

July 17, 2015

TO: ALL SCHOOL DISTRICTS, COUNTY SUPERINTENDENTS OF SCHOOLS, CHARTER SCHOOLS, AND OTHER INTERESTED PARTIES

TITLE 2. STATE ALLOCATION BOARD

NOTICE OF PROPOSED REGULATORY ACTION

THE STATE ALLOCATION BOARD PROPOSES TO AMEND VARIOUS REGULATION SECTIONS, ALONG WITH VARIOUS ASSOCIATED FORMS, TITLE 2, CALIFORNIA CODE OF REGULATIONS, RELATING TO LEROY F. GREENE SCHOOL FACILITIES ACT OF 1998

REGULATION SECTIONS PROPOSED FOR AMENDMENT: 1859.2, 1859.71.4, 1859.78.1, 1859.79.2, 1859.82, 1859.83, 1859.125, 1859.125.1, 1859.145, 1859.163.1, 1859.163.5, 1859.167.2, AND 1859.193.

FORMS PROPOSED FOR AMENDMENT:

Application for Funding, Form SAB 50-04, (Revised ~~05/14~~ 10/14), referenced in Regulation Section 1859.2 and is incorporated by reference.

Fund Release Authorization, Form SAB 50-05, (Revised ~~04/13~~ 10/14), referenced in Regulation Section 1859.2 and is incorporated by reference.

Application for Joint-Use Funding, Form SAB 50-07, (Revised ~~12/11~~ 10/14), referenced in Regulation Section 1859.2 and is incorporated by reference.

Application for Preliminary Apportionment, Form SAB 50-08, (Revised ~~12/11~~ 10/14), referenced in Regulation Section 1859.2 and is incorporated by reference.

Application for Charter School Preliminary Apportionment, Form SAB 50-09, (Revised ~~05/14~~ 10/14), referenced in Regulation Section 1859.2 and is incorporated by reference.

Application for Career Technical Education Facilities Funding, Form SAB 50-10, (Revised ~~04/12~~ 10/14), referenced in Regulation Section 1859.2 and is incorporated by reference.

NOTICE IS HEREBY GIVEN that the State Allocation Board (SAB) proposes to amend the above-referenced Regulation Sections, contained in Title 2, California Code of Regulations (CCR). 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 Office of Public School Construction (OPSC) no later than 15 days prior to the close of the written comment period. Following the public hearing, if one is requested, or following the written comment period if no public hearing is requested, OPSC, at its own motion or at the instance of any interested person, may adopt the proposal substantially as set forth above without further notice.

AUTHORITY AND REFERENCE CITATIONS

The SAB is proposing to amend the above-referenced regulation section under the authority provided by Sections 17070.35, 17075.15, 17078.64, 17078.72(k), and 17078.72(l) of the Education Code, Section 1771.3 of the Labor Code, and makes specific reference Sections 17070.15, 17070.35, 17071.25, 17072.10, 17072.30, 17072.32, 17074.15, 17074.16, 17074.25, 17074.56, 17075.10, 17075.15, 17077.40, 17077.42, 17077.45, 17078.10, 17078.24, 17078.52, 17078.54, 17078.56, 17078.58, 17078.72, 17250.30, 100420(c), 101012(a)(1) of the Education Code, and Section 1771.3 of the Labor Code.

INFORMATIVE DIGEST/POLICY OVERVIEW STATEMENT

The Leroy F. Greene School Facilities Act of 1998 established, through Senate Bill 50, Chapter 407, Statutes of 1998, the School Facility Program (SFP). The SFP provides a per-pupil grant amount to qualifying school districts for purposes of constructing school facilities and modernizing existing school facilities. The SAB adopted regulations to implement the Leroy F. Greene School Facilities Act of 1998, which were approved by the Office of Administrative Law (OAL) and filed with the Secretary of State on October 8, 1999.

The SAB, at its October 16, 2014 meeting, adopted proposed regulatory amendments to the SFP Regulations that would align the SFP regulations with changes in Labor Code requirements relating to prevailing wage monitoring requirements and public works projects that have awarded contracts on or after June 20, 2014.

Background and Problem Being Resolved

The proposed regulatory amendments remove the additional prevailing wage monitoring grant for projects with a public works contract awarded on or after June 20, 2014. The law repealed provisions in Labor Code Section 1771.3, which required school districts to provide payment to the Department of Industrial Relations (DIR) for prevailing wage monitoring. As a result, school districts awarding a construction on or after June 20, 2014 are not mandated to provide payment for DIR monitoring and enforcement of prevailing wage requirements.

The law created a new public works contractor registration system that funds all of the DIR's public works activities and repealed the requirement for school districts to pay DIR for monitoring on a bond-funded public works project. Contractors and subcontractors must register with DIR and pay registration fees in order to be listed in a bid proposal or engage in the performance of any public works project. These fees will be used to cover the cost of DIR monitoring and enforcement of prevailing wage requirements. Therefore, any public works project awarded on or after June 20, 2014 will not receive the prevailing wage monitoring additional grant.

Due to the large amount of proposed regulatory text and the associated forms, this information is not attached and may be reviewed on OPSC Web site at www.dgs.ca.gov/opsc. Copies of the proposed regulatory text and forms will be mailed to any person requesting this information by using OPSC contact information set forth below under "Submission of Comments, Documents and Additional Information" (page 9). The proposed regulations amend the SFP Regulations under the CCR, Title 2, Chapter 3, Subchapter 4, Group 1, State Allocation Board, Subgroup 5.5, Regulations relating to the Leroy F. Greene School Facilities Act of 1998.

Anticipated Benefits of the Proposed Regulations

The proposed regulatory amendments benefit school districts by redirecting bond funds to fund school construction projects, which include health and safety projects. These regulatory amendments benefit the State of California as they assist in increasing the State's infrastructure investment resulting in a positive impact to the State's economy and the potential of creating jobs. In addition, these regulations will have a positive impact to various business, manufacturing, and construction-related industries such as architecture, engineering, trades (carpenters, masons, electricians, roofers, etc.), and municipalities.

The proposed regulatory amendments help carry out the Legislative intent of Senate Bill 854, Chapter 28, Statutes of 2014. Therefore, the proposed regulatory amendments are determined to be consistent and compatible with existing State laws and regulations. Proceeding with the implementation of these regulatory amendments will have a positive impact on public health and safety, on the State's economy, and the creation of jobs.

Summary of the proposed regulatory amendments are as follows:

Existing Regulation Section 1859.2 represents a set of defined words and terms used exclusively for these regulations. The proposed regulatory amendments update the revision dates of the Forms SAB 50-04, SAB 50-05, SAB 50-07, SAB 50-08, SAB 50-09, SAB 50-10, and make a minor non-substantive change in a Form name.

Existing Regulation Section 1859.71.4 implements provisions for increased SFP funding for a Labor Compliance Program (LCP) by setting forth a sliding scale and calculation for new construction projects that determines the per-pupil grant increase for initiating and enforcing an LCP. The proposed regulatory amendments limit the time period that Labor Code Section 1771.3 applies to this Regulation Section because the law repealed and enacted a different Labor Code Section 1771.3, effective June 20, 2014. The new Labor Code Section 1771.3 does not apply to this Regulation Section.

Existing Regulation Section 1859.78.1 implements provisions for increased SFP funding for an LCP by setting forth a sliding scale and calculation for modernization projects that determines the per-pupil grant increase for the initiation, enforcement, and monitoring of an LCP. The proposed regulatory amendments limit the time period that Labor Code Section 1771.3 applies to this Regulation Section because the law repealed and enacted a different Labor Code Section 1771.3, effective June 20, 2014. The new Labor Code Section 1771.3 does not apply to this Regulation Section.

Existing Regulation Section 1859.79.2 specifies the permissible and impermissible uses of Modernization Grant funds, including the permissible use of modernization funds for the costs incurred by a school district for the initiation and enforcement of an LCP. The proposed regulatory amendments limit the time period that Labor Code Section 1771.3 applies to this Regulation Section because the law repealed and enacted a different Labor Code Section 1771.3, effective June 20, 2014. The new Labor Code Section 1771.3 does not apply to this Regulation Section.

Existing Regulation Section 1859.82 establishes the criteria a district must meet to be eligible for facility hardship funding to replace or construct new classrooms and related facilities if the district demonstrates there is an unmet need for pupil housing or the condition of the facilities, or the lack of facilities, is a threat to the health and

safety of the pupils. This Section also provides the authority and funding for the existing grant increase for LCP for construction contracts awarded prior to January 1, 2012, and implements the statutorily authorized additional grant for DIR prevailing wage monitoring and enforcement, equaling 50 percent of one-fourth of one percent of the Total Projected Bond Apportionment for qualifying projects with construction contracts awarded on or after January 1, 2012. The proposed regulatory amendments limit the time period that Labor Code Section 1771.3 applies to this Regulation Section because the law repealed and enacted a different Labor Code Section 1771.3, effective June 20, 2014. The new Labor Code Section 1771.3 does not apply to this Regulation Section.

Existing Regulation Section 1859.83 sets forth district eligibility criteria for excessive cost hardship grant funding as a result of specified unusual circumstances that create excessive project costs beyond the control of the district. This Section also provides the authority and funding for the existing grant increase for LCP for construction contracts awarded prior to January 1, 2012, and implements the statutorily authorized additional grant for DIR prevailing wage monitoring and enforcement, equaling 50 percent of one-fourth of one percent of the Total Projected Bond Apportionment for qualifying projects with construction contracts awarded on or after January 1, 2012. The proposed regulatory amendments limit the time period that Labor Code Section 1771.3 applies to this Regulation Section because the law repealed and enacted a different Labor Code Section 1771.3, effective June 20, 2014. The new Labor Code Section 1771.3 does not apply to this Regulation Section.

Existing Regulation Section 1859.125 sets forth the criteria for Joint-Use project grant determinations based upon square footage. This Section also provides the authority and funding for the existing grant increase for LCP for construction contracts awarded prior to January 1, 2012, and for qualifying projects with construction contracts awarded on or after January 1, 2012, the grant may be adjusted in the manner prescribed in Section 1859.71.4(c) and subject to the limitations in Section 1859.71.4(d). The proposed regulatory amendments limit the time period that Labor Code Section 1771.3 applies to this Regulation Section because the law repealed and enacted a different Labor Code Section 1771.3, effective June 20, 2014. The new Labor Code Section 1771.3 does not apply to this Regulation Section.

Existing Regulation Section 1859.125.1 sets forth the criteria for additional Type I Joint-Use project "Extra Cost" grant funding in addition to the square footage Joint-Use Grant provided in Section 1859.125. This Section also provides the authority and funding for the existing grant increase for LCP for construction contracts awarded prior to January 1, 2012, and for qualifying projects with construction contracts awarded on or after January 1, 2012, the grant may be adjusted in the manner prescribed in Section 1859.71.4(c) and subject to the limitations in Section 1859.71.4(d). The proposed regulatory amendments limit the time period that Labor Code Section 1771.3 applies to this Regulation Section because the law repealed and enacted a different Labor Code Section 1771.3, effective June 20, 2014. The new Labor Code Section 1771.3 does not apply to this Regulation Section.

Existing Regulation Section 1859.145 sets forth the criteria under the Critically Overcrowded Schools Program to determine preliminary apportionments. This Section also provides the authority and funding for the existing grant increase for LCP for construction contracts awarded prior to January 1, 2012, and for qualifying projects with construction contracts awarded on or after January 1, 2012, the grant may be adjusted in the manner prescribed in Section 1859.71.4(c) and subject to the limitations in Section 1859.71.4(d). The proposed regulatory amendments limit the

time period that Labor Code Section 1771.3 applies to this Regulation Section because the law repealed and enacted a different Labor Code Section 1771.3, effective June 20, 2014. The new Labor Code Section 1771.3 does not apply to this Regulation Section.

Existing Regulation Section 1859.163.1 sets forth the criteria for eligible construction and site acquisition costs for preliminary charter school new construction apportionment determinations, including a cost factor for the amount to initiate and enforce an LCP if required by the Labor Code. This Section also sets forth provisions that any public works projects paid from State bonds and for which the construction contract is awarded on or after January 1, 2012 is subject to DIR monitoring and enforcement of compliance with applicable prevailing wage requirements, pursuant to Labor Code Section 1771.3. The proposed regulatory amendments limit the time period that Labor Code Section 1771.3 applies to this Regulation Section because the law repealed and enacted a different Labor Code Section 1771.3. The new Labor Code Section 1771.3 does not apply to this Regulation Section.

Existing Regulation Section 1859.163.5 sets forth the criteria for preliminary charter school rehabilitation apportionment determinations, including a cost factor for the amount to initiate and enforce an LCP if required by the Labor Code. This Section also sets forth provisions that any public works projects paid from State bonds and for which the construction contract is awarded on or after January 1, 2012 is subject to DIR monitoring and enforcement of compliance with applicable prevailing wage requirements, pursuant to Labor Code Section 1771.3. The proposed regulatory amendments limit the time period that Labor Code Section 1771.3 applies to this Regulation Section because the law repealed and enacted a different Labor Code Section 1771.3. The new Labor Code Section 1771.3 does not apply to this Regulation Section.

Existing Section 1859.167.2 describes the components and calculation of the additional grant for LCP costs or for the costs of prevailing wage monitoring and enforcement. This Section simplifies the alignment of regulations with statute. The proposed regulatory amendments limit the time period that Labor Code Section 1771.3 applies to this Regulation Section because the law repealed and enacted a different Labor Code Section 1771.3. The new Labor Code Section 1771.3 does not apply to this Regulation Section.

Existing Regulation Section 1859.193 sets forth the criteria under the Career Technical Education Facilities Program (CTEFP) to determine grants to local educational agencies for constructing qualifying new facilities, or modernizing or reconfiguring existing school buildings. This Section also provides that CTEFP projects may qualify for the additional grant for prevailing wage monitoring and enforcement costs as prescribed in Section 1859.71.4(c), for public works projects awarded on or after January 1, 2012. The proposed regulatory amendments limit the time period Labor Code Section 1771.3 applies to this Regulation Section because the law repealed and enacted a different Labor Code Section 1771.3. The new Labor Code Section 1771.3 does not apply to this Regulation Section.

Existing Form SAB 50-04, *Application for Funding*, is submitted by school districts to apply for state funding for new construction or modernization projects. The proposed regulatory amendments: 1) change the revision date of this Form; and 2) clarify the dates the Labor Code Section 1771.3 pertains to this Form because the law repealed and enacted a different Labor Code Section 1771.3, effective June 20, 2014.

Existing Form SAB 50-05, *Fund Release Authorization*, is the Form submitted by school districts and charter schools requesting the State to release their approved funding, provided the project is at least 50 percent under contract and the school district has met other specific criteria. The proposed regulatory amendments: 1) change the revision date of this Form; 2) delete the need to review the supporting documentation since the SAB no longer provides the grant associated with the requirement; and 3) clarify the dates the Labor Code Section 1771.3 pertains to this Form because the law repealed and enacted a different Labor Code Section 1771.3, effective June 20, 2014.

Existing Form SAB 50-07, *Application for Joint-Use Funding*, is used by school districts to request funding for Joint-Use projects (Types I and II). The proposed regulatory amendments: 1) change the revision date of this Form; and 2) clarify the dates that Labor Code Section 1771.3 pertains to this Form because the law repealed and enacted a different Labor Code Section 1771.3, effective June 20, 2014.

Existing Form SAB 50-08, *Application for Preliminary Apportionment*, is used by school districts to file for a preliminary apportionment under the Critically Overcrowded Schools Program once the SAB has determined or adjusted the school district's eligibility for new construction funding. The proposed regulatory amendments: 1) change the revision date of this Form; and 2) clarify the dates that Labor Code Section 1771.3 pertains to this Form because the law repealed and enacted a different Labor Code Section 1771.3, effective June 20, 2014.

Existing Form SAB 50-09, *Application for Charter School Preliminary Apportionment*, is used by school districts and charter schools for purposes of requesting a preliminary apportionment for new construction of charter school facilities. The proposed regulatory amendments: 1) change the revision date of this Form; and 2) clarify the dates that Labor Code Section 1771.3 pertains to this Form because the law repealed and enacted a different Labor Code Section 1771.3, effective June 20, 2014.

Existing Form SAB 50-10, *Application for Career Technical Education Facilities Funding*, is the form submitted by school districts or joint powers authorities to request a Career Technical Education Facilities Program grant. The proposed regulatory amendments: 1) change the revision date of this Form; and 2) clarify the dates that Labor Code Section 1771.3 pertains to this Form because the law repealed and enacted a different Labor Code Section 1771.3, effective June 20, 2014.

Statutory Authority and Implementation

Education Code Section 17070.35. (a) In addition to all other powers and duties as are granted to the board by this chapter, other statutes, or the California Constitution, the board shall do all of the following: (1) Adopt rules and regulations, pursuant to the rulemaking provisions of the Administrative Procedure Act, Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code, for the administration of this chapter.

Government Code Section 15503. Whenever the board is required to make allocations or apportionments under this part, it shall prescribe rules and regulations for the administration of, and not inconsistent with, the act making the appropriation of funds to be allocated or apportioned. The board shall require the procedure, forms, and the submission of any information it may deem necessary or appropriate. Unless otherwise provided in the

appropriation act, the board may require that applications for allocations or apportionments be submitted to it for approval.

Determination of Inconsistency or Incompatibility with Existing State Regulations

The law created a new public works contractor registration system that funds all of the DIR's public works activities and repealed the requirement for school districts to pay DIR for monitoring on a bond-funded public works project. Contractors and subcontractors must register with DIR and pay registration fees in order to be listed in a bid proposal or engage in the performance of any public works project. These fees will be used to cover the cost of DIR monitoring and enforcement of prevailing wage requirements. Therefore, any public works project awarded on or after June 20, 2014 will not receive the prevailing wage monitoring additional grant.

The proposed regulatory amendments remove the additional prevailing wage monitoring grant for projects with a public works contract awarded on or after June 20, 2014. The law repealed provisions in Labor Code Section 1771.3, which required school districts to provide payment to the DIR for prevailing wage monitoring. As a result, school districts awarding a construction on or after June 20, 2014 are not mandated to provide payment for DIR monitoring and enforcement of prevailing wage requirements.

After conducting a review, OPSC, on behalf of the SAB, has concluded that these are the only regulations on this subject area, and therefore, the proposed regulations are neither inconsistent nor incompatible with existing State laws and regulations. The proposed regulatory amendments are within the SAB's authority to enact regulations for the SFP under Education Code Section 17070.35 and Government Code Section 15503.

Forms Incorporated by Reference

Application for Funding, Form SAB 50-04, (Revised ~~05/14~~ 10/14), referenced in Regulation Section 1859.2 and is incorporated by reference.

Fund Release Authorization, Form SAB 50-05, (Revised ~~04/13~~ 10/14), referenced in Regulation Section 1859.2 and is incorporated by reference.

Application for Joint-Use Funding, Form SAB 50-07, (Revised ~~12/11~~ 10/14), referenced in Regulation Section 1859.2 and is incorporated by reference.

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Application for Charter School Preliminary Apportionment, Form SAB 50-09, (Revised ~~05/14~~ 10/14), referenced in Regulation Section 1859.2 and is incorporated by reference.

Application for Career Technical Education Facilities Funding, Form SAB 50-10, (Revised ~~04/12~~ 10/14), referenced in Regulation Section 1859.2 and is incorporated by reference.

IMPACT ON LOCAL AGENCIES OR SCHOOL DISTRICTS

The Executive Officer of the SAB has determined that the proposed regulations do not impose a mandate or a mandate requiring reimbursement by the State pursuant to Part 7 (commencing with Section 17500) of Division 4 of the Government Code. It will not require school districts or charter schools to incur additional costs in order to comply with the proposed regulations.

DISCLOSURES REGARDING THE PROPOSED REGULATORY ACTION

The Executive Officer of the SAB has made the following initial determinations relative to the required statutory categories:

- The SAB has made an initial determination that there will be no significant, statewide adverse economic impact directly affecting business, including the ability of California businesses to compete with businesses in other states.
- The SAB is not aware of any cost impacts that a representative private person or business would necessarily incur in reasonable compliance with the proposed action.
- There will be no non-discretionary costs or savings to local agencies.
- The proposed regulations create no costs to any local agency, school district, or charter school requiring reimbursement pursuant to Section 17500 et seq., or beyond those required by law, except for the required district contribution toward each project as stipulated in statute.
- There will be no costs or savings in federal funding to the State.
- The proposed regulations create no costs or savings to any state agency beyond those required by law.
- The SAB has made an initial determination that there will be no impact on housing costs.

RESULTS OF THE ECONOMIC IMPACT ANALYSIS

Impact to Businesses and Jobs in California

There is a positive economic impact to California business assigned to these regulatory amendments. With bond funds being redirected from DIR public works activities, these funds will be used as apportionments for school construction projects. Once the funds have been released, school districts can begin construction, which means they have entered into contracts and work can begin. These regulations affect various business, manufacturing, and construction-related industries such as architecture, engineering, trades and municipalities, and have the potential to create an unspecified number of jobs.

Therefore, the proposed regulations will have a positive impact on the creation of jobs, the creation of new businesses, and the expansion of businesses in California. It is not anticipated that the proposed regulations will result in the elimination of existing businesses or jobs within California.

Benefits to Public Health and Welfare, Worker's Safety, and the State's Environment

- There is a health and safety impact assigned to this regulatory amendment. Health and safety projects are considered priority projects by the SAB. This means that when bond funds have been redirected and are available, these projects are first in line to receive the funding.
- Public health and safety is enhanced through these proposed regulations because a properly paid and trained work force will build school construction projects that are structurally code-compliant and safer for use by pupils, staff, and other occupants on school sites.
- These regulations will have a positive impact to various business, manufacturing, and construction-related industries such as architecture, engineering, trades (carpenters, masons, electricians, roofers, etc.), and municipalities, and have the potential to create an unspecified number of jobs.
- There are continued benefits to the health and welfare of California residents and worker safety. Although these proposed regulations do not directly impact worker's

safety, existing law provides for the availability of a skilled labor force and encourages improved health and safety of construction and trades employees through proper apprenticeship and training.

- There is no impact to the State's environment from the proposed regulations.

EFFECT ON SMALL BUSINESSES

It has been determined that the amendments to the regulation sections will not have a negative impact on small businesses in the ways identified in subsections (a)(1)–(4) of Section 4, Title 1, CCR. Although the proposed regulations only apply to school districts and charter schools for purposes of funding school facility projects, the demand on the manufacturing and construction-related industries could potentially stimulate the creation of small businesses in these areas.

SUBMISSION OF COMMENTS, DOCUMENTS AND ADDITIONAL INFORMATION

Any interested person may present statements, arguments or contentions, in writing, submitted via U.S. mail, e-mail or fax, relevant to the proposed regulatory action. Written comments submitted via U.S. mail, e-mail or fax must be received at OPSC no later than August 31, 2015 at 5:00 p.m. The express terms of the proposed regulations as well as the Initial Statement of Reasons are available to the public.

Written comments, submitted via U.S. mail, e-mail or fax, regarding the proposed regulatory action, requests for a copy of the proposed regulatory action or the Initial Statement of Reasons, and questions concerning the substance of the proposed regulatory action should be addressed to:

Lisa Jones, Regulations Coordinator

Mailing Address: Office of Public School Construction
707 Third Street, 6th Floor
West Sacramento, CA 95605

E-mail Address: lisa.jones@dgs.ca.gov

Fax No.: (916) 375-6721

AGENCY CONTACT PERSONS

General or substantive questions regarding this Notice of Proposed Regulatory Action may be directed to Ron Koepl at (916) 375-2032. If Mr. Koepl is unavailable, these questions may be directed to the backup contact person, Ms. Lisa Jones, Supervisor, Regulations Team, at (916) 376-1753.

ADOPTION OF REGULATIONS

Please note that, following the public comment period, the SAB may adopt the regulations substantially as proposed in this notice or with modifications, which are sufficiently related to the originally proposed text and notice of proposed regulatory activity. If modifications are made, the modified text with the changes clearly indicated will be made available to the public for at least 15 days prior to the date on which the SAB adopts the regulations.

The modified regulation(s) will be made available and provided to: all persons who testified at and who submitted written comments at the public hearing, all persons who submitted written comments during the public comment period, and all persons who requested notification from the agency of the availability of such changes. Requests for copies of any modified regulations should be addressed to the agency's regulations coordinator identified above. The SAB will accept written comments on the modified regulations during the 15-day period.

SUBSTANTIAL CHANGES WILL REQUIRE A NEW NOTICE

If, after receiving comments, the SAB intends to adopt the regulations with modifications not sufficiently related to the original text, the modified text will not be adopted without complying anew with the notice requirements of the Administrative Procedure Act.

RULEMAKING FILE

Pursuant to Government Code Section 11347.3, the SAB is maintaining a rulemaking file for the proposed regulatory action. The file currently contains:

1. A copy of the text of the regulations for which the adoption is proposed in ~~strikeout~~/underline.
2. A copy of this Notice.
3. A copy of the Initial Statement of Reasons for the proposed adoption.
4. The factual information upon which the SAB is relying in proposing the adoption.

As data and other factual information, studies, reports or written comments are received, they will be added to the rulemaking file. The file is available for public inspection at OPSC during normal working hours. Items 1 through 3 are also available on OPSC Internet Web site at: <http://www.dgs.ca.gov/opsc> under "Resources," then click on "Laws and Regulations," then click on "SFP Pending Regulatory Changes."

ALTERNATIVES

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

AVAILABILITY OF THE FINAL STATEMENT OF REASONS

Upon its completion, the Final Statement of Reasons will be available and copies may be requested from the agency's regulations coordinator named in this notice or may be accessed on the Web site listed above.