

**FINAL STATEMENT OF REASONS
FOR
PROPOSED BUILDING STANDARDS
OF THE
OFFICE OF STATEWIDE HEALTH PLANNING AND DEVELOPMENT

REGARDING THE
CALIFORNIA ADMINISTRATIVE CODE
CALIFORNIA CODE OF REGULATIONS, TITLE 24, PART 1**

The Administrative Procedure Act requires that every agency shall maintain a file of each rulemaking that shall be deemed to be the record for that rulemaking proceeding. The rulemaking file shall include a final statement of reasons. The Final Statement of Reasons shall be available to the public upon request when rulemaking action is being undertaken. The following are the reasons for proposing this particular rulemaking action:

UPDATES TO THE INITIAL STATEMENT OF REASONS

The Office of Statewide Health Planning and Development (OSHPD) finds that no revisions have been made which would warrant a change to the initial statement of reasons for the proposed actions.

This rulemaking represents the Office of Statewide Health Planning and Development's (OSHPD) proposed editorial and minor technical modifications to the existing requirements for clarification and consistency within the code as identified below:

Section 7-111 Definitions. Revise definition of Approved Construction Documents to include "amended construction documents" a general description that allows deletion of multiple specific types of documents. The more general term is preferred to capture any amended construction documents, not limited to a specific list.

Section 7-131 Incremental design, bidding and construction. Revise existing section relative to the inclusion of "estimated cost for each increment" of an incremental project as part of a Master Plan. The revision provides a basis for establishing more relevant fees considering each increment instead of using the entire project cost.

Section 7-133 (a) Fees. Plan review and field observation. Revise existing section relative to the appeal process for disputes concerning estimated construction costs, to align with procedures described in new Article 5.5, Appeals to a Hearing Officer. This is needed to correct the appeal procedure for disputes concerning the estimated construction cost.

Section 7-133 (e) Fees. Incremental projects. Revise existing section relative to the fee associated with review of each increment, based on the construction cost associated with the specific increment instead of a percentage of the entire project cost. This will more accurately relate ongoing review costs to increments of construction as work progresses.

Section 7-133 (k) Fees. Seismic examination. Revise existing language relative to the use of "examination" fees for review of any reports/analyses/testing associated with a change in the Structural Performance Category (SPC), or Non-structural Performance Category (NPC), of a hospital building. This is needed to capture the cost of review.

Section 7-133 (p) Fees. Alternate Method of Compliance/Protection. Add a new section to address the filing of an Alternate Method of Compliance and the use of "examination" fees

involving the examination of the condition of the hospital building relative to equivalency to building standards requirements.

Section 7-133 (q) Fees. Amended Construction Documents. Add a new section to specify the fees for submittal and review of Amended Construction Documents (ACD). Fees will vary for ACDs that add cost, reduce cost, or employ review by examination relative to the amount of effort involved in the review. A higher minimum fee will be charged for ACDs that result in OSHPD having to re-review previously approved project documents. For instance, project delivery methodologies and activities intended to shorten timeframes, reduce costs, or incorporate contractor expertise involving redesign after project plans have been approved by OSHPD will result in re-review of the previously approved documents.

Section 7-141 Administration of construction. Revise existing section to clarify the use of the Testing Inspection and Observation program (TIO), roles and responsibilities of the design professionals, and the Inspectors of Record in the administration of construction of the work. This is needed to clarify design professionals' responsibilities relative to the TIO.

Section 7-144 Inspection. Revise existing section relative to the "lead" Inspector of Record (IOR) when more than one IOR is proposed for the same project. This is needed to ensure that the coordinated oversight of every aspect of construction is the responsibility of one inspector.

Section 7-149 Tests. Revise reference to approve "construction documents" for consistency with defined term and remainder of administrative requirements. This is an editorial change.

Section 7-153 Amended construction documents. Revise title of section from "Amended Construction Documents" to "Changes to the Approved Work". This is an editorial change.

Section 7-153 (d) Changes in scope. Revise existing section to clarify the use of Amended Construction Documents (ACDs) for changes in scope of the project after approval of the project. This provides an exception that ACDs may be used in lieu of applying for a new project in certain cases subject to new Section 7-133(q).

Section 7-153 (e) Documentation of changes. Revise existing section to remove note requiring non-material change concurrence and logging by the Office. Existing language adequately requires the design professional to maintain the records.

ARTICLE 5 APPEALS TO THE HOSPITAL BUILDING SAFETY BOARD. Repeal existing Article 5, Section 7-159 to 7-173. Replace with Sections 7-159 to 7-171 relative to the grounds for, and process related to, appeals to the Hospital Building Safety Board. The repeal and replacement is needed to clarify specific grounds for appeal, to codify the comment and Process Review dispute resolution procedure, and to streamline appeals for the benefit of all involved parties.

ARTICLE 5.5 APPEALS TO A HEARING OFFICER. Add Sections 7-173 to 7-183 relative to the grounds for, and process related to, appeals to a hearing officer. The addition is needed to establish an appeal process for the suspension/revocation of hospital inspector of record certification and issues related to the estimated construction cost of healthcare facilities. The new article establishes specific grounds for appeal and provides an expedited appeals process for the benefit of all involved parties.

Section 7-214. Suspension or revocation of certification. Revise existing section relative to the grounds for, and process related to, the suspension and/or revocation of a hospital inspector of record certification. The revision is needed to clarify the rights and responsibilities of the interested parties in the suspension/revocation process.

Section 7-215. Appeals. Repeal section relative to the grounds for the appeal under Article 5. This repeal is needed to resolve inconsistencies between this section and the newly established Articles 5 and 5.5.

MANDATE ON LOCAL AGENCIES OR SCHOOL DISTRICTS

OSHPD has determined that the proposed regulatory action would not impose a mandate on local agencies or school districts.

OBJECTIONS OR RECOMMENDATIONS MADE REGARDING THE PROPOSED REGULATION(S).

OSHPD did not receive any objections or recommendations for the proposed actions as noticed during the 45-Day Comment Period of September 11, 2015 through October 26, 2015.

DETERMINATION OF ALTERNATIVES CONSIDERED AND EFFECT ON PRIVATE PERSONS

OSHPD has determined that no alternative would be more effective in carrying out the purpose for which the regulation is proposed or would be as effective and less burdensome to affected private persons than the adopted regulation.

REJECTED PROPOSED ALTERNATIVE THAT WOULD LESSEN THE ADVERSE ECONOMIC IMPACT ON SMALL BUSINESSES

OSHPD has determined that the proposed regulations will not have an adverse economic impact on small businesses. The proposed regulations are technical modifications that will provide clarification and consistency within the code.