



California Regulatory Notice Register

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DECEMBER 16, 2011

PROPOSED ACTION ON REGULATIONS

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- Nevada Irrigation District
- Elsinore Valley Municipal Water District

STATE: Adoption

- Fiscal Crisis and Management Assistance Team

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in the CRNR 2011, 48Z 2025

SUMMARY OF REGULATORY ACTIONS

Regulations filed with the Secretary of State 2025
Sections Filed, July 13, 2011 to December 7, 2011 2027

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

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**PROPOSED ACTION ON
REGULATIONS**

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**TITLE 2. FAIR POLITICAL PRACTICES
COMMISSION**

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

CONFLICT OF INTEREST CODES

AMENDMENT

MULTI-COUNTY: North Coast Schools Insurance Group
Nevada Irrigation District
Elsinore Valley Municipal Water District

ADOPTION

STATE: Fiscal Crisis and Management Assistance Team
MULTI-COUNTY: Tulare Local Health Care District dba Tulare Regional Medical Center
North Coast Schools Medical Insurance Group

A written comment period has been established commencing on **December 16, 2011** and closing on **January 30, 2012**. Written comments should be directed to the Fair Political Practices Commission, Attention Alexandra Castillo, 428 J Street, Suite 620, Sacramento, California 95814.

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

hearing is requested, the proposed code(s) will be submitted to the Commission for review.

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

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

Any interested person may present statements, arguments or comments, in writing to the Executive Director of the Commission, relative to review of the proposed conflict of interest code(s). Any written comments must be received no later than **January 30, 2012**. If a public hearing is to be held, oral comments may be presented to the Commission at the hearing.

COST TO LOCAL AGENCIES

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

**EFFECT ON HOUSING COSTS
AND BUSINESSES**

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

AUTHORITY

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

REFERENCE

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

CONTACT

Any inquiries concerning the proposed conflict of interest code(s) should be made to Alexandra Castillo, Fair Political Practices Commission, 428 J Street, Suite 620, Sacramento, California 95814, telephone (916) 322-5660.

Stephen Brown
Department of Food and Agriculture
Plant Health and Pest Prevention Services
1220 N Street
Sacramento, CA 95814
sbrown@cdfa.ca.gov
916.654.1017
916.654.1018 (FAX)

**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 Alexandra Castillo, Fair Political Practices Commission, 428 J Street, Suite 620, Sacramento, California 95814, telephone (916) 322-5660.

Following the public hearing if one is requested, or following the written comment period if no public hearing is requested, the Department of Food and Agriculture, at its own motion, or at the instance of any interested person, may adopt the proposal substantially as set forth without further notice.

**INFORMATIVE DIGEST/POLICY STATEMENT
OVERVIEW**

**TITLE 3. DEPARTMENT OF FOOD
AND AGRICULTURE**

Existing State law provides that the Department, for the purpose of enhancing the State's business and trade opportunities, may perform non-regulatory services such as export market phytosanitary certification. The Department may also establish charges sufficient to recover its costs for providing non-regulatory services (Food and Agricultural Code, Section 5851). Existing law also provides that the Department may establish, by regulation, a schedule of charges to cover the Department's costs for the specific services it provides such as export market phytosanitary activities (Food and Agricultural Code, Section 5851). Existing law also provides that regulations establishing charges adopted by the Secretary shall not be subject to review, approval, or disapproval by the Office of Administrative Law (Food and Agricultural Code, Section 5852).

Notice of Proposed Rulemaking

45-Day Notice

The Department of Food and Agriculture proposes to amend Section 4603, Schedule of Charges, by adopting a new subsection (i), pertaining to service charges for Phytosanitary Certification in Title 3, Division 4, of the California Code of Regulations.

This notice is being provided to be in compliance with Government Code Section 11346.4.

Existing federal regulation establishes that states may charge to recover their costs for providing federal phytosanitary certification services, including the delivery, support and administrative costs, divided by the number of certificates issued to develop a "cost-per-certificate" (Code of Federal Regulations, Title 7, Chapter III, Section 354.3(5) [7 CFR § 354.3(5)]).

PUBLIC HEARING

A public hearing is not scheduled. 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.

The proposed action will establish Section 4603, Schedule of Charges, subsection (i), the Department's schedule of charges for providing phytosanitary certification services for both the State and federal certificates issued in California; except those issued directly by the United States Department of Agriculture staff. The effect of the proposed regulations will be to provide authority for the Department to recover its costs for providing such non-regulatory services and to enable the client that requests the service to understand the Department's costs and billing procedures.

WRITTEN COMMENT PERIOD

Any interested person or his or her authorized representative may submit written comments relevant to the proposed amendment to the Department. Comments may be submitted by mail, facsimile (FAX) at 916.654.1018 or by email to sbrown@cdfa.ca.gov. The written comment period closes at 5:00 p.m. on January 30, 2012. The Department will consider only comments received at the Department offices by that time. Submit comments to:

There is no existing, comparable federal regulation or statute.

DISCLOSURES REGARDING THE
PROPOSED ACTION

The Department has made the following initial determinations:

Mandate on local agencies and school districts: None.

Cost or savings to any state agency: None.

Cost to any local agency or school district which must be reimbursed in accordance with Government Code sections 17500 through 17630: None and no nondiscretionary costs or savings to local agencies or school districts.

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

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

Cost impacts on a representative private person or business: The agency is not aware of any cost impacts that a representative private person or business would necessarily incur in reasonable compliance with the proposed action. However, a representative private person or business would incur costs of \$5.30 per phytosanitary certificate issued should they request this service.

Amendment of these regulations will not:

- (1) Create or eliminate jobs within California;
- (2) Create new businesses or eliminate existing businesses within California; or
- (3) Affect the expansion of businesses currently doing business within California

Significant effect on housing costs: None.

Small Business Determination

The Department has determined that the proposed regulations may affect small business.

ALTERNATIVES CONSIDERED

The Department of Food and Agriculture 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 actions are proposed or would be as effective and less burdensome to affected private persons than the proposed actions.

AUTHORITY

The Department proposes to adopt Section 4603(h) pursuant to the authority vested by Sections 407, 5851 and 5852 of the Food and Agricultural Code.

REFERENCE

The Department proposes to adopt Section 4603(h) to implement, interpret and make specific Sections 5851 and 5852 of the Food and Agricultural Code.

CONTACT

The agency officer to whom written comments and inquiries about the initial statement of reasons, proposed actions, location of the rulemaking files, and request for a public hearing may be directed to is: Stephen S. Brown, Department of Food and Agriculture, Plant Health and Pest Prevention Services, 1220 N Street, Room 210, Sacramento, California 95814, (916) 654-1017, FAX (916) 654-1018, E-mail: sbrown@cdfa.ca.gov. In his absence, you may contact Lindsay Raines at (916) 654-1017. Questions regarding the substance of the proposed regulation should be directed to Stephen S. Brown.

INTERNET ACCESS

The Department has posted the information regarding this proposed regulatory action on its Internet Web site (www.cdfa.ca.gov/phpps/Regulations.html).

AVAILABILITY OF STATEMENT OF REASONS
AND TEXT OF PROPOSED REGULATIONS

The Department of Food and Agriculture has prepared an initial statement of reasons for the proposed actions, has available all the information upon which its proposal is based, and has available the express terms of the proposed action. 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, when completed, the final statement of reasons will be available upon request. Requests should be directed to the contact named herein.

If the regulations adopted by the Department differ from, but are sufficiently related to the action proposed, they will be available to the public for at least 15 days prior to the date of adoption. Any person interested may obtain a copy of said regulations prior to the date of adoption by contacting the agency officer (contact) named herein.

**TITLE 4. CALIFORNIA SCHOOL
FINANCE AUTHORITY**

**NOTICE OF PROPOSED
RULEMAKING ACTION**

**Article 1, Section 10152 through 10162, and 10164
Title 4, Division 15
California Code of Regulations**

NOTICE IS HEREBY GIVEN that the California School Finance Authority (“CSFA” or the “Authority”), organized and operating pursuant to Sections 17170 through 17199.5 of the Education Code, proposes to amend the regulations as described below after considering all comments regarding the proposed action. Any person interested may present comments relevant to the proposed action to the attention of the Contact Person as listed in this Notice no later than 5:00 p.m. on Monday, January 30, 2012. CSFA, upon its own motion or at the instance of any interested party, may thereafter adopt the proposal substantially as described below or may modify such proposal if such modifications are sufficiently related to the original text. With the exception of technical or grammatical changes, the full text of any modified proposal will be available for 15 days prior to its adoption from the person(s) designated in this notice as Contact Person and will be mailed to those persons who submit statements related to this proposal or who have required notification of any changes to the proposal.

Proposed Regulatory Action

CSFA proposes to amend Section 10152 through 10162, and 10164 of Title 4 of the California Code of Regulations (Regulations). The Regulations implement CSFA’s responsibilities related to the Charter School Facilities Program.

Authority and Reference

Authority: Sections 17078.57, 17179, and 17180 of the Education Code. Section 17078.57 requires that the Authority adopt regulations establishing uniform terms and conditions to apply equally to all applicants for financing. Section 17179 sets forth that the Authority is vested with all powers to carry out the powers and responsibilities expressly granted or imposed upon it. Section 17180(a) provides the Authority with the ability to adopt bylaws for the regulation of its affairs and the conduct of its business.

Reference: Sections 17078.52, 17078.53, 17078.54, 17078.56, 17078.57, 17078.58, and 17199.4, Education Code. The Regulations implement, interpret or make specific Sections 17078.52, 17078.53, 17078.54, 17078.56, 17078.57, 17078.58, and 17199.4 of the Education Code.

**INFORMATIVE DIGEST/POLICY STATEMENT
OVERVIEW**

Pursuant to Government Code section 11346.1 and Education Code section 17078.57(b), the California School Finance Authority (Authority) may adopt, amend, or repeal the rules and regulations for the Charter School Facilities Program.

Chapter 935, Statutes of 2002 (Assembly Bill 14), established the Charter School Facilities Program as a pilot program for the purpose of providing qualifying charter schools with funding to establish facilities for California students (Education Code section 17078.52(a)). The Program provides for \$900 million to be set aside from the bonds issued under the Kindergarten–University Public Education Facilities Bond Acts of 2002, 2004, and 2006, for the purposes of financing charter school construction projects. Modeled after the State’s School Facilities Program, the Program funds the project costs with 50 percent of the project costs as a grant from the State, and the charter school is responsible for repaying the State for the balance of the project costs through either a lump sum matching payment, or a long–term loan from the State. A charter school, or school district acting on behalf of a charter school, may apply for financing under the Program to fund specified costs relating to charter school construction projects.

Pursuant to Education Code section 17078.57, the Authority is required to adopt regulations establishing uniform terms and conditions that shall apply to the process for determining the manner in which the entities receiving funding are to pay the local matching share, including the method for determining any loan payments. These proposed amendments to the regulations will establish consistency with Program policy and practice, consolidate overlapping sections, establish internal consistency, reference correct statutes, reflect changes in statute, and set forth clarifying language. These amendments also set forth additional provisions that include, but are not limited to, the following: protective measures as conditions for release of funds, including use of the intercept method for payment of the local matching share pursuant to Education Code section 17199.4; additional types of updated information that the authority may require for its ongoing review; provision to make explicit that the authority’s determination of financial soundness is valid for a period of six months

and meets the Office of Public School Construction’s definition of certification of current financial soundness; and provision requiring applicants to submit specific updated information following release of funds.

The proposed amendments include:

Section 10152

- Amends the definition of “Account” to reference the correct statute, Education Code, Section 17078.52(c)(2).
- Moves the definition of “Advance Apportionment” from Section 10164(a), and amends definition to clarify specific Office of Public School Construction requirements.
- Amends the definition of “Applicant” to reference the correct statute, Education Code, Section 17078.53(b), and to include charter school operator, or any entity that sponsors or applies on behalf of a charter school, as an eligible entity to apply for charter financing and to meet Program criteria.
- Amends the definition of “Authority” to reference the correct statute, Education Code, Section 17172.
- Adds definitions of “Co-borrower” and “Guarantor” together to address their reference in Section 10156 (Section 10154 in the revised regulations), Section 10157 (Section 10156 in the revised regulations), Section 10159 (Section 10157 in the revised regulations), Section 10158 (Section 10155 in the revised regulations), and Section 10164 (Section 10155 in the revised regulations).
- Adds definition of “Final Apportionment” to address its references in Section 10154, Section 10155, Section 10157 (Section 10156 in revised regulations), Section 10158 (Section 10155 in revised regulations), and Section 10159 (Section 10157 in revised regulations), and to ensure consistency with the Office of Public School Construction regulations at California Code of Regulations, title 2, section 1859.165.
- Amends definition of “Financially Sound” to reference the correct statute, Education Code, Section 17078.52(c)(4).
- Adds definition of “Funding Agreement” to address one of the two specific program agreements that require execution prior to release of funds and its referenced in Section 10152 and Section 10162 (Section 10160 in revised regulations).
- Adds definition of “Intercept” to address reference to the intercept method for payment on the local

matching share in Section 10154 and Section 10160 (Section 10158 of revised regulations).

- Adds definition of “Local Matching Share” to address its reference in Section 10152, Section 10154, Section 10160 (Section 10158 in revised regulations), and Section 10161 (Section 10159 in revised regulations).
- Adds definition of “Memorandum of Understanding” to address one of the two specific program agreements that require execution prior to release of funds and its reference in Section 10152 and Section 10162 (Section 10160 in revised regulations).
- Amends definition of “Preliminary Apportionment” to reference the correct statute, Education Code, Section 17078.52(c)(3), and to clarify that it represents a reservation of funds.
- Adds definition of “Program Agreements” to address its reference at Section 10164 (Section 10155(a) in the revised regulations), Section 10155(e) in the revised regulations, and Section 10160 (Section 10158 in the revised regulations).

Section 10154

- Incorporates Section 10156, with the exception of Sections 10156(h) and (j), and the first sentence of Section 10156(i), in order to consolidate all financial soundness review considerations with financial soundness requirements into a single section.
- Amends title to “Financial Soundness Review and Determination” to denote both the financial soundness review and financial soundness determination.
- Clarifies relevance of financial soundness determination to preliminary, advance, and final apportionment.
- Replaces “charter school” with “applicant” to include a school district or an entity that is sponsoring or applying on behalf of a charter school.
- Incorporates Sections 10160(d)(2) and (3) to clarify that as a basis for making a determination that an applicant is financially sound, the applicant must be able to make payments on the local matching share at the interest rate set forth in Education Code, Sections 17078.57(a)(1)(D) and (E), and meet the minimum debt service coverage ratio of 1.0 x (100%).
- Adds language to allow the authority the flexibility to allow an applicant to use restricted funds or to subordinate oversight fees to meet the debt service coverage requirement.

- Adds language to clarify the requirement regarding an applicant having qualified management and staff.
- Adds language to clarify the requirement that an applicant be free of material risks that would threaten its financial or operational viability or that of the charter school.
- Amends Section 10154(e), changing “will” to “may,” to give the Authority discretion regarding its decision to conduct a site visit.
- Clarifies the authority’s review of updated information and rendering of updated determinations of financial soundness for advance and final apportionment.
- Adds language to clarify that the authority’s determination of financial soundness shall either apply to preliminary and advance apportionment, or to final apportionment, and that the authority’s determination of financial soundness is valid for a period of six months and meets the Office of Public School Construction’s definition of certification of current financial soundness.
- Adds language to clarify that the authority may require an applicant to agree to specific contingencies in order to be determined to be financially sound.
- Adds language to clarify that, as a condition for a determination of financial soundness, the applicant may be required to agree to the intercept method of payment pursuant to Section 17199.4(a)(4).

Section 10155

- Provides that applications will need to include projected enrollment, broken out by grade level, for the next five years or through the first two fiscal years following occupancy of the program-funded facility.
- Incorporates Sections 10158(a) and (b), Sections 10164 (b) and (d), and Section 10164(c), as amended, in order to consolidate application requirements for preliminary, advance, and final apportionment into a single section.
- Amends language in Section 10164(b) (Section 10155(b)(1) in the revised regulations), changing “the Authority may” to “the Authority will” (request updates), to clarify that the Authority routinely requests updates of information provided in the preliminary application.
- Clarifies language based on revised definition of applicant.
- Omits language to clarify that the authority does not review the chartering authority’s oversight activities.
- Amends title to “Application for Preliminary, Advance, and Final Apportionment” to denote applicability to preliminary, advance, and final apportionment.
- Replaces “charter school” with “applicant” to include a school district or an entity that is sponsoring or applying on behalf of a charter school.
- Amends references to other sections within the regulations to address revised section numbers.
- Clarifies language based on revised definition of applicant.
- Amends language to require applicants to submit attendance data as well as enrollment data for purposes of financial soundness review for preliminary, advance, or final apportionment.
- Amends language for submission of financial projections to include projections for at least five years or the first two full fiscal years following occupancy of the Program-funded facility, whichever is longer.
- Adds language requiring applicants to submit project information, where available or applicable, for consistency with the Application Form 03-01 and with the Office of Public School Construction’s application requirements.
- Adds language to clarify that the Authority reviews information on private contributions.
- Amends language in Section 10155(b)(5) (Section 10155 (Section 10155(a)(3)(E) in the revised regulations) and Section 10158(a)(1)(J) (Section 10155(c)(1)(I) in the revised regulations) regarding required submission of year-to-date financial statements to include only “most current unaudited financial statement, including year-to-date actual and estimated financial statement, and a current total annual budget.”
- Amends language for syntax and clarity.
- Adds language to clarify that prior to release of funds for site acquisition for advance apportionment, a charter school holding title to a project facility must comply with Education Code Sections 17078.62 and 17078.63.
- Adds language to clarify that, as a condition for release of funds for Final Apportionment, the applicant must submit executed Program Agreements.

Section 10156

- Subsumed under Section 10154, with the exception of Sections 10156(h) and 10156(j), and the first sentence of Section 10156(i), for purposes of consolidating all financial soundness review and determination considerations.
- Omits Section 10156(h) to clarify that the authority does not consider the chartering authority’s oversight in its determination of financial soundness.
- Omits the first sentence of Section 10156(i) to clarify that the authority does not consider the applicant’s management of its contracts in its determination of financial soundness.
- Omits Section 10156(j) as Section 10154(e) is sufficient as a standalone provision to address incorporation of a site visit into the financial soundness review and determination.

Section 10157

- Section number is changed to 10156 due to incorporation of Section 10156 into Section 10154.
- Amends Section 10157(a)(4) to change the required timeframe for notice to the authority of material changes from 45 days to 30 days.
- Omits Section 10157(a)(5) to clarify that the authority does not review the chartering authority’s oversight activities.
- Omits reference to “upon request” in order to allow the authority to require applicants to provide notice of material changes pursuant to Section 10157(a)(4) (Section 10156(a)(8) in proposed revised regulations).
- Adds additional types of updated information set forth at Section 10157(a) (Section 10156(a) in revised regulations) that the authority may require for its ongoing review, including academic performance results, revised financial projections, updated legal status questionnaire, and updated enrollment.
- Adds language to require applicants to submit specific updated information following release of funds for purposes of the authority’s oversight, including: payment records on matching share lease obligations; and material changes to enrollment, charter status, academic performance, and financial status within 30 days of such a change.
- Adds the word, “same,” to clarify that the same or similar information as required pursuant to Section 10156(a) for the authority’s determination

of an applicant’s ongoing financial soundness may also be required of guarantors or co-borrowers.

- Adds language to make explicit that, upon submission of updated information pursuant to this Section, the authority may conduct a financial soundness review and notify the board in the event that an applicant is no longer financially sound, and may require a remedial action plan or follow up with the chartering authority.
- Amends Section 10157(b) (Section 10156(c) in the revised regulations) to include the words “same or similar” instead of “same” in relation to a guarantor’s or co-borrower’s required submission of information.

Section 10158

- Subsumed under Section 10155 in order to consolidate application requirements for preliminary, advance, and final apportionment into a single section.

Section 10159

- Changes section number to 10157 due to incorporation of Section 10156 into Section 10154, and Section 10158 into Section 10155.
- Amends 10159(b)(7) regarding submission of financial projections for consistency with changes to Section 10155.

Section 10160

- Changes section number to 10158 due to incorporation of Section 10156 into Section 10154, and Section 10158 into Section 10155.
- Omits Section 10160(d)(1) to clarify that the requirement of demonstrating financial soundness is not limited to matching share financing and is duplicative to Section 10154.
- Moves Sections 10160(d)(2) and (3) to Section 10154 to incorporate the consideration of ability to make payments on the local matching share at the interest rate set forth at Education Code sections 17078.57(a)(1)(D) and (E), and debt service coverage into the financial soundness review.
- Amends Section 10160(e) to clarify that the Authority does not prepare Program Agreements on behalf of the Board, retaining the language identifying the general contents of such agreements.
- Replaces “charter school” with “applicant” to include a school district or an entity that is sponsoring or applying on behalf of a charter school.
- Clarifies that the authority’s preparation of, and the applicant’s execution of, program agreements, are prerequisites for the release of funds, and that

conditions for release of funds are contained in the program agreements.

- Clarifies that, as a condition for release of funds, the Authority may require an applicant to agree to the intercept method of payment on the local matching share pursuant to Section 17199.4(a)(4).

Section 10161

- Changes section number to 10159 to due incorporation of Section 10156 into Section 10154, and Section 10158 into Section 10155.
- Sets forth requirement for applicant to establish a separate and distinct account for deposits of all Program loan proceeds.

Section 10162

- Changes section number to 10160 due to incorporation of Section 10156 into Section 10154, and Section 10158 into Section 10155.
- Adds language allowing the Authority to require reports detailing disbursements and interest earned as it relates to the separate Program account established pursuant to Section 10161(b).
- Amends language to require reporting to the authority of material changes within 30 days of such changes.

Section 10164

- Section 10164(a) is subsumed under Section 10152 and amended. Sections 10164(b) and (d) are subsumed under Section 10155.
- Amends Section 10164(c), omitting reference to Education Code Section 17178.57, and moves the amended language to Section 10155 (Section 10155(c) in the revised regulations).

Other Matters Prescribed by Statutes Applicable To the Specific State Agency or to any Specific Regulation or Class of Regulations

No other matters prescribed by statute are applicable to CSFA or to any specific Regulation or class of Regulations pursuant to section 11346.5(a)(4) of the Government Code pertaining to the proposed Regulations or CSFA.

Mandate on Local Agencies or School Districts

CSFA has determined that these amendments to the program regulations do not impose any additional mandate on local agencies or school districts for a new program or higher level of service of an existing program.

Fiscal Impact

CSFA has determined that the Regulations do not impose any additional cost or savings to any state agency,

any costs to any local agency or school district requiring reimbursement under Part 7 (commencing with Section 17500) of Division 4 of Title 2 of the Government Code, any other non-discretionary cost or savings to any local agency, or any cost or savings in federal funding to the State.

Initial Determination Regarding any Significant, Statewide Adverse Economic Impact Directly Affecting Business

CSFA has made an initial determination that the Regulations will not have any significant, statewide adverse economic impact directly affecting businesses, including the ability of California businesses to compete with businesses in other states.

Effect on Small Businesses

CSFA has determined that the adoption of the Regulations will not affect small business. The Grant is a voluntary financing program available to charter schools to assist in the financing of charter school facilities.

Cost Impacts

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

Assessment of Effect on Jobs and Business Expansion, Elimination or Creation

CSFA has determined, pursuant to Government Code section 11346.3(b), that the Regulations will not have an effect on jobs and business expansion, elimination or creation.

Cost Impact on Housing

The Regulations will not have any effect on housing costs.

Reasonable Alternatives

In accordance with Government Code Section 11346.5(a)(13), CSFA must determine that no reasonable alternative to the Regulations considered by CSFA or that has otherwise been identified and brought to the attention of CSFA would be more effective in carrying out the purpose for which the Regulations are proposed or would be as effective and less burdensome to affected private persons than the proposed Regulations.

CSFA invites interested persons to present statements with respect to alternatives to the Regulations during the written comment period.

Agency Contact Person(s)

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

Katrina Johantgen, Executive Director
California School Finance Authority
304 South Broadway, Suite 550
Los Angeles, CA 90013-1224

or

915 Capitol Mall, Room 220
Sacramento, CA 95814
(916) 651-7710

Or by email at csfa@treasurer.ca.gov.

The following person is designated as a backup contact person for inquiries only regarding the Regulations:

Deborah Yang, Senior Staff Counsel
State Treasurer's Office
915 Capitol Mall, Room 110
Sacramento, CA 95814
(916) 653-2995

Written Comment Period

Any interested person, or his or her authorized representative, may submit written comments relevant to the Regulations to CSFA. The written comment period on the Regulations will end at 5:00 p.m. on January 30, 2012. All comments to be considered by CSFA must be submitted in writing to the Agency Contact Person identified in this Notice by that time. In the event that changes are made to the Regulations during the written comment period, CSFA will also accept additional written comments limited to any changed or modified Regulations for 15 calendar days after the date on which such Regulations, as changed or modified are made available to the public pursuant to title 1, Chapter 1, Section 44 of the California Code of Regulations. Any written comments on any modifications to the proposed regulations should be addressed to the Agency Contact Person identified in this Notice.

**Availability of Initial Statement of Reasons,
Rulemaking File and Express Terms of
Proposed Regulations**

Pursuant to the California Government Code, CSFA has established a rulemaking file for this regulatory action, which contains those items required by law. The

file is available for inspection at CSFA's office at 915 Capitol Mall, Sacramento, California, during normal business hours. As of the date this Notice is published in the Notice Register, the rulemaking file consists of this Notice, the Initial Statement of Reasons, and the proposed text of the Regulations. Copies of these items are available upon request, from the Agency Contact Person designated in this Notice. The Sacramento address will also be the location for inspection of the rulemaking file and any other public records, including reports, documentation and other materials related to this proposed regulatory action. In addition, the rulemaking file, including the Initial Statement of Reasons and the proposed text, may be viewed on CSFA's website at www.treasurer.ca.gov/csfa.

Public Hearing

No public hearing regarding the Regulations has been scheduled. Anyone wishing a public hearing must submit a request in writing, pursuant to Section 11346.8 of the Government Code, to CSFA at least 15 days before the end of the written comment period. Such request must be addressed to the Agency Contact Person identified in this Notice and should specify the Regulations for which the hearing is being requested.

15-Day Availability of Changed or Modified Text

After the written comment period ends and following a public hearing, if any is requested, CSFA may adopt the Regulations substantially as described in this Notice, without further notice. If CSFA makes modifications that are sufficiently related to the originally proposed text, it will make the modified text (with the changes clearly indicated) available to the public (including through CSFA's Web site described above) for at least fifteen (15) calendar days before CSFA adopts the proposed Regulations, as modified. Inquiries about and requests for written copies of any changed or modified regulations should be addressed to the Agency Contact Person identified in this Notice.

Availability of Final Statement of Reasons

CSFA is required to prepare a Final Statement of Reasons pursuant to Government Code section 11346.9. Once CSFA has prepared a Final Statement of Reasons, a copy will be made available to anyone who requests a copy and will be available on CSFA's website described above. Written requests for copies should be addressed to the Agency Contact Person identified in this Notice.

**TITLE 10. CALIFORNIA FILM
COMMISSION**

**INFORMATIVE DIGEST/POLICY STATEMENT
OVERVIEW**

NOTICE OF PROPOSED RULEMAKING

December 16, 2011

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

1. Title 10, Investment, Chapter 7.75, California Film & Television Tax Credit Program Section 5501, Application Process For Tax Credit Allocation Section 5506, Credit Certification Issuance Process

PUBLIC HEARING

A public hearing on this proposed action has not been scheduled. However, the CFC will hold a hearing if it receives a written request for a public hearing from any interested person, or his or her authorized representative, no later than 15 days before the close of the written comment period.

WRITTEN COMMENT PERIOD

Any interested person, or his or her authorized representative, may submit written comments relevant to the proposed regulatory actions to the CFC. Written comments will be accepted by the CFC until 5:00 p.m. on January 30, 2012. Submit comments to:

Amanda Esquivias
Business, Transportation and Housing Agency
980 Ninth Street, Suite 2450
Sacramento, CA 95814
Amanda.Esquivias@bth.ca.gov

AUTHORITY AND REFERENCE

The proposed regulation has been adopted under the authority of Government Code section 11152, and Revenue and Taxation Code sections 17053.85(e) and 23685(e) and in order to implement, interpret, and make specific Revenue and Taxation Code sections 17053.85 and 23685.

The CFC proposes to amend sections 5501 and 5506 of Title 10 of the CCR. Revenue and Taxation Code sections 17053.85 and 23685 provide for a California tax credit for qualified expenditures in the production of a qualified motion picture in California for taxable years beginning on or after January 1, 2011. The CFC implemented the California Film and Television Tax Credit program in June 2010. The program specifically targets productions that are most likely to leave the state to take advantage of incentives being offered in other states and countries.

The purpose of the amendment is to implement additional reporting requirements of the Revenue and Taxation Code by recent legislative amendments. The regulations proposed in this rulemaking action would implement, interpret and make specific newly added provisions in Revenue and Taxation Code sections 17053.85 and 23685 relating to the CFC’s responsibility to establish procedures for applicants to file a written application for the allocation of the tax credit, establish criteria for allocating tax credits, determine and designate applicants who meet the requirements to apply for the tax credit, and issue the credit certificate to the qualified taxpayer upon completion of the qualified motion picture.

This regulation will also amend the corresponding CFC forms, incorporated by reference, that are required to be submitted during the application and filming process.

Section 5501. Application Process for Tax Credit Allocation

Section 5501 provides for an application process for the tax credit program.

Subsection (c) incorporates by reference the California Film & Television Tax Credit Program Application Form, CFC Form A, dated November 18, 2011. The application form has been modified to incorporate the additional reporting requirements in the Revenue and Taxation Code. Submission of an electronic copy is added. Statute mandates the Commission to share application materials with Legislative Analyst’s Office (LAO), preferably in an electronic format.

Subsection (c)(4) provides that an incomplete application shall not be eligible for tax credit allocation. The amount of days required of applicants to submit missing information is changed from three (3) to five (5) as 3 days has been found to be insufficient. This section has been amended to state that failure to supply information within this time frame may be cause to remove the applicant from the queue, but not a mandate.

Subsection (d) describes all the documents to be submitted with a complete application to be eligible for a

tax credit. "Initial" has been added to indicate a two-step application process. This provision is for clarity. When an applicant submits an application, it is not necessary for the applicant to submit corporate financial information until credits become available.

Subsection (e) indicates that when it is determined that credits are available, applicants will submit further financial documentation requested. This information is to be submitted in electronic format via a secure email address to the tax credit program in order to electronically transmit to the LAO.

Subsection (e)(1) specifies the submission of a detailed Narrative Statement as defined in the Revenue and Taxation Code. The language has been re-written for clarity and brevity.

Subsection (e)(2) specifies the obligation of partnerships and single member LLCs to provide financial information (subparagraph (A)) and partnership information (subparagraph (B)) as per the Revenue and Taxation Code. It also states that this information is not subject to public disclosure.

Subsection (e)(3) specifies that subsections (A) and (B) pertain to applicants that are publicly traded companies.

Subsection (e)(3)(A) indicates that applicants are to list all members of a combined reporting group and any members to whom they anticipate assigning the credit as per the Revenue and Taxation Code. The statute asks for the names of members to whom the credit is assigned, but the credit is not assigned until the Qualified Taxpayer has received a tax credit certificate and filed with the Franchise Tax Board. This section clarifies to ask for the names of the members of a combined reporting group or members to whom they anticipate assigning the credit in the future.

Subsection (e)(3)(B) is added per the Revenue and Taxation Code. The subsection defines the time period for which the applicant is asked to report all states, provinces, or other jurisdictions where they have financed motion pictures. The time period for reporting this information is not specified in the statute. Adding a calendar year reporting time frame will give consistency to the information collected from all applicants.

Due to insertion of a new subsection (e), prior subsections (e), (f), (g), and (h) will be renumbered as subsections (f), (g), (h) and (i).

Section 5506. Credit Certificate Issuance Process

Section 5506 provides for the issuance of the Credit Certificate, which is the document issued to the qualified taxpayer upon completion of the Qualified Motion Picture. This is the official document that the taxpayer will need to submit to the State Franchise Tax Board when filing for the tax credit.

Subsection (a)(4) incorporates by reference the Expenditure Summary Report, CFC Form F, dated November 18, 2011. The form has been modified to incorporate the additional reporting requirements in the Revenue and Taxation Code. Requirement for submission of an electronic copy is added in order to electronically transmit to the LAO.

Subsection (a)(5) incorporates by reference the Agreed Upon Procedures Report, dated November 18, 2011. Requirement for submission of an electronic copy is added.

Subsection (a)(11) specifies the submission of revised and/or updated information, as applicable, as requested in Section 5501(e) as part of the verification process for a tax credit certificate. Applicants submit this documentation in an electronic format e-mailed to a tax credit program secure e-mail address.

California Film and Television Tax Credit Program Application Form, CFC Form A

The Application Form is the initial document required to apply for tax credits. The statute specifies that the CFC shall establish a procedure for applicants to file a written application with the Commission. The application form has been jointly prescribed by the CFC and the Franchise Tax Board, as required by statute. The FTB has submitted written approval of the Application Form.

The application form has been amended as follows:

Section 7 provides a required materials checklist for submittal with the application. Initial Application Materials remains unchanged. The materials Upon Request has been added to describe the documents required in the amended regulations, Section 5501. Application Process for Tax Credit Allocation, subsection (e).

Expenditure Summary Report, CFC Form F

This form is used to gather final expenditure information and statistics upon completion of a Qualified Motion Picture. The information on this form is used to determine the economic impact on the state, including employees hired and wages in both production and post-production. The CFC is required by statute to submit economic impact reports to the Legislature.

The application form has been amended as follows:

Section 6: Materials Checklist has been modified to incorporate the additional reporting requirements in the Revenue and Taxation Code indicated in the amended regulations, Section 5506, Credit Certificate Issuance Process.

Agreed Upon Procedures (AUP)

The AUP is a technical tool for the Certified Public Accountant (CPA) to determine what is required and expected in the Agreed Upon Procedures Report and is

required to be submitted by the Qualified Taxpayer in order to be issued a Tax Credit Certificate. The AUP has been amended for clarity and to be consistent with the changes to form requirements in these regulations.

The AUP General Section was amended to be consistent with Section 5506, subsection (B) by stating in order to perform AUP for the Tax Credit Program, a CPA must attend an Orientation meeting arranged by the CFC for CPAs.

Section IV, Agreed Upon Procedures Eligibility.

Subsection 5 is amended to delete “during the qualified production period.” The qualified production period does not begin until issuance of the Credit Allocation Letter (CAL); however, some productions may have been on a waitlist and received a CAL after beginning principal photography. The CPA must verify that a production spent either 75% of the budget or filmed 75% of principal photography in the state. Therefore, it is necessary to inspect call sheets, production reports, and other pertinent documentation for all principal photography days, including those which were incurred prior to the CAL. The deletion of Qualified Production Period” will enable CPAs to inspect all such documentation.

Subsection 6(c) is amended for clarity. CPAs must inspect documentation to verify that the expenditure is qualified. “Cancelled checks” has been replaced with types of documentation more commonly utilized for film productions such as bank statements, check images, credit card statement and reimbursement checks.

Expenditures (other than payroll).

Subsection 2(a) is amended for clarity. CPAs must inspect documentation to verify that the expenditure is qualified. “Cancelled checks” has been replaced with types of documentation more commonly utilized for film productions such as bank statements, check images, credit card statement and reimbursement checks.

Subsection 2(e) is amended to omit reference to insurance claims. Expenditures pertaining to insurance claims and completion bonds may not fall in the selected sample. A separate procedure (6) has been added.

Subsection 2(g) is amended to add a completion bond to the expenditures that can be prorated if paid prior to the issuance of the Credit Allocation Letter. Evidence of proration for insurance premiums and/or completion bond must be provided by the insurance broker or bond company representative, as proration is subject to an industry formula. This section is amended to clarify the determination as to whether an expenditure is qualified is based on when the expenditure was incurred.

Subsection 2(h) is amended to clarify that the determination as to whether an expenditure is qualified is based on when the expenditure was incurred.

Subsection 2(j) is deleted from the AUP for clarity. It can be misinterpreted that the insurance deductible on a claim cannot be considered qualified expenditure. CPAs do not need to test for insurance deductibles. If a production spends its insurance deductible on qualified spend, it will be tested as part of other procedures and verified.

Section 5 is amended for clarity. The listing from the production company does not need to contain names of visual effects, digital effects, post production sound or title companies whose work is not being claimed as qualified expenditure. A definition of the requested documentation is provided for clarity. This documentation must be submitted with the Report.

New Section 6 is added to require the CPA to verify that the qualified expenditures were reduced for any insurance claim reimbursements. Previously, productions did not have to record insurance claims as a credit against costs. Productions are now required to credit insurance claims against production costs, just like any other cost which is reimbursed by a vendor. This amendment will require the applicant to include a letter regarding disclosure of all insurance claim reimbursements, as they could have been misclassified as non-qualified and therefore not included in any sample testing.

With addition of a new section (6), prior sections (6) and (7) became sections (7) and (8).

Subsection (c) of new section 8 is editorially amended to make a correction of procedure numbering due to addition of a procedure. It also makes an amendment for clarity by the addition of “expenditure.”

Payroll.

Section 1 is amended to provide a more concise definition of the requested documentation with examples. This section specifies that the documentation is required to be submitted with the Report and clarifies that submission can be paper or electronic.

Subsections 2(g) and (h) are amended to clarify that the determination as to whether a wage is qualified is based on when the wage expense was incurred.

Section 4 is amended to specify that the CPA will contact the CFC when the CPA is unclear if the wages paid to a producer are within industry standards.

Section 5 is amended to require the CPA to verify that the qualified expenditures were reduced for any insurance claim reimbursements. Previously, productions did not have to record insurance claims as a credit against costs. Productions are now required to credit insurance claims against production costs, just like any

other cost which is reimbursed by a vendor. This amendment will require the applicant to include a letter regarding disclosure of all insurance claim reimbursements, as they could have been misclassified as non-qualified and therefore not included in any sample testing. This information may be incorporated into the letter requested in Expenditures (other than payroll) procedure 6.

Non Qualified Testing for Independent Motion Picture.

This section is amended to add the words “if applicable.” The procedure is performed only in specific circumstances according to AUP Eligibility, Procedure 8. This amendment is for clarity.

Related Parties and Other Affiliations.

Section 2 is amended to specify the CPA is required to include a signed letter from the production company representative regarding the full disclosure of Related Party transactions for CFC review.

Section 3 is amended to clarify that the CPA does not need to retest expenditures if related party issues were addressed during previous testing.

Subsection 3(a) is editorially amended for clarity. The procedure concerning related party wages has been moved to (b)(2) to conform to the previous sequence of testing expenditures first and then payroll.

Subsection 3(a)(2) specifies that the CPA must verify the expenditure is qualified as per the procedures listed in Expenditures (other than payroll) section (2), (a-i).

Subsection 3(b)(1) is amended to clarify to the CPA the tax code provisions that must be considered when assessing wages paid to Related Parties. The specific section of the statute is added.

Subsection 3(b)(2) specifies that the CPAs must verify that the wage is qualified as per the procedures listed in the Payroll section (2), (b-h).

Wrap Up Procedures.

Section 2 is amended to add language clarifying the circumstance the CPA is to perform this procedure. The section is also amended to clarify the procedural section.

Section 3 is editorially amended for clarity.

Section 4 is repealed for clarity. This information is included in Wrap Up Procedures (3).

Section 5 is amended to add language clarifying threshold reporting is based on any recent adjustments to production budget and qualified expenditure budgets based on findings from testing.

Appendix A is amended in Payroll Stratum 1 to have the criteria for testing changed from “Employees with total qualified wages under \$100,000” to “Employees with total qualified wages under top 10.” The amendment is to conform to the top stratum testing in this category. This amendment is for clarity and consistency.

Appendix B is amended in Payroll Stratum I to have the criteria for testing changed from “Employees with total qualified wages under \$100,000” to “Employees with total qualified wages under top 10.” The amendment is to conform to the top stratum testing in this category. This amendment is for clarity and consistency.

Appendix C is amended to incorporate all the changes in the AUP. This form is used for reporting all findings by the CPA performing the Agreed Upon Procedures.

COST ESTIMATES OF PROPOSED ACTION

The CFC has made the following determinations:

- Mandate on local agencies and school districts: None.
- Cost or savings to the state agency: None.
- Cost to any local agency or school district which must be reimbursed in accordance with Government Code sections 17500 through 17630: None.
- Other nondiscretionary cost or savings imposed on local agencies: None.
- Cost or savings in federal funding to the state: None.
- Significant statewide adverse economic impact directly affecting business, including the ability of California businesses to compete with businesses in other states: None. The CFC has made this determination based on the fact that the added requirements for providing additional information in a tax credit application and following justification procedures on qualified spending do not affect any businesses other than the ones that are applying for the tax credit. The same new requirements do not have any effect on competitiveness of a business.
- Potential cost impact on representative person or businesses: The CFC has determined that the proposed regulations would have a minimal economic impact on motion picture production companies. Independent companies may incur an expense in order to provide financial statements. Publicly traded companies would not be impacted financially, as the work can be done by employees. While the newly added requirements in statute and regulation for an expanded application might have an effect on applicants in terms of preparation of the tax credit applications, these are not considered to be significant. These regulations will provide for an increase in revenues and employment in California by bringing more filming business into California.
- Significant effect on housing costs: None.

EFFECT ON SMALL BUSINESS

The CFC has not identified any alternatives that would lessen the adverse impact on small business. The CFC drafted the regulations with the intent of simplifying and clarifying the new requirements as mandated by statute.

ASSESSMENT REGARDING EFFECT ON JOBS/BUSINESS

Adoption of these regulations will (1) facilitate the creation of jobs within California; (2) will facilitate the creation of businesses within California; (3) will facilitate the expansion of businesses currently doing business within California. The CFC has made these determinations based on the facts that the film tax credit will attract production companies to film in California and thereby create additional business or business expansion in film production and associated business providing services to production companies.

REASONABLE ALTERNATIVES CONSIDERED

The CFC must determine that no reasonable alternative considered by the agency or that has otherwise been identified and brought to the attention of the CFC 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.

AGENCY CONTACT INFORMATION

Inquiries concerning the proposed action may be directed to:

Name: Amanda Esquivias
Email: Amanda.Esquivias@bth.ca.gov
Phone: 916-323-5400

The backup contact person for these inquiries is:

Name: Gabor Morocz
Email: Gabor.Morocz@bth.ca.gov
Phone: 916-324-7505

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

Name: Amanda Esquivias
Email: Amanda.Esquivias@bth.ca.gov

AVAILABILITY OF CHANGED OR MODIFIED TEXT

After the close of the forty-five (45) day public comment period, the CFC may adopt the proposed regula-

tion. As a result of public comments, either oral or written, that are received by the CFC regarding this proposal, the CFC may determine that changes to the proposed regulation are appropriate. If the CFC makes modifications that are sufficiently related to the originally proposed text, it will make the modified text (with the changes clearly indicated) available to the public for at least 15 days before the CFC adopts the regulations as revised. The CFC will provide notification of any such modifications to all persons whose comments were received during the public comment period, all persons whose comments (written or oral) were received at the public hearing (if one is held), and all persons who requested notice of such modifications. Otherwise, please send requests for copies of any modified regulations to the attention of Amanda Esquivias at the above email address. The CFC will accept written comments on the modified regulations for 15 days after the date on which they are made available.

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

The CFC has established a rulemaking file for this regulatory action, which contains those items required by law. The file is available for inspection at the Business, Transportation and Housing Agency, 980 Ninth Street, Suite 2450, California during normal business working hours (9 a.m.–5 p.m.). Please contact Amanda Esquivias at the above email address to arrange a date and time to inspect the files. As of the date this Notice is published in the Notice Register, the rulemaking file consists of this Notice, the Initial Statement of Reasons and the proposed text of the regulations. Copies of these items are available, upon request, from the CFC Contact Person designated in this Notice.

AVAILABILITY OF FINAL STATEMENT OF REASONS

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

CFC INTERNET WEBSITE

The CFC maintains an Internet website for the electronic publication and distribution of written material. Copies of the Notice of Proposed Action, the Initial Statement of Reasons, and the text of the regulations in underline and strikeout can be accessed through the CFC website on the Internet at: www.film.ca.gov.

**TITLE 15. CORRECTIONS
STANDARDS AUTHORITY**

CONTACT PERSONS

**NOTICE OF PROPOSED ACTION
AMENDMENT OF REGULATIONS**

Please direct any inquires regarding this action to:

NOTICE IS HEREBY GIVEN that the Secretary of the California Department of Corrections and Rehabilitation (CDCR), pursuant to the authority granted by Government Code Sections 15820.906 and 15820.916, in order to implement, interpret and make specific Government Code Sections 15820.90 through 15820.917, proposes to: amend Sections 1700, 1706, 1712, 1714, 1730, 1731, 1740, 1747, 1747.1, 1747.5, 1748, 1751, 1752, 1753, 1754, 1756, 1760, 1766, 1767, 1768, 1770, 1772, 1776, 1778 and 1788; delete section 1757; and add Sections 1712.1, 1714.1, 1730.1, 1740.1 and 1748.5 of Title 15, California Code of Regulations, Division 1, Chapter 1, Subchapter 6, concerning local jail construction financing. **This is a re-notice of a proposed action that we initially published in the California Regulatory Notice Register (Notice Register) on November 25, 2011. Due to technical difficulties, we were unable to receive any public comments, and as a result, we published a Notice of Decision Not to Proceed (Notice Register, December 9, 2011), terminating that prior notice. With this re-notice (published December 16, 2011), we are commencing a new notice and public hearing/comment periods.**

Charlene Aboytes, Field Representative
Corrections Standards Authority
Dept. of Corrections and Rehabilitation
600 Bercut Drive, Sacramento, CA 95811
Voice: (916) 445-5073
E-Mail: Charlene.aboytes@cdcr.ca.gov

Leslie Heller, Field Representative
Corrections Standards Authority
Dept. of Corrections and Rehabilitation
600 Bercut Drive, Sacramento, CA 95811
Voice: (916) 445-5073
E-Mail: Leslie.heller@cdcr.ca.gov

LOCAL MANDATES

This action imposes no mandates on local agencies or school districts, or a mandate which requires reimbursement pursuant to Government Code Sections 17500-17630.

FISCAL IMPACT STATEMENT

AMENDED PUBLIC HEARING DATE

Date and Time: February 8, 2012 at 11:00 a.m.
Place: 660 Bercut Drive, Sacramento, 95811
Purpose: To receive comments about this action.

- | | |
|--|---|
| <ul style="list-style-type: none"> • Cost or savings to any state agency • Other nondiscretionary cost or savings imposed on local agencies: • Cost or savings in federal funding to the state: | <p>There will be a cost to the state through debt service paid on the lease revenue bonds, but the CSA does not anticipate any debt services payments within the next two years.</p> <p>None. To be eligible for this voluntary funding program, counties must provide matching funds of 10% of total project costs. This will vary depending on the total funds counties request.</p> <p>None.</p> |
|--|---|

PUBLIC COMMENT PERIOD

The public comment period **will begin on December 16, 2011 and will close on January 30 2012 at 5:00 p.m.** The text with proposed amendments, Initial Statement of Reasons and the Notice of Proposed Action will be made available on the CSA's website at www.cdcr.ca.gov/CSA/index.html. To be considered by the CSA, comments regarding the proposed changes must be submitted to the CSA, County Facilities Construction Division, 600 Bercut Drive, Sacramento, CA 95811; by fax at (916) 327-3317; or by e-mail at adultfacilityconstruction@cdcr.ca.gov before the close of the comment period.

EFFECT ON HOUSING COSTS

The CSA has made an initial determination that the proposed action will have no significant effect on housing costs.

COST IMPACTS ON REPRESENTATIVE PRIVATE PERSONS OR BUSINESSES

The CSA 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 ON BUSINESS

The CSA has initially 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.

EFFECT ON SMALL BUSINESSES

The CSA has determined that the proposed regulations will indirectly positively affect small businesses. Among other provisions, the Public Safety and Offender Rehabilitation Services Act of 2007 provides \$1.2 billion (in two phases) to counties for the construction or expansion of local jails. This will mean more construction- and custody-related jobs in the communities where this construction takes place.

ASSESSMENTS OF EFFECTS ON JOB AND/OR BUSINESS CREATION, ELIMINATION OR EXPANSION

The CSA has determined that the proposed regulations will indirectly positively affect jobs in California. Among other provisions, the Public Safety and Offender Rehabilitation Services Act of 2007 provides \$1.2 billion (in two phases) to counties for the construction or expansion of local jails. This will mean more construction-related jobs in the communities where this construction takes place.

CONSIDERATION OF ALTERNATIVES

The CSA must determine that no reasonable alternative considered by the CSA, or that has otherwise been identified and brought to the attention of the CSA, would be more effective in carrying out the purpose for which the action is proposed, or would be as effective and less burdensome to affected private persons, than the proposed regulatory action. Interested persons are accordingly invited to present statements or arguments with respect to any alternatives to the changes proposed at the scheduled hearing or during the written comment period.

AVAILABILITY OF PROPOSED TEXT AND INITIAL STATEMENT OF REASONS

The CSA has prepared, and will make available, the text and the Initial Statement of Reasons (ISOR) of the amended regulations. The rulemaking file for this regulatory action, which contains those items and all information on which the proposal is based (i.e., rulemaking file) is available to the public upon request directed to the Department's contact person. The proposed text, ISOR and the Notice of Proposed Action will also be made available on the CSA's website at www.cdcr.ca.gov/CSA/index.html.

AVAILABILITY OF THE FINAL STATEMENT OF REASONS

Following its preparation, a copy of the Final Statement of Reasons may be obtained from the CSA's contact person.

AVAILABILITY OF CHANGES TO PROPOSED TEXT

After considering all timely and relevant comments received, the CSA may adopt the proposed modified regulations substantially as described in this Notice. If the CSA 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 CSA adopts the regulations as revised. Requests for copies of any modified regulation text should be directed to the contact person indicated in this Notice. The CSA will accept written comments on the modified regulations for 15 days after the date on which they are made available.

INFORMATIVE DIGEST/POLICY STATEMENT OVERVIEW

Summary of Existing Laws:

In May 2007, Assembly Bill 900 (Chapter 7, Statutes of 2007), the Public Safety and Offender Rehabilitation Services Act of 2007 was signed into law. In April 2011, the 2011 Realignment Legislation Addressing Public Safety (AB 111, Chapter 16, Statutes of 2011) became law, followed by AB 94 (Chapter 23, Statutes of 2011), in May 2011, with additional provisions to the 2011 Realignment Legislation Addressing Public Safety. Both AB 111 and AB 94 amended the provisions in AB 900 with respect to the administration of local jail construction financing. Those requirements are now reflected in Government Code Sections 15820.90 and 15820.917. Specifically, Sections 15820.906 and 15820.916 re-

quire the CSA to adopt regulations for the approval or disapproval of local jail facilities.

Summary of Existing Regulations:

On November 28, 2008, the 2007 Local Jail Construction Funding Program Title 15 regulations were effective. These regulations describe the CSA’s responsibilities pertaining to the administration of local jail construction financing. Since then, these regulations have been revised twice (regulatory actions approved November 16, 2010 and May 26, 2011). (Previously, the Board of Corrections¹ administered the County Jail Capital Expenditure Bond Acts of 1981 and 1984, the County Correctional Facility Capital Expenditure Bond Act of 1986 and the County Correctional Facility Capital Expenditure and Youth Facility Bond Act of 1988. Regulations in effect at that time were located in Title 15, California Code of Regulations, Division 1, Chapter 1, Subchapter 2.) There are no comparable federal regulations or statutes.

TITLE 15, DIVISION 1, CHAPTER 1,
SUBCHAPTER 6
2007 LOCAL JAIL CONSTRUCTION
FUNDING PROGRAM

The title of the regulations found in Title 15, Division 1, Chapter 1, Subchapter 6 has been changed to “Local Jail Construction Financing Program.”

There were numerous punctuation changes throughout these regulations.

ARTICLE 1, GENERAL PROVISIONS

Section 1700, Purpose.

This regulation describes the scope of the regulations found in Title 15, California Code of Regulations, Division 1, Chapter 1, Subchapter 6. “Government Code Sections 15820.90 through 1520.918” is deleted and “Chapter 3.11 and 3.12 of Title 2, Division 3, Part 10.5 of the California Government Code” has been added.

In the Authority cited section, “and” was added before “Section 6030.” In the Reference section, a comma was deleted after “15820.916” and “and” was added before “15820.917” and “and 15820.918,” was deleted.

Section 1706, Definitions.

This regulation defines terms used throughout these regulations. At the request of the Department of Finance, several changes were made to more accurately describe the distribution of state reimbursements. In the following definitions, the term “financing” or “fi-

nanced” replaced the terms “funds,” “funded” or “funding.”

- 2007 Local Jail Construction Funding Program
- Applicant
- Evaluating and rating process
- Lease–revenue bonds
- Local jail
- Match
- Needs assessment study
- Net gain in beds
- Operational program statement
- Project
- Proposal
- Proposal evaluation criteria
- State bond funds

The term “2007 Local Jail Construction Financing Program” describes these regulations that implement and specify Chapters 3.11 and 3.12 of Title 2, Division 3, Part 10.5 of the California Government Code. The title of this construction administration program originally included the year of the implementing legislation (the Public Safety and Offender Rehabilitation Services Act of 2007). The year “2007” has been deleted.

The term “Applicant” describes those counties that are eligible for applying for financing from the Local Jail Construction Financing Program. The definition of “Applicant” has been amended to delete the year “2007” from the title of this construction financing program.

The term “Application” was added to describe the document that counties complete and submit to the Corrections Standards Authority to be assessed by factors described in Section 1740.1. This term is used throughout these regulations with respect to Phase II of the Local Jail Construction Financing Program.

The definition of “Application assessment factors” is used in the new Section 1740.1, “Phase II Application Assessment Factors.” This term was added to these regulations to describe the factors with which applications will be assessed through Phase II of the Local Jail Construction Financing Program.

The term “Assist the State in siting mental health day treatment and crisis care, and/or a continuum of care for parolees” refers to original language in AB 900 (Government Code Section 15820.917) that required CDCR to give funding preference in Phase I of the Local Jail Construction Financing Program to counties that assisted the State in siting mental health day treatment and crisis care (pursuant to Penal Code Section 3073), and/or a continuum of care for parolees. The definition was amended to add “in Phase I of the Local Jail Construction Financing Program” at the end of the sentence.

¹ As a result of the reorganization of California’s correctional system in 2005, the Board of Corrections was renamed the Corrections Standards Authority.

The term “Assist the State in siting reentry facilities” refers to original language in AB 900 (Government Code Section 15820.917) that required CDCR to give funding preference in Phase I of the Local Jail Construction Financing Program to counties that assisted the State in siting reentry facilities (pursuant to Penal Code Section 6270). The definition was amended to add “in Phase I of the Local Jail Construction Financing Program” at the end of the sentence.

The term “cash match” (also known as “hard match”) describes the money that is required to be applied as the county’s share of an award of financing. The definition has been amended to add “and Section 1714.1.”

The definition of “Conditional award” has been added to replace “Conditionally award state bond funds.” Both definitions are very similar; however, “Conditional award” describes the maximum amount of state reimbursement a participating county may receive through the Local Jail Construction Financing Program (both phases) and what conditions must be met to be eligible for a conditional award. This new term focuses on the award itself, not the awarding of financing.

The definition of “Conditionally award state bond funds,” has been deleted because it didn’t focus on the award itself, it focused on the awarding of financing. A new definition, “Conditional Award” has been added.

The definition of “Construction bid” is being added to describe the building contractor’s bid for a design–bid–build project.

“Corrections Standards Authority agreement” is the title of a specific agreement between the participating county and the Authority that sets forth standard contracting requirements for the State of California as well as other necessary information.

The term “hard match” (also known as “cash match”) describes the money that is required to be applied as the county’s share of an award of financing. The definition has been amended to add “and Section 1714.1.”

The term “In–Kind match” (also known as “soft match”) describes the cost of county–paid personnel, land or services that may be applied as a portion of the county’s share of an award of financing. The definition has been modified to more accurately describe the types of funds that fit in this category. In addition, this definition has been amended to add “and Section 1714.1.”

The definition of “Interim Financing” has been added to describe the loans that will reimburse participating counties for eligible construction costs through the Local Jail Construction Financing Program.

The term “Large county” describes counties with a population of greater than 700,000. The definition has been amended to add “for Phase I and January 1, 2011 for Phase II.”

The term “Lease–revenue bonds” (also known as state reimbursements) describes the source of financing

for local jail construction or renovation as authorized by Chapters 3.11 and 3.12 of the California Government Code. The definition has been modified to include “Title 2, Division 3, Part 10.5 of” for accuracy. The word “means” has been changed to “mean.”

The term “Local jail” describes the types of county jails (II, III, and IV as defined in Titles 15 and 24, Minimum Standards for Local Detention Facilities) that are eligible to receive financing as authorized by Chapters 3.11 and 3.12 of Title 2, Division 3, Part 10.5 of the California Government Code. The definition has been amended to add “and Section 1712.1.”

The term “Match” describes the local funds in the form of cash, property value, or management/administrative services contributed by a county for a state financed project as authorized by Chapters 3.11 and 3.12 of Title 2, Division 3, Part 10.5 of the California Government Code. The definition has been amended to add “and Section 1714.1.”

The term “Medium county” describes counties with a population from 200,001 to 700,000. The definition has been amended to add “for Phase I and January 1, 2011 for Phase II.”

The term “Needs assessment study” describes the document that contains data that validates and justifies the scope of the construction/renovation project as required by Chapters 3.11 and 3.12 of Title 2, Division 3, Part 10.5 of the California Government Code. The definition has been amended to delete the year “2007” from the title of this construction financing program.

The term “Net gain in beds” describes the number of beds being added to a county’s detention system as a result of this construction financing program. The definition was amended to add “in Phase I of the” and delete the year “2007” from the title of this construction financing program.

The term “Operational program statement” describes the document, submitted early in the design process, which explains how a county intends to operate the local jail. The definition has been amended to delete the year “2007” from the title of this construction financing program.

The term “Participating county” describes a county participating in the Local Jail Construction Financing Program. References to the specific California Government Code sections have been deleted, replaced by “Chapter 3.11 or 3.12 of Title 2, Division 3, Part 10.5 of the California Government Code.”

The definition of “Phase I” is being added to identify and distinguish the portions of these regulations that apply to the process and awarding of financing pursuant to Chapter 3.11 of Title 2, Division 3, Part 10.5 of the California Government Code.

The definition of “Phase II” is being added to identify and distinguish the portions of these regulations that ap-

ply to the process and awarding of financing pursuant to Chapter 3.12 of Title 2, Division 3, Part 10.5 of the California Government Code.

The definition of “Preliminary plans” is being added to describe the first set of documents submitted by the participating county in the State Public Works Board’s lease–revenue bond financing process.

The term “Project” describes the facility that is to be constructed or renovated through the Local Jail Construction Financing Program. The definition has been amended to delete the year “2007” from the title of this construction financing program.

The term “Project delivery and construction agreement” is the title of a specific agreement between the participating county, State Public Works Board, CDCR and the Authority that sets forth standard contracting requirements for the State of California as well as other necessary information. This definition is being amended to add “as described in Section 1748.”

The term “Proposal” describes the document that counties complete and submit to the Corrections Standards Authority to be evaluated by criteria described in Section 1740. This definition has been amended to add reference to Phase I to emphasize that the term “proposal” is used in Phase I of the Local Jail Construction Financing Program. The definition has also been amended to delete the year “2007” from the title of this construction financing program.

The term “Proposal evaluation criteria” describes the elements used in Section 1740 to rate the proposals by a weighted point scale system. This definition has been amended to add reference to Phase I to emphasize that the term “proposal” is used in Phase I of the Local Jail Construction Financing Program. The definition has also been amended to delete the year “2007” from the title of this construction financing program.

The term “Reentry preference” refers to original language in AB 900 (Government Code Section 15820.917) that required CDCR to give funding preference in Phase I of the Local Jail Construction Financing Program to counties that assisted the State in siting reentry facilities (pursuant to Penal Code Section 6270). The definition was amended to add “in Phase I of the Local Jail Construction Financing Program.” In addition, reference to Government Code Section 15820.917 has been deleted.

The term “Small county” describes counties with a population of fewer than 200,000. This definition has been amended to add “for Phase I and January 1, 2011 for Phase II.”

The term “soft match” (also known as “in-kind match”) describes the cost of county–paid personnel, land or services that may be applied as a portion of the county’s share of an award of financing. This definition has been modified to more accurately describe the types

of funds that fit in this category. In addition, this definition has been amended to add “and Section 1714.1.”

“State bond financing” (also known as “lease–revenue bonds”) describes the source of financing for local jail construction or renovation as authorized by Chapters 3.11 and 3.12 of the California Government Code. The definition has been modified to include “Title 2, Division 3, Part 10.5 of” for accuracy.

The term “State reimbursements” describes the payments made to the county by CDCR to reimburse the county for eligible project costs.

The definition of “Working drawings” is being added to describe the final set of documents submitted by the participating county in the State Public Works Board’s lease–revenue bond financing process.

In the Note section, “and” was added before and a comma was added after “15820.917” and “and 15820.918,” was deleted.

ARTICLE 2, ELIGIBILITY REQUIREMENTS

Section 1712, Eligibility Requirements.

This regulation establishes the eligibility requirements for the Phase I of the Local Jail Construction Financing Program. The title of this section has been changed to add “for Phase I” after “Requirements.” (The new title will read “Eligibility Requirements for Phase I.”)

In subsection (a) Phase I was added to emphasize that this section is only applicable to Phase I of the Local Jail Construction Financing Program. The definition has also been amended to delete the year “2007” from the title of this construction financing program. In addition, the term “financing” replaced the term “funding.”

In subsection (b), “funding” was deleted and “reimbursement” was added.

In subsection (c) “for state bond funding” was deleted and “for state financing” was added.

In subsection (c)(1) “for funding” was deleted.

In the Note section, references to Government Code Sections 15820.91, 15820.916 and 15820.917 have been deleted.

Section 1712.1, Eligibility Requirements for Phase II.

The new regulation establishes the eligibility requirements for Phase II of the Local Jail Construction Financing Program and was developed to explain how a county can be eligible to participate. These requirements are consistent with statute and establish conditions that, when met in their entirety by the county, make them eligible for state financing under this program. It also describes what can and cannot be financed through this program. These requirements are consistent with past practice by the Authority in previous jail

construction funding programs and were established to ensure conformance with statutory requirements, as well as to create parameters in response to the limited state funds available.

Section 1714, Matching Fund Requirements.

This regulation describes the matching fund requirements for counties participating in this construction program. The title of this section has been changed to add “for Phase I” after “Requirements.” (The new title will read “Matching Fund Requirements for Phase I.”)

In subsections (a) through (f), “Phase I” has been added. Also in subsection (a), reference to Government Code Section 15280.917 has been deleted.

In subsection (g), “directly” was added between “be” and “for.”

Also in this subsection, “funded by the Authority” was deleted.

In the Note section, references to Government Code Sections 15820.916 and 15820.917 have been deleted. “And” has been added before “Section 6030” and between “15820.906” and “15820.907.”

Section 1714.1, Matching Fund Requirements for Phase II.

This new regulation specifically pertains to Phase II of the Local Jail Construction Financing Program and describes the matching fund requirements for counties participating in this construction program. It was developed to reflect that statutory language requires counties to contribute matching funds totaling a minimum of 10 percent of the total project cost and includes the statutory option that counties below a general population of 200,000 can petition the Authority for a reduction in match. The regulation states that the 10 percent match can be any combination of cash and in-kind match.

The regulation also describes those items that can be considered cash match and in-kind match.

ARTICLE 3, APPLICATION TO PARTICIPATE
IN 2007 LOCAL JAIL CONSTRUCTION
FUNDING PROGRAM

The title of this article has been changed to “Application to Participate in the Local Jail Construction Financing Program. The year “2007” has been deleted from the title. In addition, the word “financing” has replaced the word “funding.”

Section 1730, Proposal.

This regulation describes the requirements and elements for a proposal for the Local Jail Construction Financing Program. The title of this section has been changed to “Proposal Process for Phase I.”

Subsections (a) and (b) have been amended to include “for Phase I.”

Subsection (b)(2) was amended for consistency with Section 1747.5. The phrase “owned by the city” was deleted and “located within the limits of the city” was added.

In subsection (b)(7) “include identifying” has been deleted and “identify” has been added. Also in this subsection the term “financing” replaced the term “funds.”

In the Note section, reference to Government Code Section 15820.916 has been deleted.

Section 1730.1, Application Process for Phase II.

This new regulation specifically pertains to Phase II of the Local Jail Construction Financing Program and was developed to describe the requirements and elements for counties to apply for financing through this program. The application is required to be submitted utilizing the 2011 Local Jail Construction Financing Program — AB 900 Phase II Application Form attached to the AB 900 Phase II Construction or Expansion of County Jails, Request for Applications and approved by the Authority. The form provides a clear, concise and consistent format for the counties to record necessary information as listed in subsection (c)(1) through (5) that is essential to the assessment process because the information is used as assessment criteria (see Section 1740.1). The 2011 Local Jail Construction Financing Program — AB 900 Phase II Application Form is a single contract, specific document and does not contain rules of general application.

The 2011 Local Jail Construction Financing Program — AB 900 Phase II Application Form, dated October 6, 2011, is incorporated by reference in the regulations. The form would be impractical, cumbersome and unduly expensive to publish in the California Code of Regulations as it is a twelve (12) page, inter-active form that is to be completed by the counties electronically, printed and submitted as the project application along with other required documents as attachments. The form is reasonably available to the public, via the Authority’s website at <http://www.cdcr.ca.gov/CSA/index.html> and upon request, directly from the Authority’s business office located in Sacramento, CA.

Subsection (c)(1)–(3) is being added to establish the requirements for a county relinquishing a Phase I conditional award and applying for a Phase II award.

Section 1731, Needs Assessment Study.

This regulation describes how counties must document their need for financing through the Local Jail Construction Financing Program. The terms “Phase I” and “Phase II” have been added.

Section 1740, Proposal Evaluation Criteria.

This regulation describes the criteria by which proposals will be evaluated. The title of this section has been changed to add “Phase I” before “Proposal Evalu-

ation Criteria.” (The new title will read “Phase I Proposal Evaluation Criteria.”)

The comma after 15820.906 was deleted, “and” was added before 15820.907 and reference to 15820.916 and 15820.917 are deleted.

The term “Phase I” was added to the first paragraph.

In the Note section, after “Authority cited:” the word “Sections” was changed to “Section,” and reference to Government Code Sections 15820.916 and 15820.917 have been deleted as they are not applicable to Phase I. “And” has been added between “15820.906” and “15820.907.”

Section 1740.1, Phase II Application Assessment Factors.

This new regulation describes the factors by which applications will be assessed. This regulation specifically pertains to Phase II of the Local Jail Construction Financing Program. Applications submitted by counties will be assessed to determine their eligibility for financing through this program. It reflects statutory language that requires the Authority to grant preference in the assessment process to 1) those counties that committed the largest percentage of inmates to state custody in relation to the total inmate population of CDCR in 2010 and 2) those counties that received a Phase I conditional award and wish to relinquish their conditional award and reapply for a Phase II conditional award provided that those counties agree to continue to assist the state in siting reentry facilities.

The assessment factor for cost effectiveness is referenced in Government Code Section 15820.916 as a factor for approval or disapproval of local jail facilities.

Government Code Section 15820.916 requires that in order to be eligible to receive funds through this program, counties must document their need for jail beds. The assessment factor for the documentation of need for the project was added to meet this legislative requirement.

The factor for the use of detention alternatives was included to evaluate the county’s commitment to effectively relieve jail overcrowding and reduce recidivism by utilizing alternative-to-jail programs.

The assessment factor for scope of work and project impact will be based on the degree to which the county’s application describes the proposed project and demonstrates the impact the project will have on the county’s detention system.

The assessment factor for an administrative work plan will be based on the degree to which the county’s proposal provides a clear and comprehensive plan for designing, performing and managing the proposed project that is likely to result in success.

Counties are required to safely staff and operate the constructed facility within 90 days of its completion.

The assessment factor for a plan for adequate staffing of the facility was included in this regulation.

Assembly Bill 109 provided for a fundamental realignment of responsibilities for lower level offenders and adult parolees from state prisons to local jurisdictions. The assessment factor for the effects of realignment was included in this regulation.

The assessment factor for budget was included to enable the evaluators to understand how the county intends to budget for the construction project in a reasonable and cost-effective manner.

Section 1747, Steps to Proceed with Construction for Design-Bid-Build Projects.

This regulation describes the requirements to be fulfilled in order to begin construction for design-bid-build projects in the Local Jail Construction Program. In subsection (a) “Prior to a participating county receiving state bond funds” was deleted.

Subsection (a)(1) was amended to add reference to Section 1730.1 of these regulations.

Subsection (a)(3) was added to show CDCR’s involvement in confirming that participating counties have completed the various steps required before they can proceed with construction. The new language also describes the oversight role of the State Department of Finance and the Board.

In the new subsection (a)(4), “financing from state bond funds” was deleted.

In the new subsection (a)(5), “by the financing of state bond funds” was deleted.

In the new subsection (a)(7), “a final notice of determination on its environmental impact report” was deleted and “documentation of California Environmental Quality Act compliance” was added.

In the new subsection (a)(8), “(minimum of a 40 plus year site lease or use permit),” was deleted. Adequate control of the site is subject to a case-by-case analysis that could lead to more or less than 40 years to be deemed adequate.

Section 1747.1, Steps to Proceed with Construction for Design-Build Projects.

This regulation describes the requirements to be fulfilled in order to begin construction for design-build projects in the Local Jail Construction Program. In subsection (a) “Prior to a participating county receiving state bond financing” was deleted.

Subsection (a)(1) was amended to add reference to Section 1730.1 of these regulations.

A new subsection (a)(3) was added to show CDCR’s involvement in confirming that participating counties have completed the various steps required before they can proceed with construction. The new language also describes the oversight role of the State Department of Finance and the Board.

In the new subsection (a)(4), “financing from . . . bond financing” was deleted.

In the new subsection (a)(5), “by the financing of state bond financing” was deleted.

In the new subsection (a)(7), “a final notice of determination on its environmental impact report” was deleted and “documentation of California Environmental Quality Act compliance” was added.

In the new subsection (a)(8), “(minimum of a 40 plus year site lease or use permit),” was deleted. Adequate control of the site is subject to a case-by-case analysis that could lead to more or less than 40 years to be deemed adequate.

Section 1747.5, Requirements for the Siting Agreement.

This regulation describes the roles, responsibilities and performance expectations of the participating county and the CDCR to establish a reentry facility. The title of this regulation has been changed to read “Requirements for the Siting Agreement in Phase I.”

“In Phase I” was added at the beginning of subsection (a). The term “financing” replaced the term “funds” and “funding” in subsection (a).

In the Note section, “and” was added before “Section 6030”. After “15820.907,” “and” was deleted, a comma was deleted after 15820.915 and “and” was added.

Sections 1748, Project Delivery and Construction Agreement, 1748.5, Corrections Standards Authority Agreement, 1752, Ground Lease, 1753, Right of Entry for Construction and 1754 Facility Sublease describe the various agreements, leases and subleases that counties must enter into to participate in this lease-revenue bond financing program. Each of these agreements, leases and subleases are entered into separately with each individual county for each individual construction project and all the provisions in the documents are subject to negotiation between the parties on a case-by-case basis.

Section 1748, Requirements for the Project Delivery and Construction Agreement.

This regulation describes the elements of the project delivery and construction agreement. Subsection (a) was amended to read that this agreement will be executed after the Board establishes the scope, cost and schedule for the participating county’s project.

Subsection (b)(1) and (b)(8) were deleted because they duplicate language from the project delivery and construction agreement. Subsections (b)(2), (4) and (5) and subsection (c) were deleted because these requirements reside in the CSA agreement. Although these requirements have been deleted and now appear as provisions in the project delivery and construction agreement and the CSA agreement, it should be noted that these agreements are entered into separately with each indi-

vidual county for each individual construction project and all these provisions in the documents are subject to negotiation between the parties on a case-by-case basis.

Subsection (b)(7) was deleted because it duplicates language from Section 1751, General Requirements (subsection (e)), and is not necessary to repeat here.

Subsection (b)(3) was deleted because the project delivery and construction agreement does not contain this detailed information. (This regulation was crafted before the project delivery and construction agreement was developed. It has been determined this information is no longer relevant.)

Subsection (b)(6) was deleted due to its vagueness. There is some information from the formal project proposal in the project delivery and construction agreement.

Section 1748.5, Corrections Standards Authority Agreement.

This regulation was added to describe the basic elements of the CSA agreement between the participating county and the Authority. This agreement is entered into separately with each individual county for each individual construction project and all these provisions in the document are subject to negotiation between the parties on a case-by-case basis.

Section 1751, General County Requirements.

This regulation describes a participating county’s responsibilities as delineated in statute. Subsection (e) was amended to clarify that as a general county requirement, in all agreements, the county must indemnify the State of California. This subsection was also amended to add acquisition, design, construction, operation and maintenance to those situations that the county must indemnify the state.

Section 1752, Ground Lease.

This regulation describes the transfer of the possession and control of the property upon which the local jail facility will be constructed, from the county to CDCR. Subsection (a) has been amended to delete “In the situation involving a ground lease.” “with Board consent” has been added. “only after the county has certified the site pursuant to Government Code Section 15820.906(b)(1) and” has been deleted. The remainder of this subsection was deleted because it duplicates language from the Ground Lease.

Subsection (b) has been amended to reflect that an easement is needed over adjacent county property as necessary for the project footprint.

Subsection (c) has been amended to provide a more simple description of the absolute minimum requirements for a legal description.

Subsection (d) was deleted because it is a requirement that the State is placing upon itself — the State

will be requesting recordation rather than requiring the county to do the recordation.

Subsection (e) was deleted because it is a precondition to the Ground Lease and is part of the Board's determination that the site is adequate as referenced in subsection (a).

Subsection (f) was deleted because the term and termination provisions are included in the Ground Lease. Subsection (g) was deleted because it is just one of many specific requirements in the Ground Lease. Subsection (i) was deleted because this requirement is included in the Ground Lease. Although these requirements have been deleted and now appear as provisions in the Ground Lease, it should be noted that the Ground Lease is entered into separately with each individual county for each individual construction project and all these provisions in the documents are subject to negotiation between the parties on a case-by-case basis.

Subsection (j) was deleted because it is not technically correct. The title remains with the county throughout the term of the lease. This requirement is included in the Ground Lease.

Section 1753, Right of Entry for Construction.

This regulation authorizes the participating county and their contractors to use the site that has been leased to CDCR via the above-referenced ground lease. The last sentence in subsection (a) was deleted because termination language resides in the Right of Entry for Construction agreement.

Subsection (c) was deleted because this concept is addressed in Section 1751, General Requirements, subsection (e), and is not necessary to repeat here.

Section 1754, Facility Sublease.

This regulation describes the requirements to sublease the local jail facility to the county for its use, operation and maintenance. It also contains language that protects the State of California and describes the parameters of how the county may use and occupy the local jail facility. The first sentence in subsection (a) was amended to delete "Immediately after" and in its place "If" was added. At the end of the first sentence, "with Board consent" was added to reflect the Board's oversight in this process. A new sentence was added that describes, in broad terms, the content of the facility sublease.

Subsections (c)(1)-(2) and (7) through (10) were deleted because these requirements reside in the Facility Sublease agreement. Although these requirements have been deleted and now appear as provisions in the Facility Sublease, it should be noted that Facility Sublease is entered into separately with each individual county for each individual construction project and all these provi-

sions in the documents are subject to negotiation between the parties on a case-by-case basis.

With respect to subsection (c)(3), this is not a county responsibility but a responsibility of CDCR; therefore this statement was deleted. In subsection (c)(4), it is a matter of Board consent whether a county may make additions, betterments or improvements to the facility. The Board's consent will consider the abatement issue, among others. In subsection (c)(6), indemnification is addressed in Section 1751, General County Requirements.

ARTICLE 4, ADMINISTRATION OF THE PROCEEDS OF THE STATE BOND FUNDS AND PROJECT MONITORING

The title of this article has been changed. "Reimbursements" has replaced "the Proceeds of the State Bond Funds." (The new title is "Administration of Reimbursements and Project Monitoring.")

Section 1756, Disbursement of the Proceeds from the Lease-Revenue Bond Funds.

This regulation describes how state reimbursements are disbursed to participating counties. The title of this regulation was changed to reflect that participating counties are reimbursed by the state for eligible project costs for the Local Jail Construction Financing Program. (The title will read "Disbursement of State Reimbursements.")

In subsection (b), "or application" was added after "proposal." Also, "project delivery and construction" was deleted and "CSA" was added before "agreement." Finally, "payment" was deleted and "state reimbursement" was added.

Subsection (c) was deleted because, while technically true, it is a misleading statement. There are many other activities that must take place before reimbursement to counties may occur.

In the new subsection (c) "payments from the proceeds of lease-revenue bonds" was deleted and "state reimbursements" was added. "the Board and/or" was deleted and "/or CDCR and" was added to reflect that the Authority and CDCR are the entities that may be questioning the supporting documentation.

Subsection (e) was deleted because it was unnecessary. The following subsections describe the conditions under which state reimbursements are made.

The following format changes were made: subsection (e)(1) was renumbered (d) and (e)(2) was renumbered (e).

The new subsection (d) was amended to delete the word "payment." The section was also amended to allow counties to submit for payment on a schedule mutu-

ally agreed to by the Authority and the participating county and written in the CSA agreement.

The new subsection (e) was amended to delete the word “payment.” Due to the reformatting of this regulation, “;and,” was deleted.

The former subsection (e)(3), now the new subsection (f), has been amended to delete “from the proceeds of lease–revenue bonds to the participating county” and add “of anticipated total state reimbursements.” This subsection was also amended to reflect CSA Board action that changed the retention amount withheld from the proceeds of the lease–revenue financing from 20% to 5%. This section was also amended to add reference to the CSA agreement and to emphasize that in order to release the withheld amount, the participating county must comply with the applicable terms of the CSA agreement, project delivery and construction agreement and other agreements applicable to financing and applicable conditions and requirements of law and regulation.

The former subsection (e)(3) partially described the conditions with which counties must comply before funds withheld would be released to the participating county. Subsections (f)(1), (2), (3) and (5) were added to complete the list of conditions that participating counties must meet. Subsection (4) is one of the elements from the previous (e)(3). Finally, at the end of subsection (f)(5) “receipt and approval of the final project audit report, and final construction inspection and approval by appropriate officials.” was deleted because these elements are captured in subsections (f)(2) and (3).

The former subsection (e)(3) has been amended and reformatted to (f)(4) and (5).

Section 1757, Pooled Money Investment Board.

This regulation describes the financing provided by the Pooled Money Investment Board (pursuant to statute) through the CDCR to the participating county, for the local jail project until lease–revenue bonds are available. This regulation was deleted.

Section 1760, Accounting.

This regulation describes the accounting requirements that participating counties must adhere to if awarded state financing through the Local Jail Construction Financing Program. The title of this regulation has been changed to Record Keeping and Accounting.

A new subsection (a) was added to reflect the requirement that participating counties must establish an official project file for the project. This subsection also describes the required contents of the file and that a copy of this file would be forwarded to the CDCR upon termination of the CSA agreement, marking the comple-

tion of the project. The required documents (contracts, payment of invoices, transfer of funds and other related accounting records) describe how the state reimbursements and county funds were appropriately received and distributed.

The new subsection (b) requires that the file shall be protected from fire or other damage and the new subsection (c) requires that the file be preserved for a minimum of three years after the last date on which no lease–revenue bonds are outstanding.

The former subsections (a) and (b) have been renumbered to (d) and (e) respectively. Subsections (d) and (e) were amended to delete “proceeds of lease–revenue bonds” and add “state reimbursements” and subsection (e) was amended to delete “bond funds” and add “reimbursements.”

Section 1766, Monitoring of Process.

This regulation describes the project monitoring requirements of the Authority and the Board. Subsection (a) was amended to add that both CDCR and the Authority shall monitor the administration of the project.

This subsection was also amended to reflect that participating counties are not paid by the proceeds of lease–revenue bonds, but are reimbursed by the state.

Subsection (b) was amended to add the Authority and the State Department of Finance to clarify that the Board, the Authority and the Department of Finance have administrative oversight of the project.

Subsection (c) was added to require state officials’ access to the project site, project files and contractors’ records.

Section 1767, Completion of Project.

This regulation requires the county to construct the project in accordance with the agreements, plans and specifications as approved by the Board and the Authority. This regulation was reformatted into two subsections. Subsection (a) was amended to delete reference to the project delivery and construction agreement and add reference to the CSA agreement. The reference to plans and specifications was added after “(with respect to a design–build project)” to clarify that participating counties utilizing the design–build method of construction must complete their projects in accordance with approved plans and specifications (as required by 1749.1) as well as the approved performance criteria or performance criteria and concept drawings. The last sentence in this section was also deleted.

Subsection (b) now contains reference to the repercussions of failure to proceed with the project on the agreed schedule and adds reference to the CSA agreement. Subsection (c) was added to require the participating county to submit a final project summary to the Authority upon completion of the project.

Section 1768, Project Modifications.

This regulation describes the process that participating counties must follow if modifications are needed to their project. Subsection (a) was amended to delete the “project delivery and construction” and add “CSA” before “agreement.” In addition, the words “written amendment and” were deleted and in its place, the word “advance” was added.

As part of establishing a project with the Board, participating counties must develop a scope of work, a budget and a schedule for the approval by staff of the Board. These items are approved by the Board and included in the project delivery and construction agreement and the CSA agreement. The project delivery and construction agreement will not be amended after approval by the Board (hence its deletion from this regulation); however, the CSA agreement may be amended. In order for an amendment to be made to the CSA agreement, counties must obtain prior written approval of the Board and the Authority.

To assure that a project is suitable for lease–revenue bond financing, careful scrutiny is given to a project’s scope, design, configuration, cost and schedule. Once a participating county’s project is established by the Board (and all parties have signed the required agreements), any significant change to a project’s scope, design, configuration, cost and schedule must be preceded by advance approval of the Board and the Authority.

Due to changes to subsections (1), (2) and (3), the last sentence in Subsection (a) has been amended to delete “if the modifications” and add “upon any of the following events or circumstances:” to be grammatically correct.

Subsection (a)(1) was amended to accurately reflect language in the project delivery and construction agreement.

Subsection (a)(2) was added to reflect the importance of the previously approved completion date with respect to the project’s ability to be bond saleable.

In subsection (3), “Substantially alter” was deleted and “A more than minor change to” was added to reflect language in both the project delivery and construction agreement and the CSA agreement.

Subsection (4) was added because any project modification that would impact the Authority’s or the State Fire Marshal’s construction or operational regulations, or the security and fire and life safety of the facility or change the number of beds, must be reviewed and approved by those state entities and requires advance approval of the Board and the Authority.

In subsection (3), “Change the number of beds or otherwise impact the Authority construction or operations regulations.” was deleted. These two issues are now included in subsection (4).

A new subsection (b) was added to require the participating county to provide written notification to the Authority of any modifications to the county’s agreement for construction with its contractor.

The former subsection (b), now subsection (c), was modified to clarify when change orders are to be submitted.

In the former subsection (c), now subsection (d), “project delivery and construction” was deleted and “CSA” was added before agreement. In addition, the term “financing” replaced the term “funds” in subsection (d).

Section 1770, Audits.

This regulation describes the audit requirements that participating counties must adhere to if awarded state financing through the Local Jail Construction Financing Program. Subsection (a) was amended to require that the participating county obtain an audit performed in accordance with Government Auditing Standards, issued by the Comptroller General of the United States.

In the second sentence of subsection (a), “participating” was added in front of “county.”

The third and fourth sentences in subsection (a) were reformatted into a new subsection (d).

A new subsection (b) was added to describe the auditor’s final audit report and require that the final audit report be submitted to the county Board of Supervisors.

In the event that the auditor determines any findings and recommendations, a corrective action plan must be prepared. Subsection (c) was added to describe the requirements for the corrective action plan.

“CDCR” was added to the first sentence of the new subsection (d). In the second sentence, “CDCR” was added, “Board and” was deleted and “or the” was added. In addition, “the proceeds of lease–revenue bonds” was deleted and “state reimbursements” was added. Finally, “the” was deleted, “established” was added and “of the bond contract” was deleted.

The former subsection (b), now the new subsection (e) was amended to add the term “state reimbursements” and delete the term “payments.”

Section 1772, Unused Proceeds of Lease–Revenue Bonds.

This regulation clarifies that counties will not receive the state reimbursement in excess of the amount of the conditional award provided by the Authority and further stipulates the process that occurs in the event a participating county does not use all the state financing that was awarded to them. The title of this regulation has been changed to “Unused Conditional Awards.”

Subsection (a) was amended to add “participating” in front of “county.” “the proceeds of lease–revenue bonds” was deleted and “state reimbursements” was added. The word “provided” was deleted and “approved” was added.

The first sentence in subsection (c) was moved to be the new subsection (b). This sentence was restructured for clarity. “Any proceeds of lease–revenue bonds not expended by” was deleted and replaced by “If a participating county does not fully use the amount of the conditional award.” “pursuant to the approved proposals, project delivery and construction agreement or approved construction plans” was deleted. “that unused amount” and “available for redistribution” was added and “redistributed” was deleted.

Subsection (b) was moved to subsection (c). It was amended to delete “proceeds of lease–revenue bonds” and “state reimbursements” was added. The word “spent” was deleted and “made” was added. The word “payments” was deleted and “state reimbursements” was added.

All of subsection (c) was deleted because it was unnecessary; this language is in the CSA agreement.

ARTICLE 5, APPEAL PROCEDURES

Section 1776, Purpose.

This regulation describes the purpose of the regulations in this article and applies to both phases of the Local Jail Construction Financing Program. The term “or application assessment process” was added at the end of the first sentence and at the end of the last sentence. The term “evaluation or assessment” replaced the term “funding” in the last sentence.

Section 1778, Definitions.

This regulation defines terms used throughout the following regulations. In subsection (ii) of the definition of “Hearing panel,” “state reimbursements” replaced “proceeds of lease–revenue bonds.”

Section 1788, Request for Corrections Standards Authority Appeal Hearing.

This regulation describes the process for participating counties to request an appeal hearing. It has been amended to add “or the application assessment process.”

TITLE 16. BOARD OF BARBERING AND COSMETOLOGY

NOTICE OF PROPOSED RULEMAKING

NOTICE IS HEREBY GIVEN that the Board of Barbering and Cosmetology (hereinafter referred to as “The Board”) is proposing to take the action described in the Informative Digest after considering all comments, objections and recommendations.

The Board has not scheduled a hearing on this proposed action. However, the Board will hold a hearing if it receives a written request for a public hearing from

any interested person, or his or her authorized representative, no later than 15 days before the close of the written comment period.

Written comments, including those sent by mail, facsimile, or e–mail to the addresses listed under the contact person in this Notice, must be received by the Board at its office no later than 5:00 p.m. on **January 30, 2012**. The Board, upon its own motion or at the instance of any interested party, may thereafter adopt the proposals substantially as described below or may modify such proposals if such modifications are sufficiently related to the original text. With the exception of technical or grammatical changes, the full text of any modified proposal will be available for 15 days prior to its adoption from the person designated in this Notice as contact person and will be mailed to those persons who submit written or oral testimony related to this proposal or who have requested notification of any changes to the proposal.

Authority and Reference

Pursuant to the authority vested by Sections 7312, 7340 and 7362 of the Business and Professions Code and to implement, interpret or make specific Sections 7340 and 7362 of the Business and Professions Code, the Board is considering changes to Division 9 of Title 16 of the California Code of Regulations as follows:

INFORMATIVE DIGEST/POLICY STATEMENT OVERVIEW

Repeal Section 933, CCR

Sections 7312 and 7340 of the Business and Professions Code authorize the Board to establish standards and procedures for licensing examinations. The Board is seeking to repeal Section 933 because Subsection (a) is duplicative of Business and Professions Code Section 7341 and Subsection (b) no longer applies due to changes in Board examination procedures.

Amend Section 961, CCR

Sections 7312 and 7340 of the Business and Professions Code give the Board broad authority to approve barbering and cosmetology schools and curriculums, of which textbooks and other reference materials are an important part. The Board is seeking to amend Section 961 to remove the requirement that schools provide a copy of the licensing examination “Performance Criteria developed by the Board” because the criteria is in fact no longer being developed by the Board because of changes in its testing methodology.

Fiscal Impact on Public Agencies Including Costs or Savings to State Agencies or Costs/Savings in Federal Funding to the State

The Board expects a small savings due to no longer having to periodically fund occupational studies for the

current examination or produce the performance criteria pamphlet given to schools that request it.

Nondiscretionary Costs/Savings to Local Agencies

None.

Local Mandate

None.

Cost to Any Local Agency or School District for Which Government Code Sections 17500–17630 Require Reimbursement

None.

Business Impact

The board has made an initial determination that the proposed regulatory action would have no significant statewide adverse economic impact directly affecting business, including the ability of California businesses to compete with businesses in other states.

Impact on Jobs/New Businesses

The Board has determined that this regulatory proposal will not have any impact on the creation of jobs or new businesses or the elimination of jobs or existing businesses or the expansion of businesses in the State of California.

Cost Impact on Representative Private Person or Business

The cost impact that a representative private person or business would incur because of the proposed action depends upon their compliance with the Board’s regulation, but is not expected to be significant.

Effect on Housing Costs

None.

EFFECT ON SMALL BUSINESS

This proposal would have no effect on a small business because the proposed regulation changes either eliminate a mandate or do not apply to businesses.

CONSIDERATION OF ALTERNATIVES

The Board must determine that no reasonable alternative it considered or that has otherwise been identified and brought to its attention would be more effective in carrying out the purpose for which the action is proposed or would be as effective and less burdensome to affected private persons than the proposed action.

INITIAL STATEMENT OF REASONS AND INFORMATION

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

TEXT OF PROPOSAL

Copies of the exact language of the proposed regulations and of the initial statement of reasons, and all of the information upon which the proposal is based, may be obtained at the hearing or prior to the hearing upon request from the Board of Barbering and Cosmetology at 2420 Del Paso Rd., Suite 100, Sacramento, CA 95834.

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

All the information upon which the proposed regulations are based is contained in the rulemaking file which is available for public inspection by contacting the person named below. You may obtain a copy of the final statement of reasons once it has been prepared, by making a written request to the contact person named below.

CONTACT PERSON

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

Contact Person:

Name: Kevin Flanagan
 Address: 2420 Del Paso Rd., Suite 100
 Sacramento, CA. 95834
 Telephone: (916) 575–7100
 Fax: (916) 575–7281
 Email
 Address: Kevin.Flanagan@dca.ca.gov

Backup Contact Person:

Name: Kari Frank
 Address: 2420 Del Paso Rd., Suite 100
 Sacramento, CA. 95834
 Telephone: (916) 575–7100
 Fax: (916) 575–7281
 Email
 Address: Kari.Frank@dca.ca.gov

Web Site Access

Materials regarding this proposal can be found at www.barbercosmo.ca.gov.

GENERAL PUBLIC INTEREST

DEPARTMENT OF FISH AND GAME

**Department of Fish and Game —
Public Interest Notice**

For Publication December 16, 2011
CESA CONSISTENCY DETERMINATION
REQUEST FOR
Livermore Toyota Dealership Project
(2080–2011–024–03)
Alameda County

The Department of Fish and Game (Department) received a notice on November 29, 2011 that the City of Livermore proposes to rely on a consultation between federal agencies to carry out a project that may adversely affect a species protected by the California Endangered Species Act (CESA). The proposed action involves the construction of a Toyota Dealership located along Northfront Avenue near Vasco Road in the City of Livermore.

The U.S. Fish and Wildlife Service (Service) issued a “no jeopardy” federal biological opinion (File No. 81420–2008–F–1886–1) (BO) and incidental take statement (ITS) to the U.S. Army Corps of Engineers on January 5, 2009 which considered the effects of the project on the Federally threatened California red-legged frog (*Rana draytonii*). The BO was amended on October 18, 2011 (File No. 81420–2008–F–1886–R001) to include the Federally and State threatened California tiger salamander (*Ambystoma californiense*), the Federally endangered and State threatened San Joaquin kit fox (*Vulpes macrotis mutica*) and the Federally and State endangered palmate-bracted bird’s-beak (*Cordylanthus palmatus*).

Pursuant to California Fish and Game Code Section 2080.1, The City of Livermore is requesting a determination that the BO and ITS are consistent with CESA for purposes of the proposed Project. If the Department determines the BO and ITS are consistent with CESA for the proposed Project The City of Livermore will not be required to obtain an incidental take permit under Fish and Game Code section 2081 for the Project.

**DEPARTMENT OF HEALTH CARE
SERVICES**

**THE CALIFORNIA DEPARTMENT
OF HEALTH CARE SERVICES WILL
ADOPT REVISED BILLING CODES
FOR MEDI-CAL PROGRAM
2011 CURRENT PROCEDURAL
TERMINOLOGY — 4TH EDITION (CPT– 4)
AND 2011 HEALTHCARE COMMON
PROCEDURE CODING SYSTEM (HCPCS)
LEVEL II**

Effective for dates of service on or after December 31, 2011, the California Department of Health Care Services (DHCS) will adopt the 2011 Healthcare Common Procedure Coding System (HCPCS) Update, including the 2011 Current Procedural Terminology — 4th Edition (CPT–4), and the 2011 HCPCS Level II codes and modifiers. DHCS will establish specific reimbursement rates as follows:

- The maximum reimbursement for durable medical equipment using the updated billing codes, except wheelchairs and wheelchair accessories, will be established at an amount not to exceed 80 percent of the 2011 Medicare rates. Reimbursement for wheelchair and wheelchair accessories will be established at an amount not to exceed 100 percent of the 2011 Medicare rates (Welfare and Institutions Code section 14105.48).
- The maximum reimbursement for orthotic and prosthetic appliances and clinical laboratory services using the updated billing codes will be established at an amount not to exceed 80 percent of the 2011 Medicare rates (Welfare and Institutions Code sections 14105.21 and 14105.22).
- Maximum reimbursement for physician services, including surgical procedures, using the updated billing codes will be established at an amount not to exceed 80 percent of the 2011 Medicare rate for the same service.

These proposed changes will impact the following provider categories:

- Clinical laboratories
- Durable medical equipment
- Hospital outpatient departments and clinics
- Long-term care facilities
- Ground medical transportation
- Other outpatient clinics
- Optometrists

- Orthotists and prosthetists
- Pharmacies/pharmacists
- Physicians
- Podiatrists
- Providers of services under the California Children's Services/Genetically Handicapped Persons Program

PUBLIC REVIEW

The proposed changes are available for public review at local county welfare offices throughout California. Written comments must be submitted within 45 days from the publication date of these changes in the California Regulatory Notice Register. All comments should include the author's name, organization or affiliation, phone number and Provider ID number, if appropriate. Members of the public may request the proposed list of billing codes, and proposed reimbursement rates under the 2011 HCPCS Update form, and submit comments to:

Lupe Martinez
Provider Rate Section
California Department of Health Care Services
1501 Capitol Avenue
MS 4600
P.O. Box 997417
Sacramento, CA 95899-7417

DEPARTMENT OF HEALTH CARE SERVICES

THE DEPARTMENT OF HEALTH CARE SERVICES QUALITY ASSURANCE FEE ON SKILLED NURSING FACILITIES FOR THE 11-12 RATE YEAR

This notice provides information concerning the Quality Assurance Fee (QAF) on each skilled nursing facility for the rate year August 1, 2011, to July 31, 2012, approved by the Centers for Medicare & Medicaid Services on November 21, 2011. California Health and Safety Code sections 1324.20 through 1324.30, and Welfare and Institutions Code section 14105.06, authorize the Department of Health Care Services (DHCS) to collect a QAF from all non-exempt Freestanding Skilled Nursing Facilities and Freestanding Skilled Adult Subacute Nursing Facility Level-Bs (FS/NF-Bs). The purpose of this fee is to enhance federal financial participation in the MediCal program, provide additional reimbursement to, and support quality improvement efforts in, licensed FS/NF-Bs providing services for the Medi-Cal program.

QAF IMPOSED FOR THE 2011-12 RATE YEAR

DHCS will collect the following QAF on a monthly basis:

FS/NF-Bs with total annual resident days equal to or greater than 100,000-\$13.43 per resident day.

FS/NF-Bs with total annual resident days less than 100,000-\$14.33, per resident day.

DHCS will send quarterly notices to each non-exempt FS/NF-B and three monthly payment forms. Payments are due on or before the last day of the month following the month for which the fee is imposed.

PUBLIC REVIEW AND COMMENTS

A copy of the California Health and Safety Code sections 1324.20 through 1324.30, and Welfare and Institutions Code section 14105.06 may be requested from, and any comments may be sent to:

Mr. Grant Gassman, RM II
Long Term Care Section
Department of Health Care Services
1501 Capitol Avenue, Suite 71.4001
MS 4612
P.O. Box 997417
Sacramento, CA 95899-7417

DEPARTMENT OF HEALTH CARE SERVICES

PROPOSAL TO ADJUST PROVIDER PAYMENT REDUCTIONS FOR SELECTED MEDI-CAL DRUG PRODUCT PAYMENTS

Assembly Bill (AB) 97, Section 93.5 of the Statutes of 2011 authorized the Department of Health Care Services (DHCS) to implement payment reductions for Medi-Cal outpatient services up to 10 percent, in the aggregate, for dates of service on or after June 1, 2011. The statute authorizes DHCS to implement the reductions only to the extent that DHCS determines that the reduced payments that result from the reductions comply with applicable federal Medicaid requirements, including 42 United States Code section 1396a(a)(30)(A) and that federal financial participation will be available.

On October 27, 2011, the Centers for Medicare and Medicaid Services (CMS) approved State Plan Amendment 11-009, which provides for 10 percent provider payment reductions, effective June 1, 2011. SPA 11-009 also states that DHCS will monitor the effect of the payment reductions in accordance with its monitoring plan entitled, "Monitoring Access to Medi-Cal Covered Healthcare Services," but it does not specifi-

cally state: 1) the payment reductions shall be reduced by an amount that does not exceed 10 percent on an aggregate basis, or 2) the State Agency retains the discretion to not implement the particular payment reduction or adjustment and may adjust the payment as necessary in order to achieve consistency with federal Medicaid requirements, or 3) these adjustments include, but are not limited to, payment adjustments for specific drug products or for specific providers of drug products.

Based on preliminary information, as well as input from pharmacy providers received subsequent to CMS's approval of the 10 percent payment reduction, DHCS believes that for selected specific drug products, or for specific types of providers, or in specific geographic areas, such a reduction may impede access to selected Medi-Cal drug benefits and possibly result in a violation of federal Medicaid requirements. CMS has informed DHCS that the State Plan language as recently approved does not provide the flexibility for DHCS to take any action other than to reduce all pharmacy provider payments by 10 percent. A State Plan Amendment is required to incorporate language that will provide DHCS the flexibility to adjust payments in a manner that will result in an aggregate savings of no more than 10 percent while providing access consistent with federal Medicaid requirements.

Description of SPA:

DHCS intends to submit a SPA on or before December 31, 2011, that will give DHCS the flexibility to 1) reduce or adjust payment reductions by an amount that does not exceed 10 percent on an aggregate basis, 2) retain the discretion to not implement the particular payment reduction or adjustment and may adjust the payment as necessary in order to achieve consistency with federal Medicaid requirements, and 3) include as adjustments, but not be limited to, payment adjustments for specific drug products or for specific providers of drug products.

DHCS estimates that the payment adjustments made pursuant to this State Plan Amendment will increase State General Fund expenditures. The amount of increase is unknown as it is dependent on future events that cannot be predicted. Any increase will not exceed the projected General Fund savings from drug product payments created by the 10 percent payment reduction.

PUBLIC REVIEW AND COMMENTS

The California statutes discussed above are available for public review at local county welfare offices throughout the State. Written comments (or requests for copies of the statutes and/or copies of the written comments) may be submitted to:

Mailing Address via U.S. Postal Office:

California Department of Health Care Services
Pharmacy Benefits Division
(Attn: K Henry)
MS 4604
P.O. Box 997417
Sacramento, CA 95899-7417

Mailing Address for Courier Deliveries ONLY

(UPS, FedEX, Golden State Overnight, etc):
(Attn: K Henry)
1501 Capitol Avenue
Suite 71.5131, MS 4604
Sacramento, CA 95814-5005

By Email:
Pharbene@dhcs.ca.gov

By FAX: (916) 552-9563

All comments should include the author's name, organization or affiliation, phone number and Provider ID number if appropriate.

**OFFICE OF ENVIRONMENTAL
HEALTH HAZARD ASSESSMENT**

**CALIFORNIA ENVIRONMENTAL
PROTECTION AGENCY**

**OFFICE OF ENVIRONMENTAL HEALTH
HAZARD ASSESSMENT**

NOTICE TO INTERESTED PARTIES

**NOTICE OF PUBLIC WORKSHOPS
ON
AIR TOXICS HOT SPOTS PROGRAM —
PROPOSED REVISIONS TO THE TECHNICAL
SUPPORT DOCUMENT FOR EXPOSURE
ASSESSMENT AND STOCHASTIC ANALYSIS**

December 16, 2011

OEHHA is announcing Public Workshops on the updated draft of the *Air Toxics Hot Spots Program Technical Support Document For Exposure Assessment and Stochastic Analysis*.

Public workshops will be held at 10:00 a.m. – 2:00 p.m. on December 20, 2011 in Diamond Bar and 10:30 a.m. – 2:30 p.m. on December 22, 2011 in Oakland. Location information is as follows:

Room CC2
 South Coast Air Quality Management District
 21865 Copley Dr.
 Diamond Bar, CA 91765

Room 7,
 Elihu Harris Building
 1515 Clay St., 2nd Floor
 Oakland, CA 94612

The Office of Environmental Health Hazard Assessment (OEHHA) has released an updated draft of the document, *Air Toxics Hot Spots Program Technical Support Document For Exposure Assessment and Stochastic Analysis*, to solicit public comment on the revised portions of the document. OEHHA is required to develop guidelines for conducting health risk assessments under the Air Toxics Hot Spots Program (Health and Safety Code Section 44360 (b) (2)). OEHHA previously developed Technical Support Documents (TSDs) in response to this statutory requirement, including one in 2000 for exposure assessment. This revised draft TSD is designed to replace the original TSD, and reflects new scientific knowledge developed since the previous guidelines were prepared. We have updated exposure parameters (e.g., inhalation rate, food consumption rate, etc.) based on the most recent data, including exposure factors for infants and children in accordance with the mandate of the Children’s Environmental Health Protection Act (Senate Bill 25, Escutia, Chapter 731, Statutes of 1999, Health and Safety Code Sections 39669.5 *et seq.*).

OEHHA will solicit public comment at the workshop, but we encourage participants to also submit their comments in writing before the close of the public comment period on January 6th, 2012.

Comments may be submitted to:

Robert Blaisdell, Ph.D.,
 Chief Exposure Modeling Section
 Office of Environmental Health Hazard Assessment
 1515 Clay St, 16th Floor
 Oakland, CA 94612
 robert.blaisdell@oehha.ca.gov

DECISION NOT TO PROCEED

STATE CONTROLLER’S OFFICE

NOTICE OF DECISION NOT TO PROCEED

Pursuant to Government Code section 11347, the State Controller has decided not to proceed with the

proposed amendments to California Code of Regulations, title 2, sections 1155.250, 1155.350, and 1175 (Notice File No. Z–2011–1118–05), as published in the California Regulatory Notice Register on December 2, 2011. The Controller hereby withdraws this proposed action from further consideration.

This Notice of Decision Not to Proceed will also be published on the State Controller’s website at http://www.sco.ca.gov/upd_rptg_notice.html.

SUMMARY OF REGULATORY ACTIONS

REGULATIONS FILED WITH 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.

File# 2011–1101–03
 CALIFORNIA HORSE RACING BOARD
 Application For License to Conduct a Horse Racing Meeting

This regulatory action amends Title 4 section 1433 of the California Code of Regulations by amending two incorporated forms. The forms are the CHR–17 and the CHR–18. The amendment to these forms requires more detailed financial information and information regarding purse figures and attendance for past and current race meetings. Changes also include the requirement that an applicant provide proof that the required paramedic staff is licensed. Another amendment requires a copy of the promotional and marketing plans for the race meeting. There are several other changes made to reflect statutory changes.

Title 4
 California Code of Regulations
 AMEND: 1433
 Filed 12/07/2011
 Effective 01/06/2012
 Agency Contact: Andrea Ogden (916) 263–6033

File# 2011–1027–01
 CALIFORNIA TAX CREDIT ALLOCATION COMMITTEE
 CTCAC Regulations Implementing the Federal and State LIHTC Laws

This action from the California Tax Credit Allocation Committee (“CTCAC”) amends a regulation in Title 4

of the CCR governing the “. . . reservation, allocation and compliance monitoring of the Federal and State Low–Income Housing Tax Credit Programs.” This action is not subject to the procedural requirements of the Administrative Procedure Act by virtue of Health and Safety Code section 50199.17.

Title 4
California Code of Regulations
AMEND: 10325(c)(8)
Filed 12/05/2011
Effective 10/19/2011
Agency Contact:
Velia Martinez Greenwood (916) 654–6340

File# 2011–1114–04
CORRECTIONS STANDARDS AUTHORITY
2007 Local Jail Construction Funding Program

This emergency action amends some sections and adopts some sections within Title 15 of the California Code of Regulations. This emergency is CSA’s implementation of the 1.2 billion 2007 Local Jail Construction Program authorized by AB 900 (Stats. 2007, Chap. 7) (Solorio) as amended by AB 111 and AB 94 (Stats. 2011). The original legislation in AB 900 resulted in Phase I of the Local Jail Construction Financing Program. The 2011 Realignment Legislation Addressing Public Safety (AB 111, CH 16, Stats. 2011 and AB 94, CH 23, Stats. 2011) amended AB 900 and resulted in Phase II of the Local Jail Construction Financing Program. The package adopts 5 new regulations and amends 27 regulations which establish Phase II of the county jail bond funding program.

Title 15
California Code of Regulations
ADOPT: 1712.1, 1714.1, 1730.1, 1740.1, 1748.5
AMEND: 1700, 1706, 1712, 1714, 1730, 1731, 1740, 1747, 1747.1, 1747.5, 1748, 1751, 1752, 1753, 1754, 1756, 1760, 1766, 1767, 1768, 1770, 1772, 1776, 1778, 1788 REPEAL: 1757
Filed 12/05/2011
Effective 12/05/2011
Agency Contact: Charlene Aboytes (916) 445–5073

File# 2011–1114–05
DEPARTMENT OF CORRECTIONS AND
REHABILITATION
Residence Restrictions on Paroled Sex Offenders

This Penal Code Section 5058.3 readoption of an operational necessity emergency readopts the above-listed sections of Title 15 of the California Code of Regulations for a period of 90 days. The provisions add necessary definitions of terms, establish residence restric-

tions for sex offenders and high risk sex offenders and corresponding parole agent supervision and verification duties, and establish certain exceptions which enable sex offenders to enter at certain addresses without being considered to have established a residence at any such address.

Title 15
California Code of Regulations
ADOPT: 3571, 3582, 3590, 3590.1, 3590.2, 3590.3
AMEND: 3000
Filed 12/01/2011
Effective 12/01/2011
Agency Contact: Josh Jugum (916) 445–2228

File# 2011–1107–01
DEPARTMENT OF FOOD AND AGRICULTURE
Avocados, Maturity

This regulatory action amends the minimum maturity standards for the following avocado varieties: Bacon, Fuerte, Hass, Gwen, Pinkerton, Reed and Lamb. This action is not subject to the Administrative Procedure Act pursuant to Food and Agriculture Code section 44988.

Title 3
California Code of Regulations
AMEND: 1408.6
Filed 12/05/2011
Effective 12/05/2011
Agency Contact: Steve Patton (916) 445–2180

File# 2011–1028–01
DEPARTMENT OF INDUSTRIAL RELATIONS
Labor Compliance Progs/ Compliance Monitoring and Enforcement by DIR

This rulemaking action is a Government Code Section 11346.1(e) certification action which amends regulations in Title 8 of the California Code of Regulations to implement Senate Bill X2–9, Chapter 7 of 2009, and Assembly Bill 436, Chapter 378 of 2011. The regulatory action amends regulations governing prevailing wage monitoring and enforcement requirements on state–bond funded and other specified public works projects.

Title 8
California Code of Regulations
ADOPT: 16450, 16451, 16452, 16454, 16455
AMEND: 16423, 16433 REPEAL: 16450, 16451, 16452, 16453, 16454, 16455
Filed 12/07/2011
Effective 01/01/2012
Agency Contact:
John Cumming (415) 703–4265

File# 2011-1020-01
 DEPARTMENT OF PUBLIC HEALTH
 Sanctions Against Food Vendors

The California Department of Public Health proposed amendments to section 40741 of title 22 of the California Code of Regulations as changes without regulatory effect pursuant to section 100 of title 1 of the California Code of Regulations.

Title 22
 California Code of Regulations
 AMEND: 40741
 Filed 12/06/2011
 Agency Contact:
 Elizabeth Reyes (916) 445-2529

File# 2011-1121-03
 FAIR POLITICAL PRACTICES COMMISSION
 Enforcement Regulations

This regulatory action adds provisions concerning the liability of a treasurer; clarifies that the time within which the Executive Director may take specified actions is calendar days; amends the actions the Executive Director must take with respect to complaints; requires that probable cause proceedings shall be heard by the General Counsel or other attorney from the Legal Division; makes changes to probable cause proceedings; and adopts the process for default proceedings.

Title 2
 California Code of Regulations
 ADOPT: 18316.6, 18361.11 AMEND: 18360,
 18361, 18361.4
 Filed 12/07/2011
 Effective 01/06/2012
 Agency Contact:
 Virginia Latteri-Lopez (916) 324-3854

File# 2011-1114-01
 NEW MOTOR VEHICLE BOARD
 ACP Fee Collection

Under Business and Professions Code section 472.5, the New Motor Vehicle Board (NMVB) has been given the authority to administer the collection of a fee from new motor vehicle manufacturers and distributors to fund a dispute resolution program. In 1988, the NMVB adopted a regulation in a regular rulemaking (13 CCR section 553.70) setting forth the formula for establishing the amount of the fee and the then applicable fee amount. In the current file, the fee is being lowered for the 2011-2012 year from \$1.00 per vehicle to \$0.989 per vehicle based upon the 2010 figures.

Title 13
 California Code of Regulations
 AMEND: 553.70
 Filed 12/05/2011
 Agency Contact:
 Dawn K. Kindel (916) 323-7201

File# 2011-1027-03
 OFFICE OF SPILL PREVENTION AND RESPONSE
 Oil Spill Prevention and Administration Fund Fee

Pursuant to the Lempert-Keene-Seastrand Oil Spill Prevention and Response Act of 1990, the Office of Spill Prevention and Response ("OSPR") is required to establish the "best achievable protection" of California's natural resources against oil spills in the marine waters. One of the issues to be considered, among others, is cost. OSPR has established what many consider the most stringent of protection in the nation with respect to oil spills in California's marine waters. The Administrator is entitled to collect a "per barrel" fee for oil and petroleum products entering the State through, across or in State marine waters. The fee is to be "sufficient to carry out the purposes set forth in subdivision (e)[of Government Code section 8670.40], and a reasonable reserve for contingencies." From January 1, 2012 to January 1, 2015, the fee cannot exceed six and one half cents (\$0.065) per barrel. From January 1, 2015 on, the fee cannot exceed five (\$0.05) (pursuant to statute).

Title 14
 California Code of Regulations
 AMEND: 870.17, 870.19
 Filed 12/07/2011
 Agency Contact:
 Joy D. Lavin-Jones (916) 327-0910

**CCR CHANGES FILED
 WITH THE SECRETARY OF STATE
 WITHIN July 13, 2011 TO
 December 7, 2011**

All regulatory actions filed by OAL during this period are listed below by California Code of Regulations titles, then by date filed with the Secretary of State, with the Manual of Policies and Procedures changes adopted by the Department of Social Services listed last. For further information on a particular file, contact the person listed in the Summary of Regulatory Actions section of the Notice Register published on the first Friday more than nine days after the date filed.

Title 2
 12/07/11 ADOPT: 18316.6, 18361.11 AMEND:
 18360, 18361, 18361.4

CALIFORNIA REGULATORY NOTICE REGISTER 2011, VOLUME NO. 50-Z

11/22/11 AMEND: 559
 11/08/11 ADOPT: 18421.31
 10/27/11 AMEND: 18404.1
 10/26/11 ADOPT: 18237
 10/18/11 AMEND: 1859.166.2
 10/17/11 AMEND: 25001
 10/12/11 AMEND: 59690
 10/05/11 ADOPT: 649.21
 09/27/11 ADOPT: 599.506(f) AMEND:
 599.502(f)
 09/21/11 AMEND: 1859.90.2
 09/08/11 AMEND: 1859.2, 1859.82
 09/07/11 ADOPT: 10000, 10001, 10002, 10003,
 10004, 10005, 10006, 10007, 10008,
 10009, 10010, 10011, 10012, 10013,
 10014, 10015, 10016, 10017, 10018,
 10019, 10020, 10021, 10022, 10023,
 10024, 10025, 10026, 10027, 10028,
 10029, 10030, 10031, 10032, 10033,
 10034, 10035, 10036, 10037, 10038,
 10039, 10040, 10041, 10042, 10043,
 10044, 10045, 10046, 10047, 10048,
 10049, 10050, 10051, 10052, 10053,
 10054, 10055, 10056, 10057, 10058,
 10059, 10060, 10061, 10062, 10063,
 10064, 10065, 10066
 09/06/11 AMEND: 29000
 09/01/11 ADOPT: 58600 REPEAL: 58600
 09/01/11 AMEND: 54200
 09/01/11 AMEND: 54600
 08/08/11 ADOPT: 59700
 07/27/11 AMEND: 1859.90.2, 1859.81
 07/15/11 AMEND: 1151, 1153, 1155.500, 1165,
 1170, 1172.20

Title 3

12/05/11 AMEND: 1408.6
 11/29/11 AMEND: 3591.15(a)
 11/14/11 AMEND: 3437(b)
 11/10/11 AMEND: 6000, 6361, 6400, 6460, 6464,
 6470, 6502, 6512, 6524, 6560, 6562,
 6564, 6625, 6626, 6625, 6632, 6728,
 6761, 6780
 11/10/11 AMEND: 3589(a)
 10/26/11 AMEND: 1430.142
 10/19/11 AMEND: 3423(b)
 10/12/11 AMEND: 3906
 10/10/11 ADOPT: 3591.25
 10/10/11 AMEND: 3423(b)
 09/29/11 AMEND: 3434(b)(8)
 09/28/11 AMEND: 3425(b)
 09/19/11 AMEND: 3423(b)
 09/15/11 AMEND: 3591.2(a)
 09/07/11 AMEND: 3591.2(a)
 08/23/11 ADOPT: 6131 AMEND: 6128, 6130

08/23/11 ADOPT: 1392.4.1 AMEND: 1392,
 1392.1, 1392.2, 1392.4, 1392.6,
 1392.8.1, 1392.9, 1392.11
 08/03/11 AMEND: 3437(b)
 07/28/11 REPEAL: 1400.9.1
 07/15/11 AMEND: 3434(b)
 07/15/11 AMEND: 3589
 07/15/11 REPEAL: 3286

Title 4

12/07/11 AMEND: 1433
 12/05/11 AMEND: 10325(c)(8)
 11/28/11 AMEND: 1632
 11/07/11 AMEND: 8070, 8072, 8073, 8074
 11/03/11 AMEND: 10152, 10153, 10154, 10155,
 10157, 10159, 10160, 10161, 10162
 REPEAL: 10156, 10158, 10164
 10/04/11 AMEND: 1658
 09/30/11 AMEND: 12100, 12101, 12200.3,
 12200.5, 12200.6, 12200.9, 12200.10B,
 12200.14, 12202, 12205.1, 12218,
 12218.7, 12218.8, 12220.3, 12220.5,
 12220.6, 12220.14, 12222, 12225.1,
 12233, 12235, 12238, 12300, 12301.1,
 12309, 12350, 12354, 12358, 12359,
 12362, 12400, 12404, 12463, 12464
 09/28/11 ADOPT: 8035.5
 09/20/11 AMEND: 12590
 09/07/11 ADOPT: 1500.1 AMEND: 1498
 08/16/11 ADOPT: 8078.2 AMEND: 8070, 8072,
 8073, 8074
 08/10/11 ADOPT: 10030, 10031, 10032, 10033,
 10034, 10035, 10036, 10037
 07/27/11 AMEND: 5064
 07/21/11 ADOPT: 1844.1
 07/20/11 AMEND: 4800, 4801, 4802
 07/20/11 AMEND: 150

Title 5

11/16/11 ADOPT: 11968.5.1, 11968.5.2,
 11968.5.3, 11968.5.4, 11968.5.5
 AMEND: 11960, 11965, 11969
 (renumbered 11968.1), 11969.1
 10/27/11 ADOPT: 4800, 4800.1, 4800.3, 4800.5,
 4801, 4802, 4802.05, 4802.1, 4802.2,
 4803, 4804, 4805, 4806, 4807, 4808
 10/24/11 ADOPT: 11966.4, 11966.5, 11966.6,
 11966.7 AMEND: 11967, 11967.5.1
 10/18/11 ADOPT: 10120.1, 10121
 09/22/11 ADOPT: 80069.2 AMEND: 80070
 09/19/11 ADOPT: 30001.5
 09/19/11 ADOPT: 74112, 75020, 75030, 75040,
 75050, 75150, 75200, 75210 AMEND:
 74110

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08/15/11	ADOPT: 19817.2, 19817.5, 19840, 19846.1 AMEND: 19815, 19816, 19816.1, 19817.1, 19846	09/26/11	ADOPT: 2830
08/15/11	ADOPT: 40050.2	09/26/11	ADOPT: 2725.5, 2960, 2961, 2962, 2963 AMEND: 2930
08/15/11	ADOPT: 40050.3	09/22/11	AMEND: 2318.6, 2353.1
08/15/11	AMEND: 40100.1	09/22/11	AMEND: 2318.6, 2353.1, 2354
08/15/11	AMEND: 40404	08/11/11	AMEND: 2731
08/15/11	AMEND: 40405.1	08/01/11	AMEND: 3012.3
08/15/11	ADOPT: 40509	07/27/11	AMEND: 2770.1, 2847.3
08/15/11	ADOPT: 40513	07/25/11	AMEND: 2222.12
08/15/11	ADOPT: 40514	07/13/11	AMEND: 210, 221
08/15/11	ADOPT: 40515	Title 11	
08/15/11	ADOPT: 40516	11/14/11	AMEND: 1008
08/15/11	ADOPT: 41021	11/01/11	AMEND: 1009
08/15/11	ADOPT: 41022	10/25/11	AMEND: 1005, 1007, 1008
08/04/11	ADOPT: 1039.1	10/07/11	ADOPT: 999.24, 999.25, 999.26, 999.27, 999.28, 999.29 AMEND: 999.10, 999.11, 999.14, 999.16, 999.17, 999.19, 999.20, 999.21, 999.22
08/04/11	AMEND: 80047, 80047.1, 80047.2, 80047.3, 80047.4, 80047.5, 80047.6, 80047.7, 80047.8, 80047.9, 80048.6	10/06/11	AMEND: 30.14
Title 7		10/06/11	ADOPT: 30.16
08/16/11	AMEND: 218	09/28/11	AMEND: 1081
Title 8		09/28/11	AMEND: 1005
12/07/11	ADOPT: 16450, 16451, 16452, 16454, 16455 AMEND: 16423, 16433 REPEAL: 16450, 16451, 16452, 16453, 16454, 16455	09/02/11	ADOPT: 101.2
11/07/11	AMEND: 6051	09/02/11	AMEND: 101.1
10/27/11	ADOPT: 2320.10, 2940.10 AMEND: 1512, 3400	Title 13	
10/17/11	AMEND: 230.1(a)	12/05/11	AMEND: 553.70
10/17/11	ADOPT: 207.1 AMEND: 201, 202, 203, 207	11/22/11	AMEND: 1956.8
09/19/11	AMEND: 15201, 15214, 15251, 15300, 15400.2, 15405, 15430.1, 15478, 15481, 15484	11/17/11	AMEND: 1233
09/06/11	AMEND: 8608	11/09/11	AMEND: 2027
08/29/11	AMEND: 1504, 3207	11/08/11	AMEND: 1
08/10/11	ADOPT: 3302 AMEND: 3308	10/07/11	ADOPT: 345.03, 345.75, 345.76, 345.77
08/05/11	ADOPT: 1603.1 AMEND: 1504, 1600, 1602, 1603	09/15/11	AMEND: 2190
08/01/11	AMEND: 16423 REPEAL: 16450, 16451, 16452, 16453, 16454, 16455, 16460, 16461, 16462, 16463, 16464	08/23/11	ADOPT: 345.00 AMEND: 345.02, 345.04, 345.15, 345.18, 345.20, 345.22, 345.23, 345.26
07/28/11	ADOPT: 6799.1 AMEND: 6755	08/16/11	AMEND: 1800
Title 9		Title 13, 17	
10/04/11	ADOPT: 7016.1, 7019.6, 7025.7, 7028.7, 7179.7 AMEND: 7098, 7179.1, 7181.1	10/27/11	AMEND: 2299.2, 93118.2
08/08/11	ADOPT: 4500, 4510, 4520	Title 14	
Title 10		12/07/11	AMEND: 870.17, 870.19
11/21/11	ADOPT: 1580, 1581, 1582, 1583, 1584, 1585, 1586, 1587, 1588, 1589, 1590, 1591, 1592, 1593, 1594, 1595, 1596	11/22/11	AMEND: 791.7, 870.17
10/20/11	AMEND: 2222.12	11/17/11	AMEND: 163, 164
09/26/11	ADOPT: 2785	11/15/11	AMEND: 700.4, 701, 705 REPEAL: 704
		10/05/11	AMEND: 913.4, 933.4, 953.4, 959.15 REPEAL: 939.15
		10/05/11	AMEND: 913.4, 933.4, 953.4, 959.15 REPEAL: 939.15
		10/04/11	AMEND: 29.15
		09/28/11	AMEND: 11900
		09/22/11	AMEND: 565, 565.4, 566, 566.1, 569, 570, 571, 572, 573, 576, 583, 593, 598.60, 599
		09/22/11	AMEND: 7.50(b)(1.5), 27.65, 29.80
		09/16/11	AMEND: 11900, 11970

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09/08/11 AMEND: 300, 311
 08/30/11 ADOPT: 3550.16
 08/29/11 AMEND: 502
 08/08/11 ADOPT: 1052.5 AMEND: 895, 916.9, 936.6, 956.9, 1052, 1052.1, 1052.2
 08/03/11 ADOPT: 1051.3, 1051.4, 1051.5, 1051.6, 1051.7 AMEND: 895
 07/22/11 AMEND: 852.60.2, 852.60.3, 852.60.4, 852.61.1, 852.61.2, 852.61.3, 852.61.5, 852.61.6, 852.61.7, 852.61.8, 852.61.9, 852.61.10, 852.61.11, 852.61.12, 852.62.1, 852.62.2, 852.62.3
 07/14/11 AMEND: 791, 791.7, 792, 793, 794, 795, 796 REPEAL: 791.5

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12/05/11 ADOPT: 1712.1, 1714.1, 1730.1, 1740.1, 1748.5 AMEND: 1700, 1706, 1712, 1714, 1730, 1731, 1740, 1747, 1747.1, 1747.5, 1748, 1751, 1752, 1753, 1754, 1756, 1760, 1766, 1767, 1768, 1770, 1772, 1776, 1778, 1788 REPEAL: 1757
 12/01/11 ADOPT: 3571, 3582, 3590, 3590.1, 3590.2, 3590.3 AMEND: 3000
 11/14/11 AMEND: 3341.5, 3375.2, 3377.1
 11/10/11 ADOPT: 3359.1, 3359.2, 3359.3, 3359.4, 3359.5, 3359.6 AMEND: 3000
 10/25/11 ADOPT: 2240
 10/06/11 REPEAL: 3999.7
 09/27/11 ADOPT: 3078, 3078.1, 3078.2, 3078.3, 3078.4, 3078.5, 3078.6 AMEND: 3000, 3043, 3075.2, 3097, 3195, 3320, 3323
 08/16/11 ADOPT: 3769, 3769.1, 3769.2, 3769.3, 3769.4, 3769.5, 3769.6
 08/03/11 AMEND: 3000
 07/28/11 ADOPT: 3084.8, 3084.9, 3086 AMEND: 3000, 3084, 3084.1, 3084.2, 3084.3, 3084.4, 3084.5, 3084.6, 3084.7, 3137, 3173.1, 3179, 3193, 3220.4, 3482, 3630, 3723 REPEAL: 3085
 07/19/11 AMEND: 3090, 3176.4, 3315, 3323

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11/22/11 ADOPT: 858, 858.1, 858.2, 858.3, 858.4, 858.5, 858.6, 858.7, 858.8, 858.9
 11/16/11 AMEND: 950.1, 950.4, 950.5 REPEAL: 962.3, 962.4, 962.5, 962.6
 11/01/11 ADOPT: 3392.2.1, 3392.3.1, 3392.4, 3392.5.1, 3392.6.1 AMEND: 3340.1, 3340.16, 3340.16.5, 3340.41, 3392.1, 3392.2, 3392.3, 3392.5, 3392.6
 10/25/11 REPEAL: 929
 10/17/11 AMEND: 2300, 2302, 2303, 2304, 2311, 2315, 2320, 2321, 2322, 2324, 2326, 2326.1, 2327, 2328, 2328.1, 2329, 2330, 2331, 2332, 2336, 2337, 2338, 2339,

2340, 2351, 2370, 2380, 2381, 2382, 2383, 2384, 2385, 2386, 2387, 2388
 10/12/11 ADOPT: 1070.6, 1070.7, 1070.8 AMEND: 1070, 1070.1, 1070.2, 1071 REPEAL: 1071.1
 10/10/11 AMEND: 2450, 2451
 10/06/11 ADOPT: 1399.507.5, 1399.523.5, 1399.527.5 AMEND: 1399.503, 1399.523
 10/04/11 AMEND: 972
 09/29/11 AMEND: 1398.26.1
 09/27/11 ADOPT: 3394.40, 3394.41, 3394.42, 3394.43, 3394.44, 3394.45, 3394.46
 09/22/11 AMEND: 1202, 1203, 1204, 1205, 1208, 1208.1, 1210, 1211, 1213, 1214, 1221, 1223, 1223.1, 1225, 1229, 1230, 1234, 1240, 1241, 1243, 1244, 1245, 1246, 1253, 1253.5, 1253.6, 1254, 1256, 1258.3, 1267, 1268, 1269, 1271 REPEAL: 1280, 1281, 1282, 1283, 1284, 1285, 1286, 1287, 1288, 1289, 1290, 1291
 09/22/11 AMEND: 109, 121
 09/19/11 AMEND: 1715, 1735.2, 1751, 1784
 09/13/11 AMEND: 3830
 09/07/11 ADOPT: 319.1
 09/01/11 AMEND: 1793.5
 08/31/11 AMEND: 2411, 2414
 08/24/11 AMEND: 1399.157, 1399.160.3, 1399.160.6
 08/18/11 ADOPT: 1315.50, 1315.53, 1315.55
 08/18/11 AMEND: 995
 08/17/11 AMEND: 974
 08/03/11 AMEND: 999
 08/01/11 AMEND: 1327
 07/21/11 AMEND: 1005
 07/20/11 ADOPT: 4145 AMEND: 4141

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11/17/11 REPEAL: 901
 11/10/11 AMEND: 94508, 94509, 94510, 94512, 94515
 09/27/11 AMEND: 2505
 09/23/11 AMEND: 6540
 09/21/11 AMEND: 56034
 09/19/11 AMEND: 54342, 57332
 09/08/11 AMEND: 60201
 08/29/11 ADOPT: 58883, 58884, 58886, 58887, 58888 AMEND: 50604, 54355, 58543

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10/10/11 AMEND: 3020, 3301, 4500, 4504, 4507, 4508, 4509, 4600, 4609, 4700
 09/26/11 AMEND: 19591
 09/26/11 AMEND: 1533.2, 1598
 09/22/11 ADOPT: 25128.5

08/16/11	ADOPT: 1685.5	4516.9, 4517.1, 4517.2, 4517.4, 4517.6,
07/20/11	AMEND: 25106.5-11	4519.1, 4520, 4520.1, 4520.2, 4521,
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12/06/11	AMEND: 40741	4522.1, 4522.2, 4522.3, 4522.4, 4522.5,
11/21/11	AMEND: 66260.11, 66260.12, 66262.53, 66262.56, 66263.32, 66264.12, 66264.71, 66264.72, 66265.12, 66265.71, 66265.72	4522.6, 4522.7, 4522.8, 4523, 4523.1, 4523.2, 4523.3, 4526 AMEND: 4000, 4004, 4005, 4010.5, 4019, 4350, 4353, 4356, 4358, 4358.3, 4363, 4365, 4368, 4369.5, 4380, 4381, 4383, 4387, 4389, 4391, 4394, 4396, 4397, 4402, 4404, 4414, 4415, 4473, 4495, 4514, 4515, 4516, 4516.5, 4517, 4517.3, 4517.5, 4518, 4519, 4522, 4525, 4527, 4528, 4529, 4530, 4531, 4532, 4533, 4534, 4876 REPEAL: 4354, 4357, 4357.5, 4359, 4360, 4360.2, 4360.4, 4360.6, 4360.7, 4360.8, 4361, 4361.3, 4362.5, 4363.3, 4363.4, 4363.6, 4364, 4369, 4370, 4371, 4372, 4374, 4376, 4379, 4384, 4385, 4407, 4409, 4420, 4421, 4422, 4423, 4424, 4425, 4426, 4428, 4429, 4430, 4431, 4434, 4435, 4436, 4437, 4438, 4439, 4440, 4441, 4442, 4443, 4444, 4445, 4446, 4450, 4451, 4452, 4453, 4455, 4456, 4457, 4458, 4459, 4460, 4461, 4463, 4464, 4465, 4468, 4469, 4470, 4471, 4474, 4475, 4475.2, 4475.5, 4475.7, 4476, 4476.5, 4477, 4478, 4479, 4480, 4481, 4482, 4483, 4484, 4485, 4486, 4492, 4493, 4494, 4496, 4497, 4498, 4498.5, 4500, 4501.7, 4505, 4506, 4517.7, 4535, 4536
09/29/11	AMEND: 72516, 73518	
09/22/11	ADOPT: 64419, 64420, 64420.1, 64420.2, 64420.3, 64420.4, 64420.5, 64420.6, 64420.7 AMEND: 64418, 64418.1, 64418.2, 64418.7	
09/16/11	ADOPT: 2706-8 AMEND: 2706-1, 2706-2	
09/13/11	AMEND: 50605	
08/23/11	AMEND: 97212, 97213, 97228, 97229, 97232, 97240, 97241, 97246, 97248	
07/21/11	AMEND: 50035.5, 50145, 50179.5, 50183, 53845 REPEAL: 50245	
07/19/11	ADOPT: 64430	
Title 22/MPP		
11/10/11	AMEND: 35000, 35001, 35325, 35326, 35329, 35331, 35333, 35334, 35337, 35339, 35341, 35343, 35344, 35345, 35351, 35352, 35352.1, 35352.2, 45-801, 45-802, 45-803, 45-804, 45-805, 45-806, 45-807 REPEAL: 35327, 35347, 35352.3	
09/29/11	AMEND: 86500, 86501	
Title 23		
11/03/11	ADOPT: 3949.8	
11/01/11	AMEND: 3937	
10/20/11	AMEND: 1062, 1064, 1066	
10/19/11	ADOPT: 2200.7 AMEND: 2200, 2200.6	
09/15/11	ADOPT: 3945.2	
09/08/11	ADOPT: 3929.7	
07/27/11	AMEND: 3939.19	
07/14/11	ADOPT: 3919.10	
Title 25		
09/19/11	ADOPT: 4356.1, 4516.1, 4516.3, 4516.7,	
		08/02/11 AMEND: 6932
Title 27		
		11/28/11 AMEND: 25903(c)
		10/12/11 AMEND: 25703(a)(6)
		09/26/11 AMEND: 25805
		09/08/11 AMEND: 27000
Title MPP		
		10/31/11 AMEND: 31-502.42
		10/24/11 AMEND: 44-111.61
		07/28/11 AMEND: 63-402.226