Game Code section 2081 subdivision (b) or a Lake or Streambed Alteration Agreement under Fish and Game Code section 1605 for the proposed project.

In accordance with Fish and Game Code section 1653 subdivision (e), if CDFW determines during the review, based on substantial evidence, that the request is not complete, the City will have the opportunity to submit under Fish and Game Code section 1652.

DEPARTMENT OF FISH AND WILDLIFE

FISH AND GAME CODE SECTION 1653 CONSISTENCY DETERMINATION REQUEST FOR MIDDLE CREEK COHO HABITAT ENHANCEMENT PROJECT PHASE 2 (TRACKING NUMBER: 1653–2026–188–001–R1) SISKIYOU COUNTY

California Department of Fish and Wildlife (CDFW) received a Request to Approve on July 13, 2026, that the U.S. Fish and Wildlife Service (Service) proposes to carry out a habitat restoration or enhancement project pursuant to Fish and Game Code section 1653. The proposed project involves restoring coho salmon spawning and rearing habitat by improving channel form and function and increasing floodplain connectivity. The proposed project will be carried out on Middle Creek, located near the town of Horse Creek, Siskiyou County, California.

On April 7, 2026, the North Coast Regional Water Quality Control Board (Regional Water Board) received a Notice of Intent (NOI) to comply with the terms of, and obtain coverage under, the General 401 Water Quality Certification Order for Small Habitat Restoration Projects (General 401 Order) for the Middle Creek Coho Habitat Enhancement Project Phase 2. The Regional Water Board determined that the Project, as described in the NOI, was categorically exempt from California Environmental Quality Act (CEQA) review (section 15333 — Small Habitat Restoration Projects) and met the eligibility requirements for coverage under the General 401 Order. The Regional Water Board issued a Notice of Applicability (WDID Number 1A26055WNSI) for coverage under the General 401 Order on May 19, 2026.

The Service is requesting a determination that the project and associated documents are complete pursuant to Fish and Game Code section 1653 subdivision (d). If CDFW determines the project is complete, the Service will not be required to obtain an incidental take permit under Fish and Game Code section 2081 subdivision (b) or a Lake or Streambed Alteration Agreement under Fish and Game Code section 1605 for the proposed project.

In accordance with Fish and Game Code section 1653 subdivision (e), if CDFW determines during the review, based on substantial evidence, that the request is not complete, the Service will have the opportunity to submit under Fish and Game Code section 1652.

DEPARTMENT OF FISH AND WILDLIFE

FISH AND GAME CODE SECTION 1653 CONSISTENCY DETERMINATION REQUEST FOR EAST BRANCH EAST WEAVER CREEK CULVERT REPLACEMENT (TRACKING NUMBER: 1653–2026–187–001–R1) TRINITY COUNTY

California Department of Fish and Wildlife (CDFW) received a Request to Approve on July 10, 2026, that the Trinity County Department of Transportation proposes to carry out a habitat restoration or enhancement project pursuant to Fish and Game Code section 1653. The proposed project involves replacing an undersized culvert with an aluminum box culvert with headwalls, wingwalls, a natural streambed, and channel boulder clusters to facilitate fish passage. The proposed project will be carried out on East Branch East Weaver Creek, Trinity County, California.

On March 23, 2026, the North Coast Regional Water Quality Control Board (Regional Water Board) received a Notice of Intent (NOI) to comply with the terms of, and obtain coverage under, the General 401 Water Quality Certification Order for Small Habitat Restoration Projects (General 401 Order) for the East Branch East Weaver Creek Culvert Replacement. The Regional Water Board determined that the Project, as described in the NOI, was categorically exempt from California Environmental Quality Act (CEQA) review (section 15333 — Small Habitat Restoration Projects) and met the eligibility requirements for coverage under the General 401 Order. The Regional Water Board issued a Notice of Applicability (WDID Number 1A26043WNTR) for coverage under the General 401 Order on June 19, 2026.

The Trinity County Department of Transportation is requesting a determination that the project and associated documents are complete pursuant to Fish and Game Code section 1653 subdivision (d). If CDFW determines the project is complete, the Trinity County Department of Transportation will not be required to obtain an incidental take permit under Fish and Game Code section 2081 subdivision (b) or a Lake or Streambed Alteration Agreement under Fish and Game Code section 1605 for the proposed project.

In accordance with Fish and Game Code section 1653 subdivision (e), if CDFW determines during the review, based on substantial evidence, that the request is not complete, the Trinity County Department of Transportation will have the opportunity to submit under Fish and Game Code section 1652.

FISH AND GAME COMMISSION

NOTICE OF RECEIPT OF PETITION

NOTICE IS HEREBY GIVEN pursuant to the provisions of Fish and Game Code Section 2073.3, the California Fish and Game Commission (Commission), on June 9, 2026, received a petition from Dan Dunmoyer, President & CEO of the California Building Industry Association, to delist Swainson's hawk (*Buteo swainsona*) from the list of threatened species under the California Endangered Species Act (CESA).

Swainson's hawk is a medium–sized hawk with relatively long, pointed wings which curve up in a slight angle when in flight. Most adults have a dark head and breast band that is distinctive from the lighter colored belly, and the underside of the wing. Swainson's Hawks breed in the western United States and Canada and migrate to South America for winter. Originally adapted to open grasslands, they now rely heavily on agricultural areas as natural habitats are converted to farmland. In California, their diet is diverse but primarily consists of voles, along with other small mammals, birds, and insects.

In 1983, the Commission listed Swainson's hawk as a threatened species under CESA. The listing was based on loss of habitat and decreased numbers across California.

Pursuant to Section 2073 of California Fish and Game Code, the Commission referred the petition to the California Department of Fish and Wildlife (Department) for review pursuant to Section 2073.5 of said code. It is anticipated that the Department's evaluation and recommendation relating to the petition will be received by the Commission at its October 13–16, 2026 meeting.

For information about the petition or to submit information to the Department relating to the petitioned species, interested parties may contact Austin Roy, CESA Recovery Coordinator, California Department of Fish and Wildlife, P.O. Box 944209, Sacramento, California 94244–2090, or by email at wildlifemgt@wildlife.ca.gov.

PETITION DECISION

DEPARTMENT OF HEALTH CARE SERVICES

JUNE 18, 2026
JONATHAN COHEN
PETITION DECISION RESPONSE

Dear Jonathan Cohen:

This letter is in response to your petition received by the Department of Health Care Services (Department) on May 22, 2026. You petition the Department to adopt a new regulation that (1) incorporates by reference the type of administrative law exemptions in the Welfare and Institutions Code, and (2) addresses how the Department sometimes publishes its regulations through All Plan Letters and similar documents. After reviewing your petition in accordance with Government Code section 11340.7, the Department denies your petition in whole for the reasons explained below.

Government Code section 11349.1 requires the Department to meet the standards of the Administrative Procedure Act (APA) when adopting a regulation. The regulation you are requesting does not meet the APA standards for authority and consistency, as set forth in Gov. Code section 11349 and California Code of Regulations, title 1, section 14.

1. Lack of Authority

Government Code section 11342.1 limits the rulemaking power of a state agency to adopt regulations that are within the scope of authority conferred by statute. A regulation is valid only when adopted under a statutory delegation of authority.

You request the Department to adopt a regulation that incorporates by reference administrative law exceptions in the Welfare and Institutions Code. You cite Welfare and Institutions Code sections 14059.5, 14105.44, 14043.75, 14043.45 and 14132.45 as examples of statutes with such exceptions. However, these statutes do not authorize or require the Department to adopt regulations, including those to incorporate these administrative law exceptions by reference in the California Code of Regulations. Instead, these statutes authorize the Department to implement, interpret, and make specific statutory provisions through all–county letters, plan letters, plan provider bulletins, manuals, plan contract amendments or similar instructions, or emergency regulations. In some cases, these statutes expressly exempt the Department from APA requirements or from taking regulatory action. Accordingly, since regulations are not required, a delegation of rulemaking authority to the Department was not included in these statutes since it is unnecessary.

Your petition also requests that the regulation address how the Department "sometimes publishes its regulations through All Plan Letters and similar documents." However, the Welfare and Institutions Code statutes you cite do not authorize or require the Department to adopt a regulation specifying the Department's statutory authority to issue All Plan Letters and similar documents in lieu of adopting regulations.

Therefore, the regulation you propose does not meet the APA's authority standard because there is no statutory delegation of rulemaking authority to the Department to adopt this regulation.

2. Inconsistent with Legislative Intent

Government Code section 11342.2 provides that a regulation is valid when it is not in conflict with, or contradictory to, existing statutes or other provisions of law.

Your request to adopt a regulation incorporating by reference administrative law exceptions, such as those contained in Welfare and Institutions Code sections 14059.5, 14105.44, 14043.75, 14043.45 and 14132.45, is inconsistent with the legislative intent of the exception. Codifying these administrative law exceptions in regulation directly conflicts with the Legislature's express instruction that these matters are not subject to regulatory action and related APA requirements.

Additionally, your request to adopt a regulation specifying the Department's authority to use All Plan Letters and similar documents in lieu of adopting regulations also conflicts with the legislative intent to authorize their use without regulatory action.

Therefore, the regulation you propose does not meet the APA's consistency standard because the adoption of such regulation is in direct conflict with, and contradictory to, the legislative intent to bypass the regulatory process as provided in the exemption language.

If you would like to discuss the information provided above, please contact Jasmin Delacruz at (916) 345–8418.

As required by Government Code section 11340.7, the Department will provide a copy of the petition to any interested person upon request and will submit a copy of this decision to the Office of Administrative Law for publication in the California Regulatory Notice Register.

Sincerely,
/s/
Melissa C. Harkness–Corral
Interim Deputy Director and Chief Counsel
Office of Legal Services
Department of Health Care Services

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.

State Water Resources Control Board
File # 2026–0701–02
Electronic Reporting of Drinking Water Quality Data

This deemed emergency file and print action pursuant to Health and Safety Code section 116385 by the State Water Resources Control Board amends the submission requirements for laboratory–conducted water quality analysis reports performed on behalf of public water systems.

Title 22
Amend: 64469
Filed 07/13/2026
Effective 07/13/2026
Agency Contact:
Debora Lancaster (916) 327–5678

California Film Commission
File # 2026–0629–04
California Film and Television Tax Credit Program

This emergency action by the California Film Commission readopts emergency regulations governing the Motion Picture Tax Credit 4.0 Program and Soundstage Filming Tax Credit Program to further implement Assembly Bill 1138 (Stats. 2025 chapter 27), which, in part, revised the definition of qualified motion picture to include live action and animated series with episodes averaging 20 minutes or more, animated films, and large–scale competition shows, as specified.

Title 10
Amend: 5550, 5551, 5552, 5553, 5553.1, 5553.2, 5554, 5554.2, 5555
Filed 07/09/2026
Effective 07/09/2026
Agency Contact: Leah Medrano (323) 817–4110

Respiratory Care Board

File # 2026–0629–01

Basic Respiratory Tasks and Services

This emergency readoption action pursuant to Government Code section 11346.1(h) by the Respiratory Care Board of California readopts OAL File Number 2025–1231–01E, which amended the existing regulatory identification of basic respiratory tasks and services to specify that its provisions do not apply to licensed vocational nurses performing respiratory care tasks and services as provided by Business and Professions Code section 3765, subdivisions (i) and (j).

Title 16
Amend: 1399.365
Filed 07/09/2026
Effective 07/09/2026
Agency Contact: Kathryn Pitt (916) 999–2203

Department of Housing and Community Development

File # 2026–0529–02

Income Limit

In this file and print action pursuant to Health and Safety Code section 50093, the Department of Housing and Community Development sets income limits for households of varying sizes used to determine eligibility for department programs.

Title 25
Adopt: 6932
Repeal: 6932
Filed 07/08/2026
Effective 05/29/2026
Agency Contact:
Thomas Nguyen (916) 620–1994

Department of Public Health

File # 2026–0603–01

Genetic Counselor Licensing

This action by the Department of Public Health, which is a courtesy filing and submitted for printing pursuant to Health and Safety Code section 124977(d), makes permanent the emergency rulemaking amendments to genetic counselor licensing requirements. (OAL File Number 2026–0210–02EFP.)

Title 17
Adopt: 6301.6
Amend: 6301.1, 6301.3, 6301.5
Filed 07/14/2026
Effective 07/14/2026
Agency Contact:
Hannah Strom–Martin (279) 217–0764

Department of Corrections and Rehabilitation

File # 2026–0529–04

Health Care Committees and Compassionate Release

In this section 100 action pursuant to California Code of Regulations, title 1, section 100, the California Department of Corrections and Rehabilitation amends a reference citation and form titles for health care services regulations.

Title 15
Amend: 3999.98, 3999.99, 3999.109, 3999.114, 3999.116, 3999.209
Filed 07/10/2026
Agency Contact: Adam Burrell (916) 691–0584

Department of Fish and Wildlife

File # 2026–0609–03

Risk Assessment and Mitigation Program 2.0

In this section 100 action pursuant to California Code of Regulations, title 1, section 100, the Department of Fish and Wildlife is amending internal cross–references.

Title 14
Amend: 132.8
Filed 07/13/2026
Agency Contact: Ona Alminas (916) 902–9222

Department of Pesticide Regulation

File # 2026–0611–03

Typographical Correction — Multivariate Leaching Value and Threshold

In this section 100 action pursuant to California Code of Regulation, title 1, section 100, the Department of Pesticide Regulation corrects a typographical error in the title of a regulation.

Title 03
Amend: 6805
Filed 07/14/2026
Agency Contact: Lauren Otani (916) 445–5781

Department of Social Services

File # 2026–0609–02

AB1417 Elder and Dependent Abuse: Mandated Reporting

In this section 100 action pursuant to California Code of Regulations, title 1, section 100, the California Department of Social Services amends the mandated reporter requirements for elder and dependent abuse pursuant to Assembly Bill 1417 (Chapter 580, Stats. 2023).

Title 22, MPP
Amend: 80061, 81061, 82061, 87211
Filed 07/14/2026
Agency Contact:
Kenneth Jennings (916) 216–5845

Board of Parole Hearings

File # 2026–0528–01

Commutation and Recall of Sentence Recommendation Assessment Process and Consultations

In this rulemaking action, the Board of Parole Hearings is adopting regulations governing (1) consultations with incarcerated persons to review and document the incarcerated person's activities and conduct pertinent to their parole eligibility, and (2) proceedings for recommending incarcerated persons to the Governor for commutation of sentence and to sentencing courts for recall of sentence and resentencing.

Title 15
Adopt: 2267, 2840, 2841, 2842, 2843, 2844, 2845, 2846, 2847, 2848, 2849, 2850, 2851, 2852, 2853, 2854, 2855, 2856, 2857, 2858, 2859
Filed 07/09/2026
Effective 10/01/2026
Agency Contact: Mina Y. Choi (916) 838–4937

Board of Pharmacy

File # 2026–0601–07

Pharmacy Technician Certification Program

In this action, the Board of Pharmacy extends the current sunset date for approval of pharmacy technician certification programs to June 30, 2027.

Title 16
Amend: 1793.65
Filed 07/08/2026
Effective 07/08/2026
Agency Contact: Debbie Damoth (916) 574–8618

California Architects Board

File # 2026–0601–06

Review of Applications

In this rulemaking action, the California Architects Board updates regulations regarding its review of applications.

Title 16
Amend: 111
Filed 07/09/2026
Effective 10/01/2026
Agency Contact: Timothy Rodda (279) 895–1246

Department of Housing and Community Development
File # 2026–0603–02
Employee Housing, Mobilehome and Special Occupancy Parks

This Department of Housing and Community Development rulemaking action amends regulations governing employee housing, mobilehome parks, and Special Occupancy Parks to enable electronic submission of documents, revises reporting and canceling responsibilities of a local enforcement agency, amend construction permitting standards, adopts nuisance standards and swimming pool plan review standards, among other things.

Title 25
Adopt: 621.5, 1123, 1609, 2123, 2609.5
Amend: 610, 621, 631, 633, 760, 1002, 1004, 1005,1006.5, 1010, 1012, 1013, 1018, 1020.6, 1032, 1038, 1042, 1102, 1185, 1317, 1426, 1514, 2002, 2004, 2004.5, 2005, 2006.5, 2010, 2012, 2013, 2018, 2020.6, 2032, 2038, 2042, 2102, 2185, 2317, 2426, 2514.
Repeal: 762
Filed 07/15/2026
Effective 07/15/2026
Agency Contact: Jenna Kline (916) 841–5286

Department of Resources Recycling and Recovery
File # 2026–0529–01
SB 1013 Addition of New Beverage Containers Permanent Regulations

This action by the Department of Resources, Recycling, and Recovery (CalRecycle) adopts and amends regulations governing the Beverage Container Recycling Program to further implement Public Resources Code sections 14504 and 14528.5, as amended by Senate Bill 1013 (Stats. 2022, chapter 610).

Title 14
Adopt: 2205, 2241, 2243, 2311
Amend: 2000, 2200, 2230, 2231, 2235, 2240, 2300, 2301, 2305, 2310, 2320, 2400, 2401, 2500, 2501, 2525, 2535, 2830, 2831, 2831.1, 2831.5, 2834, 2835, 2900
Filed 07/09/2026
Effective 07/09/2026
Agency Contact: Kris Chisholm (916) 322–2404

San Francisco Bay Conservation and Development Commission
File # 2026–0601–02
Amendment of San Francisco Bay Plan

In this regular rulemaking pursuant to Gov. Code § 11354.1, the San Francisco Bay Conservation and Development Commission amends the San Francisco

Bay Plan by updating (1) the introduction to Part V — The Plan Maps and (2) Bay Plan Map Nos. 1 through 7.

Title 14
Amend: 11900
Filed 07/09/2026
Effective 07/09/2026
Agency Contact: Amanda Savoie (415) 352–3643

State Water Resources Control Board
File # 2026–0609–04
Update Colorado River Basin Regional Water Quality Control Board Basin Plan

In this action under Government Code section 11353, the State Water Resources Control Board amends the basin plan for the Colorado River Basin Region by incorporating new Tribal Beneficial Use definitions, updates to mercury water quality objectives, updated information on the Salton Sea, and adding hydrologic subareas to the respective hydrologic subunits or planning areas.

Title 23
Amend: 3960
Filed 07/15/2026
Effective 07/15/2026
Agency Contact:
Emma McCorkle (760) 340–4521

State Water Resources Control Board
File # 2026–0609–05
Amendments to North Coast Basin Plan

This action by the State Water Resources Control Board (SWRCB), conducted pursuant to Government Code section 11353, amends the Water Quality Control Plan for the North Coast Region. On June 13, 2025, the North Coast Regional Water Quality Control Board adopted Resolution Number R1–2025–0019 to incorporate applicable provisions of Statewide Plans and Policies, correct typographical errors, and remediate the Basin Plan to comply with the Americans with Disabilities Act. The SWRCB approved the amendment under Resolution Number 2026–0007 on March 3, 2026.

Title 23
Adopt: 3909.7
Filed 07/14/2026
Effective 07/14/2026
Agency Contact: Michelle Fuller (707) 576–2350

Structural Pest Control Board
File # 2026–0601–04
Examinations

In this rulemaking action the Structural Pest Control Board updates its examination requirements for applicators, field representatives, and operators.

Title 16
Adopt: 1940.1
Amend: 1940, 1941, 1942
Filed 07/13/2026
Effective 10/01/2026
Agency Contact: Sophia Azar (279) 236–2502

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

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