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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

ADOPTION

MULTI-COUNTY:

Arroyo Seco Library Network

AMENDMENT

STATE AGENCY:

Department of Industrial Relations

A written comment period has been established commencing on **April 26, 2002** and closing on **June 10, 2002**. Written comments should be directed to the Fair Political Practices Commission, Attention **Wayne Imberi**, 428 J Street, Suite 450, 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 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 or 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 or 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 **June 10, 2002**. 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 Wayne Imberi/ Kevin Moen, Fair Political Practices Commission, 428 J Street, Suite 450, Sacramento, California 95814, telephone (916) 322-5660.

**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 **Wayne Imberi**, Fair Political Practices Commission, 428 J Street, Suite 450, Sacramento, California 95814, telephone (916) 322-5660.

TITLE 10. DEPARTMENT OF FINANCIAL INSTITUTIONS

NOTICE OF PROPOSED REGULATORY ACTION

PROPOSED REGULATORY ACTION

NOTICE IS HEREBY GIVEN of the following:

The Commissioner of Financial Institutions (“Commissioner”) proposes to make the following changes to Subchapter 30 (commencing with Section 30.1) of Chapter 1 of Title 10 of the California Code of Regulations (“Credit Union Regulations”): Add Sections 5.6182, 5.6183, 30.30, 30.31, 30.40, 30.41, 30.50, 30.51, 30.60, 30.61, 30.70, 30.71, 30.72, 30.73, 30.105, 30.308, 30.402, 30.406, 30.500, 30.802, and 30.1000; amend Sections 30.101, 30.102, 30.103, 30.300, 30.301, 30.302, 30.304, 30.306, 30.401, 30.403, 30.404, 30.405, 30.600, 30.602, 30.605, 30.700, 30.701, 30.801, 30.901, and 30.1001; and repeal Sections 30.105, 30.106, 30.109, 30.303, 30.400, 30.402, 30.500, 30.603, 30.604, 30.802, 30.804, 30.900, and 30.1000.

AUTHORITY AND REFERENCE

Financial Code § 215 authorizes the Commissioner to issue regulations deemed necessary in executing the powers, duties, and responsibilities of the Department of Financial Institutions. In addition, Fin.C. § 14201 authorizes the Commissioner to establish rules and regulations as the Commissioner may deem reasonable or necessary to carry out the purposes and provisions of the California Credit Union Law (Division 5 (commencing with Section 14000) of the Financial Code). Further, Fin.C. § 866.5 requires the Commissioner to promulgate regulations to define a reasonable time for financial institutions to permit their customers to draw on items received for deposit. The proposed regulatory changes will implement, interpret, or make specific various provisions of the California Credit Union Law, as well as Fin.C. §§ 866.5 and 866.6.

INFORMATIVE DIGEST

The Department of Financial Institutions (“Department”) has conducted an extensive review of the Credit Union Regulations in order to identify changes which are necessary to (1) clarify the regulations, (2) update the regulations to conform to existing law and industry practice, (3) relieve unnecessary regulatory burden, and (4) promote the safe and sound operation of credit unions. The following is a more detailed description of the proposed changes.

1. Section 5.6182.

Government Code Section 15376 provides that all state agencies and departments that issue permits shall adopt regulations regarding their procedures for considering and issuing permits. The Department

proposes to promulgate regulations regarding applications filed by credit unions to expand their fields of membership.

The proposed regulation meets the criteria of Section 15376 with regard to field of membership applications.

2. Section 5.6183.

Government Code Section 15376 provides that all state agencies and departments that issue permits shall adopt regulations regarding their procedures for considering and issuing permits. The Department proposes to promulgate regulations to establish an application procedure for credit unions to be eligible to add select groups to their fields of membership without having to file individual applications with regard to each group.

The proposed regulation meets the criteria of Section 15376 with regard to applications for credit unions to be eligible to add select groups to their fields of membership without having to file individual applications with regard to each group.

3. Section 30.30.

By law, the addition of groups to the field of membership of a credit union is subject to the approval of the credit union’s regulator. (See Financial Code Sections 14155 and 15451.) Section 14155 uses undefined terms.

The proposed regulation defines the term “economic feasibility” which appears in Section 14155(f).

4. Section 30.31.

Proposed Section 30.30(a) states that the Commissioner is to consider the “adequacy of the equity capital of a credit union” when considering the economic feasibility of a proposal. There is no definition as to what constitutes “adequate equity capital.”

The proposed regulation defines the term “adequate equity capital.”

5. Section 30.40.

Several provisions in the Credit Union Law (Division 5 of the Financial Code (commencing with Section 14000)), require the filing of a resolution with the Department attesting that certain tasks have been completed by a credit union. (See, e.g., Financial Code Sections 14102 and 14766.) There is nothing in the Financial Code or the current regulations of the Department, which set forth what should be contained in such a resolution.

The proposed regulation rectifies that problem by setting forth clear certification requirements so that the Department may reasonably rely on the representations that a credit union has adopted the necessary action.

6. Section 30.41.

Proposed regulation 30.105 requires that in an application for approval of bylaws, the applicant shall submit a certificate of secretary or assistant secretary.

The proposed regulation describes what form the certificate of the secretary or assistant secretary of the credit union shall take.

7. Section 30.50.

Current Section 30.105 provides that a credit union's field of membership may include the immediate family of a member.

The Department proposes to repeal current Section 30.105 and readopt it as the proposed regulation.

8. Section 30.51.

Financial Code Section 14155 (a) provides, in relevant part, that the Commissioner may deny an application for an expansion of the field of membership of an existing credit union if, among other reasons, "the field of membership of the applicant is contrary to the principals of organizing credit unions, including principals of organizing credit union based on common bond of occupation, association, or groups within a well defined neighborhood, community or rural district."

The proposed regulation interprets Section 14155 to state that the field of membership of a credit union may be made up of groups from any of the three categories set forth in Subdivision (a).

9. Section 30.60.

Section 14155 implies that there is an application requirement with the Commissioner before a credit union may expand its field of membership. However, Section 14155 does not provide what is required in the implied application.

The proposed regulation guidelines as to what is required in an application to expand an existing credit union's field of membership.

10. Section 30.61.

Section 14155 provides, in relevant part, that the Commissioner may deny an application for an expansion of the field of membership of an existing credit union for any of the reasons set forth in Subdivisions (a) through (f). However, it is unclear if the Commissioner must consider all of those factors in processing an expansion application.

The proposed regulation restates the factors found in Sections 14155(a) through (f) that the Department believes are relevant in determining whether to approve an expansion application.

11. Section 30.70.

The Department is creating a new application process to streamline adding groups with small numbers of individual members to the fields of membership of credit unions.

The proposed regulation is an introductory statement that Sections 30.71 through 30.73 contain regulations relating to the eligibility of an existing credit union to add a select group to its field of membership without obtaining the prior approval of the Commissioner.

12. Section 30.71.

At the present time, the Department requires all existing credit unions to file applications if they intend to expand their fields of membership. For the past several years, the processing time for those applications has expanded. The Department has determined that an expedited method of adding certain select groups to the field of membership of a well-run credit union is needed.

The proposed regulation provides definitions which will be used in Sections 30.72 and 30.73 relating to the eligibility of an existing credit union to add select groups to its field of membership.

13. Section 30.72.

The proposed regulation provides the application process for eligibility to add certain select groups to the fields of membership of well-run credit unions.

14. Section 30.73.

Once a credit union is approved for eligibility to add select groups on a "notice only" basis, the proposed regulations provides that a credit union may add select groups to its field of membership if it complies with the provisions of the proposed regulation.

15. Section 30.101.

Regulation CC of the Board of Governors of the Federal Reserve System (12 C.F.R. Part 229) establishes time limits within which a depository institution, including a credit union, is required to make funds available from a transaction account into which funds are deposited ("hold periods"). In addition, Fin.C. §§ 866.5 and 866.6 require the Commissioner to issue regulations to define the reasonable hold periods for state and federal credit unions doing business in California within which funds deposited into a transaction and other accounts must be made available. Existing regulation § 30.101 establishes the reasonable hold periods as required by Fin.C. §§ 866.5 and 866.6.

The proposed changes would amend existing regulation § 30.101 to incorporate the hold periods contained in Regulation CC, and to provide that these hold periods would be deemed to be reasonable hold periods for the purposes of Fin.C. §§ 866.5 and 866.6.

16. Section 30.102.

Existing regulation § 30.102 clarifies the meaning of certain terms which are used in the Credit Union Regulations, including definitions for the terms “management personnel,” “gross income,” “unimpaired capital and surplus,” “delinquent loans,” “risk assets,” and “liquid assets.”

The proposed changes would amend the definition of “management personnel” to specify that the term includes the Chief Executive Officer, the Assistant Chief Executive Officer, the Chief Financial Officer, the Operations Manager, and the Credit Manager, and any individual occupying a similar status or performing similar functions.

The proposed changes would amend the definition of “gross income” to specify that the only items not to be included in “gross income” are non-operating gains or losses, recoveries, and donated funds. A provision in the existing regulation which refers to the “guaranty fund” would be eliminated.

The proposed changes would amend the definition of “unimpaired capital and surplus” to mean the total of shares, plus undivided earnings, and appropriate undivided earnings, net of any income or loss for the accounting period, and does not include the regular reserve or unrealized gains or losses for changes in market values of available-for-sale investment.

The definition of “delinquent loans” would be amended and relocated to regulation § 30.701. (See discussion of Section 30.701)

The definition of “risk assets” would be amended to update the list of assets which are excluded from consideration as “risk assets.” The amended list is substantially the same as the list of excluded assets contained in former definition of “risk assets” contained in section 701.1 of the regulations of the National Credit Union Administration.

The definition of “liquid assets” would be eliminated.

In addition, the proposed changes would add provisions to clarify that references to financial statements or accounting items in the California Credit Union Law or in the Credit Union Regulations mean financial statements or accounting items prepared or determined in conformity with generally accepted accounting principles (“GAAP”), and authorizing the Commissioner to require that a financial statement or accounting item be prepared or determined in a manner other than in conformity with GAAP if the Commissioner deems it necessary or appropriate.

17. Section 30.103.

At the present time, Section 30.103 regulates the Department’s approval of both (1) articles of incorporation of credit union, and amendments thereto, and (2) bylaws of credit unions, and amendments thereto.

As proposed, Section 30.103 would be amended to regulate only the approval articles, and amendments to articles. In addition, amended Section 30.103 extends the necessity of approval by the Commissioner to include certificates of correction, and restated articles of incorporation.

18. Section 30.105.

Existing regulation section 30.105 provides that membership may be extended to a person within the immediate family of a member, but does not further define the classes of persons who are within the “immediate family” of a member.

The proposal would repeal Section 30.105 and replace it with another regulation.

Current Section 30.103 provides procedures regarding the approval of bylaws by the Commissioner.

The proposed regulation would regulate applications by credit unions for approval of bylaws and the amendments thereto.

19. Section 30.106:

Existing regulation § 30.106 prohibits a credit union from making unclaimed or abandoned funds part of its income or assets, and requires that these funds be reported to the State Controller’s Office.

The proposed changes would repeal this section.

20. Section 30.109:

Fin.C. § 15451 provides that a central credit union may, with the approval of the Commissioner, admit to membership groups of employees of an employer where the place of employment is within a specified distance from the principal office of the central credit union. Existing regulation § 30.109 establishes the requirements for an application for the Commissioner’s approval filed by an employer.

The proposed changes would repeal this section.

21. Section 30.300.

Fin.C. §§ 14652, 14653, and 14653.5 authorize a credit union to invest in specified securities and assets, in trusts organized by credit unions or credit union associations to invest in U.S. government agency securities, and in other investments authorized by the Commissioner by regulation or in writing. Subdivision (a) of existing regulation § 30.300 establishes requirements governing these types of investments.

The proposed changes would amend subdivision (a) to require that the board of directors of a credit union review the credit union’s investment policy annually, rather than quarterly, and would require that the credit

union follow the investment policy established by the board of directors. The proposed changes also would make technical amendments to delete duplicative or unnecessary provisions.

Subdivision (b) of existing regulation § 30.300 specifies authorized investments that a credit may make pursuant to Fin.C. § 14653.5.

The proposed changes would clarify the types of financial institutions in which investments in “Yankee Dollar” deposits, Eurodollar deposits, and Banker’s Acceptances may be made pursuant to this subdivision.

The definition of “authorized financial institution” contained in Subdivision (d) would be amended to expand the types of financial institutions which qualify as an “authorized financial institution” including federally and privately insured credit unions.

22. Section 30.301.

Existing regulation § 30.301 requires that the minutes of the board of directors of a credit union contain the authorizations for, among other matters, the “charge-off of accounts to the regular reserve.”

The proposed changes would delete the qualifying phrase “to the regular reserve.” In addition, the proposed changes would authorize the board to charge-off the aggregate balance of one or more obligations if no single obligation has a balance which exceeds \$20,000 and if a list of the obligations, by borrower and amount charged-off, is attached to and made a part of the board’s minutes.

Existing regulation § 30.301 also requires that the names and account numbers of new members be maintained by the board or the membership committee chairperson.

The proposed changes would require such membership lists of all members, rather than just new members, and would permit such lists to be maintained by a person other than the membership committee chairperson, who is designated by the board or by the membership committee chairperson.

23. Section 30.302.

Existing regulation § 30.302 requires each credit union to verify its accounts at least annually, either by its supervisory committee or as part of an audit.

The proposed changes would replace “verify” and its related forms with “confirm” and its related forms. Additionally, the proposed changes would require the report of the confirmation of accounts to be submitted to the board of directors of the credit union, rather than the Commissioner, and be made available to the Commissioner upon request. The proposed changes would clarify the methods by which a credit union may confirm its accounts, and would make other stylistic and conforming changes.

24. Section 30.303.

Fin.C. § 14456 authorizes the board of directors to declare dividends on shares, subject to limitations elsewhere contained in Fin.C. §§ 14862 and 14900 to 14905, inclusive. Existing regulation § 30.303 authorizes the board to establish dividend rates in advance, declare or pay dividends to its members consistent with specified conditions.

The proposed changes would repeal this Section.

25. Section 30.304.

Fin.C. § 14656 authorizes a credit union to purchase from a liquidating credit union notes made by members of the liquidating credit union, in accordance with the regulations of the Commissioner. Existing regulation § 30.304 establishes conditions under which such a purchase may be made. Subdivision (b) requires that the combined balance of the regular reserve and any special reserve for delinquent loans be in an amount at least equal to the total amount required by Section 30.400 after giving effect to the purchase of the notes.

The proposed changes would replace existing subdivision (b) with the requirement that after the purchase of any notes authorized by this regulation, the credit union would be required to establish a special reserve in accordance with generally accepted accounting principles. The proposed changes also would make technical editorial changes.

26. Section 30.306.

Fin.C. § 14402 authorizes a credit union to invest in a lot and building for the conduct of business of the credit union or of other credit unions or of affiliated organizations. Fin.C. § 14403 authorizes a credit union to invest in the furniture, fixtures and other personal property necessary for the conduct of business at such facilities. Fin.C. § 14650 authorizes a credit union to invest in the stock of a corporation exclusively engaged in the business of holding the property of such facilities. Fin.C. § 14651 authorizes a credit union to invest in the stock of a corporation, or in membership or economic interests of a limited liability company, organized solely for the purpose of providing services to credit unions.

Existing regulation § 30.306 establishes a limit on the aggregate investment made pursuant to Fin.C. §§ 14402, 14403, 14650, and 14651 of 20 percent of unimpaired capital and surplus, unless a greater amount is authorized in writing by the Commissioner.

The proposed changes would reduce the 20 percent ceiling to 10 percent, and would conform existing regulation § 30.306 to Fin.C. § 14651 which was amended by Chapter 539 of the Statutes of 1998 to authorize the investment in a limited liability company, as well as a corporation, organized solely for the

purpose of providing services to credit unions. The proposed changes also would make technical and clarifying changes, and would include a grandfather provision relating to investments which exceed the new limitation at the time the amended regulation becomes effective.

27. Section 30.400.

Existing regulation § 30.400 provides that the Commissioner may require a credit union to establish reserves for delinquent obligations in addition to the regular reserve if the regular reserve does not equal an amount calculated in accordance with a prescribed formula.

The proposed changes would repeal this Section.

28. Section 30.401.

Existing regulation § 30.401 provides that an obligation that is delinquent shall not be extended, refinanced, or revised, unless there is evidence that the borrower will be able to meet the new terms of the obligation.

The proposed changes would apply the requirement for evidence that the borrower will be able to meet the new terms of the obligations to all obligations, not just delinquent obligation.

Existing regulation § 30.401 also requires any obligation which has been extended, refinanced or revised and which subsequently becomes two or more months delinquent during any 12-month period, to be evaluated in accordance with its original terms and payment record for purposes of § 30.400.

The proposed changes would repeal this provision. The proposed changes also would correct a typographical error, changing in the first sentence “intended” to “extended.”

29. Section 30.402:

Existing regulation § 30.402 provides that, notwithstanding the reserve requirements of § 30.400, an obligation must be charged to the regular reserve if the board or an officer has determined that it is uncollectible, or if no payments which in the aggregate equal a full payment have been received within the past twelve months and the obligation is delinquent twenty-four months or more, except where litigation to collect the obligation is in progress, or the borrower has filed a petition under the federal Bankruptcy Act and the plan provides for payment of the obligation. The existing regulation requires obligations to be reviewed at least monthly, and obligations subject to charge-off under this section must be charged to the regular reserve at least quarterly. In addition, the existing regulation provides that the applicable share account balances shall be applied to the obligation balances prior to charge-off.

The proposed changes would repeal these provisions and add a new § 30.402 to govern charge-offs. Added § 30.402 would require a credit union to charge off an obligation if it falls within one of four categories which conform to generally accepted accounting principles and federal guidelines, but would specify that the types of obligations listed are not the only circumstances under which an obligation should be charged off. The proposed changes would require a credit union to review its obligations at least monthly and to charge off within 30 days after its review any obligation which it determines should be charged off. The proposed changes would also specify that if a credit union writes off an amount which is less than the full amount which is required under this Section, the credit union will not be deemed to be in violation of this Section if the Commissioner finds that use of the lesser amount fairly states the credit union’s financial condition.

30. Section 30.403.

Existing regulation § 30.403 provides that the regular reserve of a credit union is a reserve for losses and possible losses from members’ obligations, and states that losses on members’ obligations may be charged to the regular reserve.

The proposed changes would delete these provisions.

Existing regulation § 30.403 also requires the written consent of the Commissioner before operating losses may be charged to the regular reserve.

This provision would be retained with a technical change to correct a cross-reference.

31. Section 30.404.

Prior to its amendment in Chapter 539 of the Statute of 1998, Fin.C. § 14700 specified the amounts that a credit union was required to maintain in its regular reserve. Currently, Fin.C. § 14700 only provides that a credit union shall create and maintain a regular reserve as specified by the Commissioner.

Existing regulation § 30.404, promulgated before the amendment to Fin.C. § 14700, contains specific regular reserve requirements, which apply in lieu of the requirements of which had been specified in Fin.C. § 14700. Subdivision (a) specifies requirements for credit unions that have been in operation for more than four years with gross assets of \$1,000,000 or more in lieu of the requirements of former Fin.C. § 14700. Two of these requirements are that after the payment of organization expenses, entrance and transfer fees shall be credited to the regular reserve, and that any sums recovered on items previously charged to the regular reserve shall be credited to the regular reserve.

The proposed changes would eliminate these requirements. In addition, the proposed changes would make the reserve requirements applicable to credit

unions which have been in operation for more than four years, without regard to asset size. The specific amounts to be transferred to the regular reserve would not be changed, but the regulation would be amended to clarify that these requirements apply unless the Commissioner otherwise specifies a different regular reserve requirement as authorized by Fin.C. 14700.

Subdivision (b) of the existing regulation specifies that a credit union which has been in operation for more than four years but with gross assets of less than \$1,000,000 may apply to the Commissioner for authority to maintain its regular reserve at a percentage rate and level less than required by Fin.C. § 14700.

The proposed changes would replace this provision with the requirement that a credit union which has been in existence for less than four years, without regard to asset size, would be required to maintain a regular reserve of at least the level specified by the Commissioner in his or her approval of the credit union's application for license or as otherwise specified by the Commissioner under Fin.C. § 14700.

Also, the proposed changes would define "credit union" for the purpose of this regulation as meaning only a credit unions that is insured other than by the National Credit Union Share Insurance Fund. In other words, federally insured credit unions would not be subject to the reserve requirements of this regulation.

33. Section 30.405.

Existing regulation § 30.405 authorizes a credit union with a regular reserve in excess of the greater applicable percent established by regulation § 30.404 to apply to the Commissioner for approval to transfer the excess to the undivided profits account, provided that six percent of total risk assets is at least twice the reserves required for delinquent obligations by § 30.400 and reserves required for the decline in market values of securities by § 30.300(c).

The proposed changes would simplify the requirements by authorizing a credit union with regular reserves in excess of six percent of risk assets to transfer the excess to the undivided earnings account in accordance with generally accepted accounting principles and with the approval of the board of directors. The proposed changes also would authorize the board to approve transfers from undivided earnings accounting to the regular reserve account in excess of the required transfer amount.

Also, the proposed changes would define "credit union" for the purpose of this regulation as meaning only a credit unions that is insured other than by the National Credit Union Share Insurance Fund. In other words, federally insured credit unions would not be subject to the reserve requirements of this regulation.

34. Section 30.406.

The California Credit Union Law does not establish a minimum capital requirement for credit unions, whether they are federally insured or privately insured. Existing federal law applicable to federally insured credit unions establishes capital and reserve requirements; the failure to meet the specified capital levels subjects a federally insured credit union to certain restrictions and limitations which are enforced by the National Credit Union Administration.

The proposed regulation would exempt federally insured credit unions from the reserve requirements of regulation §§ 30.404 and 30.405 and would require federally insured credit unions to maintain equity capital at a level at least equal to the minimum net worth ratio specified for the net worth category of an adequately capitalized credit union, as defined in the Prompt Corrective Action regulations of the National credit Union Administration (12 C.F.R. Section 702.1 *et seq.*)

35. Section 30.500.

Existing regulation § 30.500 requires that an obligation secured by personal property be adequately insured, and establishes specific requirements relating to obligations secured by motor vehicles, household goods, boats, and airplanes.

The proposed changes would repeal existing § 30.500 and replace it with new § 30.500 which would require that the board of directors of a credit union adopt a policy requiring members to obtain adequate insurance on personal property security and to review its policy at least annually. Section 30.500 also would specify that the policy should provide that personal property security be insured in an amount equal to the lesser of the (1) principal balance of the obligation or (2) the fair market value of the personal property security, subject to such reasonable and specified exceptions provided for in the policy. The proposed regulation would also require that the required insurance protect against such risks as the board of directors deems necessary to protect the credit union's interests.

36. Section 30.600.

Existing regulation § 30.600 establishes certain requirements relating to the maintenance of the books and records of a credit union. Subdivision (a) requires that a credit union maintain its books and records in accordance with generally accepted accounting principles, except as otherwise provided in the California Credit Union Law.

The proposed changes would make technical changes and would amend this subdivision also to except any non-GAAP treatment as may be provided

in the subchapter 30 of chapter 1 of title 10, provided in any other applicable law, or by order of the Commissioner.

Existing subdivision (b) requires a credit union to keep its books on an accrual basis, except that earned interest on members' loans which has not be collected is not to be accrued.

The proposed changes would eliminate this exception and would amend this section to require a credit union to maintain its books on an accrual basis or such other basis permitted by the Commissioner.

37. Section 30.602.

Existing regulation § 30.602 requires that specified books and records of a credit shall be maintained permanently and that other specified records be maintained for a minimum of five years. This regulation also requires a credit union to make these records available to the Commissioner within two business days after notice.

The proposed changes would treat paid check and bank statements as other records to be maintained for five years. In addition, the proposed changes would permit a credit union to keep records of paid check, in lieu of the paid checks themselves. The proposed changes would authorize a credit union to maintain and store its records using an optical image storage media that is non-erasable, "write once, read many" type and that meets other specified requirements. The proposed changes also would delete the allowance for a two-business day response time for making records available to the Commissioner.

38. Section 30.603.

Existing regulation § 30.603 prohibits a credit union from changing its type of recordkeeping system from a manual to data processing system, or from one data processing system to another data processing system, without written advice to the Commissioner.

The proposed changes would repeal this regulation.

39. Section 30.604.

Section 30.604 establishes requirements with respect to the disbursement of funds by credit unions.

The proposed changes would repeal this regulation.

40. Section 30.605.

Fin.C. § 14406 requires that capital funds, undivided profits, and reserve funds of a credit union are to be deposited in specified financial institutions. Existing regulation § 30.605 requires that all funds received by a credit union be deposited in accordance with Fin.C. § 14406 within 48 hours of receipt, except for receipts in the aggregate amount of \$100 or less which are required to be deposited at least weekly.

The proposed changes would increase the aggregate amount which triggers the within-48-hour deposit requirement from \$100 to \$1,000.

41. Section 30.700.

Fin.C. § 14255 requires each credit union to make special reports as may be required by the commissioner. Existing regulation § 30.700 requires a credit union to notify the Commissioner within 15 days after its board of directors elects the officers of a credit union, and requires that the credit union include in this notice additional information regarding board and committee members. In addition to this yearly report, the existing regulation requires reports to the Commissioner regarding each change in the directors, officers, committee members, and management personnel and newly appointed management personnel.

The proposed changes would establish a general requirement for the filing of a report within 30 days after the annual board meeting required by Fin.C. § 14454 which lists the names of the credit union's officers, the members of the board of directors, the members and alternate members of the credit committee or credit manager, and members of the supervisory committees. Only changes in the credit union's chief executive officer or manager would be required to be reported within 30 days, unless the change occurs within 30 days prior to the annual report and the change is contained in the annual report.

42. Section 30.701.

Existing regulation § 30.701 requires that the treasurer of a credit union prepare and submit to the board of directors and supervisory committee specified financial information within 21 days after the close of each calendar month, including a detailed report of delinquent loans in the categories specified in existing § 30.400. This Section also requires the treasurer to post a copy of its balance sheet and income statement on the premises of the credit union.

The proposed changes would include a definition of a "delinquent" obligation for the purposes of this section. In the case of an obligation repayable in monthly installments, a delinquent obligation would be one for which payment in full of a monthly contractual installment is not received within one month after the installment is due and such payment has not yet been received. In the case of an obligation repayable in other than monthly installments or repayable in a single payment, a delinquent obligation would be one for which payment in full of a contractual payment has not been received within one month after the payment is due and such payment has not yet been received.

In addition, because this rulemaking would repeal existing § 30.400, the cross-reference in § 30.701(c) to § 30.400 would be eliminated, and the categories of

delinquent loans contained therein would be set out in amended § 0.701. The proposed changes would authorize a credit union to provide copies of the balance sheet and income to members who request copies, in lieu of posting its financial statements, and would make other technical changes.

43. Section 30.801.

Existing regulation § 30.801 authorizes a loan officer to extend an obligation for up to three consecutive contract payments during any twelve month period, and requires that any extension in excess of this limitation must be approved by the credit committee or credit manager.

The proposed changes would amend this Section to authorize a loan officer to extend a close-ended obligation provided that such obligation cannot be extended more than twice during the term of the obligation and for no more than two consecutive contract payments each time. In addition, a loan officer would be authorized to defer contractual payments due with respect to an open-ended obligation provided that contractual payments with respect to such obligations cannot be deferred more than once during any twelve-month period. Additionally, the proposed changes would amend this Section to provide that any extension in excess of this limitation can be approved by the board of directors, as well as the credit committee or the credit manager.

44. Section 30.802.

Existing regulation § 30.802 establishes requirements governing loans secured by real property.

The proposed changes would repeal existing regulation § 30.802 and adopt a new § 30.802 which would result in substantive changes. New section 30.802 would require that:

- An obligation secured by real property must be secured by either (1) a first lien on unimproved real property provided the principal balance of the obligation is not more than 60 percent of the appraised value of the real property and the term is not more than 30 years; or (2) a first or a junior lien on improved real property, if the total amount of all outstanding liens on the real property does not exceed 80 percent of the appraised value of the property and the term of the obligation does not exceed 40 years in the case of a first lien, or 30 years the case of a junior lien.
- In the case of an obligation secured by a first lien, the credit union must obtain a title insurance policy which designates the credit union as the insured, warrants the priority and validity of the credit union's security interest, and does not contain any exception which would preclude the credit union from obtaining marketable title.
- In the case of an obligation secured by one or more junior liens which do not aggregate to more than \$100,000, a credit union must at least obtain an abbreviated loan guarantee or fidelity lenders abbreviated guarantee issued by a title insurance company. In case an obligation is secured by one or more junior liens aggregating to more than \$100,000, the credit union must obtain a title insurance policy as in the case of a first lien.
- Adequate hazard insurance on the real property must be maintained during the term of the obligation, unless this requirement is waived in writing by the credit committee or credit manager. However, this requirement cannot be waived if the principal balance of the obligation exceeds applicable unsecured lending limits.
- The promissory note and deed of trust must include a due-on-sale.
- The board of directors must have established a limit on the total amount of obligations which may be secured by real property, and an obligation which the credit union intends to make must not cause the credit union to exceed that limit.

The proposed changes also would specify that for the purposes of determining whether an obligation is secured by a first lien, certain liens would not be considered to be prior encumbrances unless a payment thereunder is due and delinquent—for example, liens for any tax, assessment or bond.

In addition, the proposed changes would exempt from the requirements of this section (except for the overall limit on real estate loans established by the board): any obligation with principal balance of \$50,000 or less (except that such loans would be considered as junior liens); any obligation meeting the eligibility requirements established by the Federal National Mortgage Association or Federal Home Loan Mortgage Corporation for sale on the secondary mortgage market; any obligation which is an alternative mortgage transaction, as defined; and any obligation which is secured by real property and which is a member business loan.

The proposed regulation would contain a grandfather provision to exempt outstanding obligations held by a credit union which do not conform to the new requirements as of the effective date of the new regulation.

45. Section 30.804.

Fin.C. 15001 authorizes a credit union to assess late charges, but specifies that a late charge may be made only once for each delinquent payment and subjects a credit union's assessment of late charges to the requirements of Civil Code Section 2954.5, Division 1.1 (commencing with Section 4000) of the Financial Code, and any other applicable law. Civil

Code Section 2954.5 requires lenders to provide borrowers with a notification before a first late payment charge may be assessed, and establishes other related requirements. Division 1.1 of the Financial Code establishes limits on late fees applicable to unsecured, open-ended consumer credit.

Existing regulation section 30.804 additionally specifies that a late charge assessed under Fin.C. 15001 can only be charged where one-half or more of the scheduled payment is more than ten days delinquent, but where the scheduled payment is one-half or more unpaid, the late charge may be calculated on the full amount of the scheduled payment.

The proposed changes would repeal Section 30.804.

46. Section 30.900.

Existing Section 30.900 requires a credit union to obtain an appraisal of any real property which is offered as security on a loan.

The proposed changes would repeal this Section. See discussion of Section 30.901.

47. Section 30.901.

Existing section 30.901 covers appraisals of personal property security and requires that a credit union obtain an appraisal on an automobile or other personal property offered as security for an obligation in accordance with a written appraisal policy approved by the board of directors, establishes minimum requirements for a credit union's written appraisal policy, and requires the market value to be determined by reference to a standard publication in general use.

The proposed changes would these requirements with a more general requirement that a credit union itself value or obtain an appraisal of personal property offered as security for an obligation in accordance with a written appraisal policy approved by the board of directors.

In addition, the proposed changes would include within this section requirements relating to the valuation or appraisal of real property security. Title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (Pub. L. 101- 73, 103 Stat. 183, 1989) and 12 U.S.C. 1757 and 1766 establishes requirements for real estate appraisals in connection with federally-related transactions to be performed pursuant to uniform standards and by appraisers who meet specified requirements. Part 722 of the regulations of the National Credit Union Administration (12 U.S.C. Part 722) implements Title XI and is applicable to all federally-insured credit unions, including state-chartered credit union which are insured by the National Credit Union Share Insurance Fund.

The proposed changes would add the requirement applicable to all state-chartered credit unions that a valuation or an appraisal of real property being offered

as security for an obligation be the subject of a valuation or appraisal in accordance with Part 722 of the regulations of the National Credit Union Administration.

48. Section 30.1000.

Fin.C. 14252 provides that in lieu of an annual examination of a credit union by the Department, the Commissioner may request that a credit union submit, or may approve the request of a credit union to submit, an audit report prepared by an independent certified public accountant or independent public accountant. Existing section 30.1000 contains instructions for the preparation of the audit report, including the content of the audit report and procedures to be followed by the independent accountant.

The proposed changes would repeal this Section and add new Section 30.1000. New section 30.1000 would require annual audit reports which are submitted pursuant to Fin.C. 14252 to be obtained and filed with the Commissioner within 105 days after the end of the fiscal or calendar year. The proposed changes would specify the contents of the audit report, including financial statements, an opinion of the independent certified public accountant or independent public accountant who prepared the report, and a management letter of the independent accountant. The proposed changes would require that the financial statements be prepared in accordance with GAAP by an independent accountant not unsatisfactory to the Commissioner, and would require that the audit be conducted in accordance with generally accepted auditing standards. The proposed changes also would streamline the provisions relating to the confidential treatment of portions of the audit report.

49. Section 30.1001:

Existing section 30.1001 describes circumstances under which an accountant will not be deemed to be independent.

The proposed changes would amend this section to provide that an accountant shall not be deemed to be independent if the accountant complies with the independence guidelines of the American Institute of Certified Public Accountants.

**COPIES OF TEXT AND INITIAL STATEMENT
OF REASONS**

The Department has prepared a statement of reasons for the proposed action, and copies of such statement of reasons, the text of the proposed amendments, and all information on which this proposal is based are available upon request from the Contact Person designated below. Copies of these documents will be posted on the Department's web site at www.dfi.ca.gov/Laws&Regs.htm.

PUBLIC COMMENTS

No public hearing is scheduled. Any interested person or any authorized representative of an interested person may request, in writing, a public hearing. Such request must be received by the Department's Contact Person designated below no later than 15 days prior to the close of the public comment period, or not later than June 3, 2002.

Any interested party may present statements, arguments, or contentions relevant to the proposed regulations, in writing, addressed to the Contact Person designated below and received on or before 5:00 p.m. on June 19, 2002.

AVAILABILITY OF MODIFIED TEXT

As a result of public comment, the Commissioner may determine that changes to the proposed amendments are appropriate. If the changes are sufficiently related to the original text that the public was adequately placed on notice that the change could result from the originally proposed amendment the full text of the changed regulations will be made available for public comment for at least 15 days prior to the date on which the Commissioner issues an order adopting the regulations.

FINAL STATEMENT OF REASONS

A copy of the final statement of reasons once it has been prepared may be requested from the Contact Person named below, and a copy will be posted on the Department's web site www.dfi.ca.gov/Laws&Regs.htm.

FISCAL IMPACT

1. Costs to Local Agencies and School Districts

The Commissioner has determined that the proposed regulations would not impose any mandate on local agencies or school districts and would not result in any costs to any local agency or school district which are required to be reimbursed under Part 7 (commencing with § 17500) of Division 4 of the Government Code, or any other nondiscretionary costs or savings to local agencies.

2. Costs or Savings to State

The Commissioner has determined that the proposed regulations would not impose any savings or significant costs to any state agency, or any costs or savings in federal funding to the State of California.

3. Effect on Housing Costs, Businesses, and Private Persons

The Commissioner has determined that the proposed regulations would have no effect on housing costs. The proposed regulations would not have a significant statewide adverse economic impact on business, including the credit union business and small businesses, and the ability of California businesses to

compete with businesses in other states. 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.

ASSESSMENT OF JOB\BUSINESS CREATION OR ELIMINATION

The Commissioner has made an assessment that the proposed regulations would not create or eliminate jobs within California; would not create new businesses or eliminate existing business in California; and would not result in the expansion of businesses currently doing business in California.

REPORTING REQUIREMENTS

The Commissioner has made a finding that it is necessary for the safety and welfare of the people of the state of California that the reporting requirements contained in the proposed regulations apply to businesses.

ALTERNATIVES CONSIDERED

The Commissioner is required to determine that no alternative considered or that has otherwise been identified and brought to the attention of the agency would be more effective in carrying out the purpose for which this action is proposed or would be as effective and less burdensome to affected private persons than the proposed action.

CONTACT PERSON

Comments and inquiries regarding the field of membership portions of the proposed regulations may be directed to Ken Sayre-Peterson, Senior Counsel, 1810 13th Street, Sacramento, California, 95814; E-mail: ksayre-peterson@dfi.ca.gov; Telephone: (916) 322-1571. Comments and inquiries regarding the remainder of the proposed rulemaking may be directed to Sheila Sakamoto, Senior Counsel, 1810 13th Street, Sacramento, California, 95814; E-mail: ssakamoto@dfi.ca.gov; Telephone: (916) 322-5983; Facsimile: (916) 322-5976.

TITLE 10. DEPARTMENT OF INSURANCE

(CONSERVATION AND LIQUIDATION OFFICE)

NOTICE IS HEREBY GIVEN that the California Department of Insurance ("CDI") proposes to adopt a Conflict of Interest Code for the CDI's Conservation & Liquidation Office ("CLO").

AUTHORITY AND REFERENCE

The CDI proposes to adopt such a code pursuant to the authority of Government Code Section 87300. The purpose of the Conflict of Interest Code is to

implement the requirements of Government Code sections 87300–87302, 87306, and Insurance Code section 1035.2.

GENERAL DESCRIPTION OF THE CONFLICT OF INTEREST CODE

The proposed Conflict of Interest Code lists designated CLO Class Titles (i.e., job positions) and their respective disclosure category regarding the economic interests of the individuals in each of those job positions whose economic interests, if any, may lead to potential or actual conflicts of interest with their CLO responsibilities and duties.

ADDITIONAL INFORMATION

A copy of the proposed Conflict of Interest Code and a written explanation of the reasons for the designations and the disclosure responsibilities (“Statement of Reasons”) are available to interested persons by contacting the Contact Person set forth below.

COMMENTS

Any interested person may submit statements, arguments, or comments relating to the proposed Conflict of Interest Code by submitting them in writing to the Contact Person set forth below. Comments sent via electronic mail (“e-mail”) are acceptable. In order for the CDI to consider comments before the adoption of the Conflict of Interest Code, they must be submitted by no later than the close of the written comment period, which is **5:00 P.M. on Friday, June 28, 2002**, or at the conclusion of the public hearing, if one is requested, whichever comes later.

PUBLIC HEARING

At this time, no public hearing is scheduled concerning the proposed Conflict of Interest Code. However, any person, or the person’s representative, may request a public hearing; such a request for a public hearing must be made **no later than 15 days prior to the close of the written comment period** by contacting the Contact Person set forth below.

The CDI has determined that the proposed regulations:

1. Will not impose a cost or savings on any state agency, local agency or school district that is required to be reimbursed under Part 7 (commencing with Section 17500) of Division 4 of Title 2 of the Government Code;
2. Will not result in any nondiscretionary cost or savings to local agencies;
3. Will not result in any cost or savings in federal funding to the state;

4. Will not impose a mandate on local agencies or school districts;
5. Will not have any potential cost impact on private persons or businesses including small businesses;

The CDI must determine that no alternative considered by the CDI would be more effective in carrying out the purpose for which the adoption of the Conflict of Interest Code is proposed or would be as effective and less burdensome to affected persons than the proposed action.

CONTACT PERSON

All inquiries concerning the proposed Conflict of Interest Code, communications required by this notice, and comments about the proposed Conflict of Interest Code should be directed to the following:

California Department of Insurance
Legal Division—CLO Conflict of Interest Code
45 Fremont Street, 21st Floor
San Francisco, CA 94105
Attn: Jack Hom

(415) 538-4129
homj@insurance.ca.gov

Backup:
California Department of Insurance
Legal Division—CLO Conflict of Interest Code
45 Fremont Street, 21st Floor
San Francisco, CA 94105
Attn: Valerie Sarfaty

(415) 538-4459
sarfatyv@insurance.ca.gov

TITLE 10. DEPARTMENT OF INSURANCE

File No. ER02020654

SUBJECT: ORGANIZED AUTOMOBILE INSURANCE FRAUD GRANT FUNDING PROGRAM

PROPOSED REGULATORY ACTION

The California Department of Insurance (CDI) proposes to amend Article 5 (sections 2698.70–2698.77) of Subchapter 9, Chapter 5, of Title 10 of the California Code of regulations, regarding the program for the investigation and prosecution of organized automobile insurance fraud.

PUBLIC HEARING

PUBLIC PROCEEDINGS: Notice is hereby given that the California Department of Insurance will conduct written proceedings, during which time any interested person or such persons duly authorized representative may present statements, arguments or contentions relevant to the action described in this

notice. Any written statements, arguments or contentions must be received by the California Department of Insurance, Fraud Division, Wesley E. Kennedy, Senior Staff Counsel at 9342 Tech Center Drive, Suite 100, Sacramento, CA 95826, by 5 p.m. on June 20, 2002, which is hereby designated as the close of the written comment period. It is requested, but not required, that written statements, arguments or contentions sent by mail or hand delivered be submitted in triplicate. The Department has not scheduled a public hearing on this action. However, the Department will hold a hearing on June 20, 2002, 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 close of the written comment period.

Comments sent by facsimile: (916) 255-3344, or electronic mail: kennedyw@insurance.ca.gov must be received before 5:00 p.m. on the last day of the public comment period. All comments, including e-mail or fax transmissions, should include the author's name and U.S. Postal Service mailing address in order for the CDI to provide copies of any notices for proposed changes in the regulation text of which additional comments may be solicited. Reasonable accommodation or sign language interpreting services at a public hearing will be provided upon request. Such a request should be made no later than 15 days prior to the close of the written comment period.

CONTACT: Inquiries concerning this rulemaking process may be directed to Wesley E. Kennedy, Senior Staff Counsel, at (916) 854-5760. The back-up contact person is George Teekell, Staff Counsel, at (415) 538-4390. Inquiries concerning the substance of this action should be directed to Wesley E. Kennedy at the above number and may be sent by e-mail at kennedyw@insurance.ca.gov. In any such inquiry, please identify the action by using the CDI regulation control number: ER02020654.

AUTHORITY AND REFERENCE

Authority: Sections 1874.8, 1874.81, Insurance Code. Reference: Sections 1874.8(a), (g) and 1874.81, Insurance Code, Vehicle Code section 670.

INFORMATIVE DIGEST/POLICY STATEMENT OVERVIEW

The Insurance Commissioner of the State of California (Commissioner) proposes to amend Subchapter 9, article 5, Sections 2698.70 and 2698.71, Title 10, Chapter 5 of the California Code of Regulations (CCR) regarding the program for investigation and prosecution of organized automobile fraud. The purpose of the proposed amendment is to implement, interpret and make specific the provisions of the California Insurance Code (CIC) sections 1874.8 and 1874.81 which require the Commissioner

to assess and distribute certain funds to California district attorneys for the purpose of prosecuting organized automobile fraud cases.

AB 1050, Chapter 885, Statutes of 1999, was signed by the Governor on October 9, 1999 creating the Organized Crime Prevention and Victim Protection Act of 1999. AB 1050, inter alia, added CIC 1874.8 and 1874.81 as well modifying existing CIC section 1872.8. In adopting AB 1050, the Legislature made the following findings and declaration of purpose:

Section 1. (a) This act shall be known as the Organized Crime Prevention and Victim Prevention Act of 1999.

“(b) The Legislature finds that organized automobile fraud activity operating in the major urban centers of the state represents a significant portion of all individual fraud-related automobile insurance cases. These cases result in artificially higher insurance premiums for core urban areas and low-income areas of the state than for other areas of the state. Only a focused, coordinated effort by all appropriate agencies and organizations can effectively deal with this problem.”

CIC section 12921 requires the Commissioner to enforce the provisions of the Insurance Code and other laws regulating the business of insurance in the State of California. CIC section 1874.8, requires the Commissioner to establish an annual assessment on each automobile for which a policy of insurance has been issued in order to fund the activity of the Commissioner, the California Highway Patrol and from 3 to 10 county District Attorney's Offices.

The proposed amendments are necessary to implement, interpret and make specific the provisions of CIC sections 1872.8, 1874.8 and 1874.81 and title 10, California Code of Regulations sections 2698.70 and 2698.71. The proposed action would amend the existing provisions to provide authority for a grantee to carry-over a percentage of grant funds from one funding cycle to another funding cycle due to a related carry-over of an investigation or prosecution or on submission of justification made to and approval by the Commissioner.

The specific regulation being amended by this notice are as follows:

Section 2698.73 Funding Procedure

“(d) A grantee who has undertaken investigations and prosecutions which will carry-over into a subsequent funding cycle may carry-over into the subsequent funding cycle distributed but unused funds not exceeding twenty-five percent (25%) of the total funding cycle, provided that the grantee files a written plan, at the end of the funding cycle, which specifies and justifies to the Commissioner how those funds will be used. In the event that, due to extenuating

circumstances, distributed funds exceeding twenty-five percent (25%) of the previous total funding cycle are unused, the Commissioner may consider and approve requests for carry-over of the unused funds to the extent that the grantee provides justification.”

MATERIAL INCORPORATED BY REFERENCE
There is no material incorporated by reference.

FINDING OF EMERGENCY

California Insurance Code section 1874.81, provides in pertinent portion:

“(a) The Commissioner shall adopt emergency regulations establishing the criteria that shall be used to award grants to district attorneys under Section 1874.8.

(b) The regulations required by Subdivision (a) shall be adopted in accordance with the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340), Part 1, Division 3, Title 2 of the Government Code), and the adoption of those regulations shall be deemed an emergency and necessary of the immediate preservation of the public peace, health, and safety or general welfare.”

DETERMINATIONS

EFFECT ON SMALL BUSINESSES

The proposed regulation will not have an adverse effect on small businesses. The subject of the proposed regulation affects only the ability of grantee District Attorneys to carry over funds.

IMPACT ON BUSINESSES AND JOBS

It is the initial determination of the Commissioner of the California Department of Insurance that the regulations would not have a significant statewide adverse economic impact directly affecting businesses, including the ability of California businesses to compete with the businesses on other states because the proposed regulation does not impose any additional expense on affected entities. The Commissioner has determined that the regulations would not significantly affect the following:

- (1) The creation or elimination of jobs within the State of California.
- (2) The creation of new businesses or the elimination of existing businesses within the State of California.
- (3) The expansion of businesses currently within the State of California.

COST IMPACT ON PRIVATE PERSONS OR BUSINESSES

The Insurance Commissioner must determine the potential impact of the proposed action on private persons or businesses directly affected by the proposal.

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

IMPACT ON HOUSING

The matters proposed herein will not affect housing costs.

COST OR SAVINGS AND MANDATE TO LOCAL AGENCIES AND SCHOOL DISTRICTS

The CDI has determined that there will be no cost savings or increase, nor will these regulations impose a mandate on local agencies or school districts, nor are there any costs for which reimbursement is required by Part 7 (commencing with Section 17500) of Division 4 of the Government Code.

ALTERNATIVES

In accordance with Government Code Section 11346.5(a)(13), the CDI must determine that no reasonable alternative considered by the California Department of Insurance or that has otherwise been identified or brought to its attention that would be more effective in carrying out the purpose for which the action was taken or would be as effective and less burdensome to affected private persons than the emergency action.

FEDERAL FUNDING

The matters proposed herein will not affect federal funding.

NON-DISCRETIONARY COST OR SAVING

The matters proposed will not impose any non-discretionary cost or savings to local agencies.

COSTS AND SAVINGS TO STATE AGENCIES

The matters proposed herein will not result in any cost or savings to state agencies.

COMPARABLE FEDERAL LAW

There are no existing federal regulations or statutes comparable to the proposed regulations.

SPECIFIC TECHNOLOGIES OR EQUIPMENT

Adoption of these regulations as proposed would not mandate the use of specific technologies or equipment.

PUBLIC DISCUSSION

A public discussion was not undertaken prior to the publication of this regulation. The amendments do not involve complex or a large number of proposals that can not easily be reviewed during the comment period. In addition, the amount of the assessment is directed by statute and the text incorporates existing regulatory text recently promulgated in a closely related program. It is not anticipated that these conforming amendments will be controversial.

ACCESS TO COPIES OF PROPOSED
REGULATION AND STATEMENT OF REASONS

The California Department of Insurance has prepared and has available for public review an initial statement of reasons for the emergency regulations, the text and final statement of reasons, once prepared, and any supplemental information contained in the rulemaking file. Upon prior request, the rulemaking file is available for inspection at 9342 Tech Center Drive, Suite 100, Sacramento, California, between the hours of 9:00 a.m. and 4:30 p.m., Monday through Friday, holidays excepted. Requests should be directed to the agency contact person (listed above).

The Department of Insurance maintains a internet web site at where copies of materials published or distributed by the department may be obtained. That web site is: <http://www.insurance.ca.gov>. Find near the top of the page the heading "Protecting Consumers." In this section scroll down until you see the subheading "BE INFORMED." Click on the nearby "search for proposed regulations" link. When the search field appears enter "ER02020654" (the Department's regulation file number for these regulations). Alternatively, search for the California Insurance Code number of a code section that these regulation implement (e.g., "1874.8") or search by key word (e.g., "carry-over" or "funding cycle"). Then click on the "submit" button to display links the filing documents.

ADDITIONAL STATEMENTS AND COMMENTS

As a result of public comment (oral or written), the Insurance Commissioner may determine that changes to the proposed regulations are appropriate. If those changes are sufficiently related to the original text the public was originally noticed of in the proposed regulatory action, copies of the revised proposed regulations will be sent to all persons who testified at the public hearing or submitted comments during the comment period or at the public hearing, and those persons who have requested copies of information regarding the regulation. The full text of the changed regulations will be available for at least 15 days prior to the date on which the agency adopts, amended, repeals the resulting regulations.

At least 45 days notice will be given if the changes are not sufficiently related to the original text that the public was not adequately placed on notice that the changed action could result form the originally proposed action.

If adopted these regulations will appear in Title 10, Chapter 5, Subchapter 9, Article 5, Sections 2698.73, California Code of Regulations.

NOTICE OF EMERGENCY RULEMAKING

Pursuant to Insurance Code section 12921.7, a notice of proposed emergency, including the informative digest, which contains the general substance of the proposed regulation, and a copy of the proposed regulations were sent to all persons on the Insurance Commissioner's interested parties mailing list. Pursuant to California Government Code section 11346.4, subsection (a), the Commissioner has also mailed this notice (including a copy of the proposed regulation) to all those who have filed a request for notice of regulatory action pursuant to that section. A proof of service, indicating compliance with Insurance Code section 12921.7 and Government Code section 11346.4, subsection (a) has been filed with this regulatory action package.

**TITLE 11. COMMISSION ON
PEACE OFFICER STANDARDS
AND TRAINING**

NOTICE OF PUBLIC HEARING

NOTICE OF PROPOSED REGULATORY ACTION
TO ADOPT COMMISSION REGULATION 1012
AND AMEND COMMISSION REGULATIONS
1001, 1004, 1005 AND PROCEDURE D-13
FIELD TRAINING PROGRAM

Notice is hereby given that the Commission on Peace Officer Standards and Training (POST), pursuant to the authority vested by Sections 13503 of the Penal Code (powers of the Commission on POST) and Section 13506 (authority for Commission on POST to adopt regulations), and in order to interpret, implement and make specific Sections 13510 (authority for the Commission on POST to adopt and amend rules establishing minimum standards for California local law enforcement officers) and 13510.5 of the Penal Code (authority for the Commission on POST to adopt and amend standards for certain other designated California peace officers), proposes to adopt, amend or repeal regulations in Chapter 2 of Title 11 of the California Code of Regulations. A public hearing on staff's proposal will be held before the full Commission on:

Date: July 17, 2002

Place: Hyatt Regency, San Francisco Airport
1333 Bayshore Highway
Burlingame, CA 94010

Time: 10:00 a.m.

Notice is also hereby given that any interested person may present oral statements or arguments relevant to the action proposed during the public hearing.

INFORMATIVE DIGEST/POLICY
STATEMENT OVERVIEW

In November 1997, the Commission approved regulation and procedure changes that provided for the mandating of standardized field training programs and the integration of those programs as part of the basic training requirement for all peace officers. Since that date, POST has had the opportunity to observe the effects of our current regulations and procedures (both at POST and at the participating agencies) and to meet with field trainers from various law enforcement agencies to determine the effectiveness and propriety of those regulations and procedures.

In order to meet law enforcement's changing needs and to implement necessary modifications to POST's current regulations and procedures related to field training, staff is proposing the following changes:

- Specific and structured training for Supervisors, Administrators, and Coordinators (SACs) of field training programs would be required within 12 months of assignment. The 24-hour Supervisor/Administrator/Coordinator (SAC) Course enables those assigned to the position to understand the ongoing dynamics of field training and its relationship to the constantly changing Regular Basic Course. Additionally, this will ensure that anyone assigned to this position without prior field training experience understands the criticality of the position and the field training program itself.
- Specific, structured, and on-going updated training for Field Training Officers (FTOs) would be required every three years following completion of the FTO Course. This training is necessary to keep FTOs apprised of the ongoing dynamics of field training and its relationship to the constantly changing Regular Basic Course. Adult learning strategies and training methodologies are frequently changing. Specific, structured, and on-going training is a reasonable and logical requirement.
- A new definition of "uniformed patrol duties" that clearly establishes which peace officers are required to participate in a POST-Approved Field Training Program. This definition is supported by the POST Job Task Analysis (1998), the recent revision to the CPT requirement, and the integration of community oriented policing facets. This will clarify that specialized agencies (i.e. railroad police, ocean and small craft harbor police, etc.) are not mandated to comply with field training regulations specifically designed for uniformed patrol duties performed in marked patrol cars.
- Moving language currently in Procedure D-13 and determined to be regulatory into Regulation 1004 (former Regulation 1004 being renumbered to 1012) to meet Office of Administrative Law (OAL) requirements and provide more clarity for departments seeking approval of their field training programs. This also allows for a separation of regulations that impact departments (Regulation 1004) and those that impact individual officers (Regulation 1005).
- Modifications to Regulation 1005 makes the regulation more specific to the uniformed patrol assignment. It allows agencies to hire their own Level I Reserves as regular full-time uniformed patrol officers without requiring them to complete a POST-approved field training program over again (current regulations require them to repeat the program, which is costly, time-consuming, and redundant training), and ensures departmental compliance with the POST field training program regulations within two years (raising the professional standards of peace officer training throughout California).
- Updates to the original topics in Procedure D-13 (field training program content and course curricula) to include specific components of leadership, ethics, and community oriented policing; a POST Strategic Plan objective.
- Modifications that accommodate POST agencies who utilize alternative field training methods (i.e., problem-based field training programs) that better integrate leadership, ethics, community oriented policing, and problem oriented policing; another POST Strategic Plan objective.

This proposal calls for the regulations and procedure to be implemented and in place by July 1, 2003. This lead time allows agencies to develop, update, revise, and submit their programs to POST for approval. Field Training Officers hired after July 1, 2003 will have until July 1, 2004 to attend the required course. Field Training Officers assigned prior to July 1, 2003 will have until July 1, 2006 to meet the required FTO update training.

PUBLIC COMMENT

The Commission hereby requests written comments on the proposed actions. All written comments must be received at POST no later than 4:30 p.m. on June 10, 2002. Written comments should be directed to Kenneth J. O'Brien, Executive Director, Commission on Peace Officer Standards and Training, 1601 Alhambra Boulevard, Sacramento, CA 95816-7083, fax number (916) 227-2801, or email at ken.obrien@post.ca.gov

ADOPTION OF PROPOSED REGULATIONS

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

TEXT OF PROPOSAL

Copies of the Initial Statement of Reasons and exact language of the proposed action may be obtained by submitting a request in writing to the contact person at the address below. This address also is the location of all information considered as the basis for these proposals. The information will be maintained for inspection during the Commissions' normal business hours (8 a.m. to 5 p.m., Monday through Friday).

Copies of the Final Statement of Reasons, once it has been prepared pursuant to subdivision (a) of Section 11346.9, may be obtained from the address at the end of this notice.

ESTIMATE OF ECONOMIC IMPACT

Fiscal impact on Public Agencies including Costs or Savings to State Agencies or Costs/Savings in Federal Funding to the State: None

Nondiscretionary Costs/Savings to Local Agencies: None

Local Mandate: None

Costs to any Local Agency or School District for which Government Code Section 17561 Requires Reimbursement: None

Significant Statewide Adverse Economic Impact Directly Affecting California Businesses, including Small Business: The Commission on Peace Officer Standards and Training has made an initial determination that the proposed regulation will not have a significant statewide adverse economic impact directly affecting California businesses, including the ability to compete with businesses in other states, and has found that the proposed adoption of Commission Regulation 1012 and amendment of Commission Regulations 1001, 1004, 1005 and Commission Procedure D-13, will have no effect on California businesses, including

small businesses, because the Commission on Peace Officer Standards and Training sets selection and training standards for law enforcement and does not impact California businesses, including small businesses.

Cost Impacts on Representative Private Persons or Businesses: The Commission on Peace Officer Standards and Training is not aware of any cost impacts that a representative private person or business would necessarily incur in reasonable compliance with this proposed action.

Effect on Housing Costs: The Commission on Peace Officer Standards and Training has made an initial determination that the proposed regulation would have no effect on housing costs.

ASSESSMENT

The adoption of the proposed amendments to this regulation will neither create nor eliminate jobs in the state of California, nor result in the elimination of existing businesses or create or expand businesses in the state of California.

CONSIDERATION OF ALTERNATIVES

In order to take this action, the Commission must determine that no reasonable alternative considered by the Commission, or that has otherwise been identified and brought to the attention of the Commission, 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.

CONTACT PERSON

Inquiries concerning written material pertaining to the proposed action should be directed Leah Cherry, Associate Governmental Program Analyst, 1601 Alhambra Boulevard, Sacramento, CA 95816-7083, or by telephone at (916) 227-3891, fax number (916) 227-3895 or e-mail at leah.cherry@post.ca.gov. The back-up contact person as well as inquiries concerning the substance of the proposed action/text for the proposed curriculum revisions to the Field Training Program should be directed to Kate Singer, Senior Consultant, (916) 227-3935, fax number (916) 227-6932 or e-mail at kate.singer@post.ca.gov

INTERNET ACCESS

The Commission has posted on its website (www.post.ca.gov) the information regarding this proposed regulatory action. Select "Regulation Notices" from the topics listed on the website's home page.

TITLE 16. BOARD FOR PROFESSIONAL ENGINEERS AND LAND SURVEYORS

NOTICE IS HEREBY GIVEN that the Board for Professional Engineers and Land Surveyors (hereinafter referred to as "the Board") is proposing to take the action described in the Informative Digest. Any persons interested may present statements or arguments orally or in writing relevant to the action proposed at a hearing to be held **June 14, 2002**, at **9:00 a.m.** at the Board for Professional Engineers and Land Surveyors, 2535 Capitol Oaks Drive, Suite 300, Sacramento, California, 95833. Written comments, including those sent by mail, facsimile, or e-mail to the addresses listed under Contact Person in this Notice, must be received by the Board at its office not later than 5:00 p.m. on **June 10, 2002**, or must be received by the Board at the hearing. 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 under 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 6716 and 8710 of the Business and Professions Code, and to implement, interpret or make specific Sections 6775 and 8780 of said Code, the Board is considering changes to Division 5 of Title 16 of the California Code of Regulations as follows:

INFORMATIVE DIGEST/PLAIN ENGLISH POLICY STATEMENT OVERVIEW

Adopt Sections 475 and 476, Title 16, California Code of Regulations.

Assembly Bill (AB) 2629 (Chap. 976, Stats. 2000), effective January 1, 2001, amended Business and Professions Code sections 6716, 6775, 8710, and 8780 to authorize the Board for Professional Engineers and Land Surveyors to adopt rules and regulations of professional conduct for professional engineers and professional land surveyors.

By majority vote, the Board may reprove, suspend, or revoke the license of any professional engineer or professional land surveyor pursuant to Section 6775 or 8780 on the grounds that conduct in the course of his

or her practice as a professional engineer or professional land surveyor violates professional standards adopted by the Board.

This proposal would adopt the Code of Professional Conduct as a regulation.

FISCAL IMPACT ESTIMATES

Fiscal Impact on Public Agencies Including Costs or Savings to State Agencies or Costs/Savings in Federal Funding to the State: NONE

Nondiscretionary Costs/Savings to Local Agencies: NONE

Local Mandate: NONE

Cost to Any Local Agency or School District for Which Government Code Section 17561 Requires 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.

The following studies/relevant data were relied upon in making the above determination:

The proposed adoption of the Code of Professional Conduct would not place any restrictions on businesses. It would require all licensees to comply with the laws, codes, ordinances, and rules applicable to a project to ensure consumer protection.

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

Effect on Housing Costs: NONE

Effect on Small Businesses:

While the Board does not license businesses, but only individuals, some of its licensees do offer their professional services through business entities, some of which may be classified as small businesses. Therefore, this regulation will effect any licensee who offers his/her professional services through a small business entity. The Code of Professional Conduct will ensure that professional engineers and professional land surveyors follow general guidelines to safeguard the health, safety, welfare, and property of the public, and ultimately provide consumer protection.

CONSIDERATION OF ALTERNATIVES

The Board must determine that no reasonable alternative which 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 proposal described in this Notice.

Any interested person may present statements or arguments orally or in writing relevant to the above determinations. Such statements or arguments must be sent by mail, facsimile, or e-mail to the addresses listed under Contact Person in this Notice and must be received by the Board at its office no later than 5:00 p.m. on June 10, 2002, or at the above mentioned hearing.

INITIAL STATEMENT OF REASONS AND INFORMATION

The Board has prepared an initial statement of reasons for the proposed action and has available all the information upon which the proposal is based. Copies of the initial statement of reasons and all of the information upon which the proposal is based may be obtained upon request from the person designated in this Notice under Contact Person.

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 upon request from the person designated in the Notice under Contact Person.

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 designated in this Notice under Contact Person.

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 or by accessing the website listed below.

CONTACT PERSON

Inquiries or comments concerning the proposed administrative action and the substance of the proposed rulemaking may be addressed to:

Name: Donna J. Vaum
 Address: Board for Professional Engineers and Land Surveyors
 2535 Capitol Oaks Drive,
 Suite 300
 Sacramento, California, 95833

Telephone No.: (916) 263-2250
 Fax No.: (916) 263-2246
 E-Mail Address: Donna_Vaum@dca.ca.gov

The backup contact person is:

Name: Nancy A. Eissler
 Address: Board for Professional Engineers and Land Surveyors
 2535 Capitol Oaks Drive,
 Suite 300
 Sacramento, California, 95833

Telephone No.: (916) 263-2241
 Fax No.: (916) 263-2246
 E-Mail Address: Nancy_Eissler@dca.ca.gov

Website Access: The Notice, exact language of the proposed regulations, the initial statement of reasons, and the final statement of reasons (when prepared) can be found at www.dca.ca.gov/pels.

TITLE 16. SPEECH-LANGUAGE PATHOLOGY AND AUDIOLOGY BOARD

NOTICE IS HEREBY GIVEN that the Speech-Language Pathology and Audiology Board is proposing to take the action described in the Informative Digest. Any person interested may present statements or arguments orally or in writing relevant to the action proposed at a hearing to be held at the Department of Consumer Affairs Hearing Room, 400 R Street, Suite 1030, Sacramento, California, on June 18, 2002, from 1:30 p.m. to 3:30 p.m. Written comments, including those sent by mail, facsimile, or e-mail to the address listed under Contact Person in this Notice, must be received by the Board at its office not later than 5:00 p.m. on **June 10, 2002** or must be received by the Board at the hearing. 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 2531.95 and 2532.2 of the Business and Professions Code, and to implement, interpret or make specific Section 2530.5, 2532, 2532.2 and 2532.7 of the Business and Professions Code, the Board is considering changes to Division 13.4 of Title 16 of the California Code of Regulations as follows:

INFORMATIVE DIGEST/POLICY
STATEMENT OVERVIEW

The Speech-Language Pathology and Audiology Board ("Board") is authorized by Business and Professions Code Section 2531.95 to adopt regulations necessary to implement the Speech-Language Pathology and Audiology Licensure Act.

Business and Professions Code Section 2532.7(c) provides the Board the authority to reissue a temporary license to an applicant who is obtaining the required professional experience which is a requirement for licensure.

The proposed amendments of Sections 1399.153 through 1399.153.9 will modify the language of Article 4 to more accurately reflect the authority in Business and Professions Code Section 2532.7 whereby the Board issues a temporary license to an individual in the process of obtaining the Required Professional Experience ("RPE"). Therefore, the term applicant is not reflective of the individual status when completing the RPE.

Amendment of Section 1399.153.2 will align the fee for application of a temporary license to the Board's general application fees as provided in Section 1399.157.

Adoption of Section 1399.153.10 will establish the procedures for requesting a re-issuance of a temporary license to extend the required professional experience term. In addition, this section will notify applicants that failure to submit the required licensing documentation and/or failure to pass the required licensing examination will deem the applicant ineligible from re-issuance of the RPE temporary license.

The section further defines the supporting documentation that must be submitted by the requestor for the Board to affirm the conditions that serve as the basis for the request.

The section defines the fee for reissuing a RPE temporary license as the same fee charged for the original RPE temporary license application.

FISCAL IMPACT ESTIMATES

Fiscal Impact on Public Agencies Including Costs or Savings to State Agencies or Cost/Savings in Federal Funding to the State: None

Nondiscretionary Costs/Savings to Local Agencies: None

Local Mandate: None

Cost to Any Local Agency or School District for Which Government Code Section 17500-17630 Requires 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 effecting business, including the ability of California businesses to compete with businesses in other states.

AND

The following studies/relevant data were relied upon in making the above determination: None

Impact on Jobs/New Businesses: The Board has determined that this regulatory proposal will not have a significant 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 Private Persons or Entities: The cost impacts that a representative private person would necessarily incur in reasonable compliance with the proposed action and that are known to the Board are \$60.00 for each RPE applicant requesting re-issuance of a temporary license. The fee will provide the Board the necessary funding to process the request and to re-issue a new required professional experience temporary license.

Effect on Housing Costs: None

EFFECT ON SMALL BUSINESS

The Board has determined that the proposed regulatory action would not affect small businesses as this proposed regulatory action would only affect individuals applying for re-issuance of their required professional experience temporary license.

CONSIDERATION OF ALTERNATIVES

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

Any interested person may present statements or arguments orally or in writing relevant to the above determinations at the above-mentioned hearing.

INITIAL STATEMENT OF REASONS
AND INFORMATION

The Board has prepared an Initial Statement of Reasons for the proposed action and has available all the information upon which the proposal is based.

TEXT OF THE 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 upon request from the Speech-Language Pathology and Audiology Board at 1422 Howe Avenue, Suite 3, Sacramento, CA 95825 or at the Board's website address www.slpub.ca.gov.

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

All 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

Inquiries or comments concerning the proposed administrative action may be addressed to Candace Raney at the above address or at (916) 263-2666, fax (916) 263-2668 or email candace_raney@dca.ca.gov.

The person designated to respond to questions on the substance of the regulatory proposal is Annemarie Del Mugnaio at (916) 263-2666. The backup contact person is Candace Raney.

Website Address: Materials regarding this proposal can be found at www.slpab.ca.gov

GENERAL PUBLIC INTEREST

DEPARTMENT OF FISH AND GAME

CESA CONSISTENCY DETERMINATION FOR

**Union Pacific Railroad Kelso to Cima
Second Mainline Project
San Bernardino County**

The Department of Fish and Game (“Department”) received notice on April 9, 2002 that Union Pacific Railroad (UPRR) proposes to rely on consultations between federal agencies to carry out a project that may adversely affect species protected by the California Endangered Species Act (“CESA”). This project consists of the construction of 19 miles of new track and modification of existing bridges in order to accommodate new passenger train service. The activities will impact approximately 110 acres of land.

The U.S. Fish and Wildlife Service, on February 22, 2002, issued to the National Park Service, a no jeopardy federal biological opinion (1-8-01-F-36) which considers the Federally and State threatened desert tortoise (*Gopherus agassizii*) and authorizes incidental take.

Pursuant to California Fish and Game Code Section 2080.1, UPRR is requesting a determination on whether the Federal Biological Opinion 1-8-01-F-36 is consistent with CESA.

If the Department determines that the federal biological opinion is consistent with CESA, UPRR

will not be required to obtain an incidental take permit under CESA for the proposed project.

CESA CONSISTENCY DETERMINATION FOR

**Humboldt Bay Bridges Seismic Retrofit Project
Humboldt County**

The Department of Fish and Game (“Department”) received notice on April 5, 2002 that the California Department of Transportation (“CalTrans”) proposes to rely on consultations between federal agencies to carry out a project that may adversely affect species protected by the California Endangered Species Act (“CESA”). This project consists of performing construction on and modifications to the footings of the State Route 255 bridge over Humboldt Bay in order to improve Seismic protection. The activities will impact eelgrass beds, which are important to several species of listed salmon.

The National Marine Fisheries Service, on August 15, 2001, issued to the Federal Highway Administration (FHWA), a no jeopardy federal biological opinion (HUM-255-PM 0.2/1.9) which considers the Federally threatened and State candidate Coho Salmon (*Oncorhynchus kisutch*) and authorizes incidental take.

Pursuant to California Fish and Game Code Section 2080.1, CalTrans is requesting a determination on whether the Federal Biological Opinion HUM-255-PM 0.2/1.9 is consistent with CESA.

If the Department determines that the federal biological opinion is consistent with CESA, CaTrans will not be required to obtain an incidental take permit under CESA for the proposed project.

CESA CONSISTENCY DETERMINATION FOR

**Tesla Substation Expansion—Phase Two Project
Alameda County**

The Department of Fish and Game (“Department”) received notice on April 8, 2002 that PG&E proposes to rely on consultations between federal agencies to carry out a project that may adversely affect species protected by the California Endangered Species Act (“CESA”). This project consists of system expansions at the existing Tesla Substation, including the installation of a 500/230 kV transformer and a 500 kV switchyard extension. The activities will impact approximately 25.51 acres of land.

The U.S. Fish and Wildlife Service, on March 15, 2002, issued to the U.S. Army Corps of Engineers (“Corps”), a no jeopardy federal biological opinion (1-1-01-F-0274) which considers the Federally and State threatened San Joaquin kit fox (*Vulpes macrotis mutica*) and authorizes incidental take.

Pursuant to California Fish and Game Code Section 2080.1, PG&E is requesting a determination on whether the Federal Biological Opinion 1-8-01-F-0274 is consistent with CESA.

If the Department determines that the federal biological opinion is consistent with CESA, PG&E will not be required to obtain an incidental take permit under CESA for the proposed project.

**DEPARTMENT OF TOXIC
SUBSTANCES CONTROL**

**HOUSEHOLD HAZARDOUS WASTE UNIT
STATE REGULATORY PROGRAMS DIVISION
PUBLIC NOTICE FOR VARIANCE ISSUANCE**

On March 20, 2002, the State Regulatory Programs Division of the Department of Toxic Substances Control (DTSC) issued a short term variance to the City of Chino. Authority for this action is contained in Health and Safety Code section 25143. The variance was issued to conduct residential household waste collections associated with the community cleanup program. This variance authorizes City of Chino through their contractor to collect household hazardous wastes (HHW) from the elderly, handicapped residents, and others unable to participate in the regular HHW collection program. Wastes are delivered to an authorized HHW collection facility authorized under permit-by-rule (PBR). No business or agricultural wastes are to be collected under this variance. Specific standards exempted are contained in the Health and Safety Code section 25201 and California Code of Regulations, title 22, division 4.5, chapter 20. The collections are subject to strict operating standards specified in the variance. For additional information contact Lee Halverson at the Department of Toxic Substances Control, Household Hazardous Waste Unit at (510) 540-3894.

**HOUSEHOLD HAZARDOUS WASTE UNIT
STATE REGULATORY PROGRAMS DIVISION
PUBLIC NOTICE FOR VARIANCE ISSUANCE**

On March 20, 2002, the State Regulatory Programs Division of the Department of Toxic Substances Control (DTSC) issued a variance renewal to the City of Santa Clarita. Authority for this action is contained in Health and Safety Code (HSC), section 25143. The variance was issued to conduct residential household waste collections. This variance authorizes the City of Santa Clarita through their contractor to collect household hazardous wastes (HHW) from the elderly, handicapped residents, and others unable to participate in the regular HHW collection program. Wastes are delivered to a HHW collection facility authorized under permit-by-rule (PBR). No business or agricultural wastes are collected under this variance. Specific

standards exempted are contained in the Health and Safety Code, section 25201 and California Code of Regulations, title 22, division 4.5, chapter 20. The collections are subject to strict operating standards specified in the variance. For additional information contact Lee Halverson at the Department of Toxic Substances Control, Household Hazardous Waste Unit at (510) 540-3894.

**HOUSEHOLD HAZARDOUS WASTE UNIT
STATE REGULATORY PROGRAMS DIVISION
PUBLIC NOTICE FOR VARIANCE ISSUANCE**

On March 13, 2002, the State Regulatory Programs Division of the Department of Toxic Substances Control (DTSC) issued a three-year conditionally exempt small quantity generator (CESQG) transportation and manifesting variance to the City of Vacaville's household hazardous waste collection program. Authority for this action is contained in Health and Safety Code, section 25143. The variance authorizes the City of Vacaville's household hazardous waste collection facilities to accept, and qualified small businesses to transport, up to 100 kilograms (220 pounds/27 gallons) of hazardous waste at one time per month without meeting registered transporter or hazardous waste manifest requirements. Standards exempted are contained in Health and Safety Code, sections 25163, subsection (a) and 25160 respectively. Transported waste is shipped in accordance with federal Department of Transportation, California Highway Patrol, and California Vehicle Code requirements. For additional information contact Lee Halverson at the Department of Toxic Substances Control, Household Hazardous Waste Unit at (510) 540-3894.

**HOUSEHOLD HAZARDOUS WASTE UNIT
STATE REGULATORY PROGRAMS DIVISION
PUBLIC NOTICE FOR VARIANCE ISSUANCE**

On March 13, 2002, the State Regulatory Programs Division of the Department of Toxic Substances Control (DTSC) issued a three-year conditionally exempt small quantity generator (CESQG) transportation and manifesting variance renewal to Santa Clara County's household hazardous waste collection program. Authority for this action is contained in Health and Safety Code, section 25143. The variance authorizes Santa Clara County's household hazardous waste collection facilities to accept and qualified small businesses to transport up to 100 kilograms (220 pounds/27 gallons) of hazardous waste at one time per month without meeting registered transporter or hazardous waste manifest requirements. Standards exempted are contained in Health and Safety Code, sections 25163, subsection (a) and 25160 respectively.

Transported waste is shipped in accordance with federal Department of Transportation, California Highway Patrol, and California Vehicle Code requirements. For additional information contact Lee Halverson at the Department of Toxic Substances Control, Household Hazardous Waste Unit at (510) 540-3894.

<p>SUMMARY OF REGULATORY ACTIONS</p>

**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.

BOARD OF EQUALIZATION
Manufacturing Equipment

This concerns the imposition of sales and use tax per statutory provisions set forth in Revenue and Taxation Code sections 6051.4 and 6201.4. The change is submitted pursuant to section 100, title 1 of the California Code of Regulations.

Title 18
California Code of Regulations
AMEND: 1525.2
Filed 04/16/02
Effective 01/02/02
Agency Contact: Diane G. Olson (916) 322-9569

BOARD OF EQUALIZATION
Teleproductions or Other Postproduction Service Equipment

The State Board of Equalization is amending the captioned section to accommodate the November 1, 2001, certification made by the Director of the Department of Finance pursuant to Revenue and Taxation Code sections 6051.45 and 6201.45. Pursuant to said certification the sales tax rate imposed by Section 6051.3 of the Revenue and Taxation Code shall be operative for the 2002 calendar year.

Title 18
California Code of Regulations
AMEND: 1532
Filed 04/16/02
Effective 01/01/02
Agency Contact: Diane G. Olson (916) 322-9569

BOARD OF EQUALIZATION
Resale certificates

This regulatory action amends provisions dealing with a resale certificate.

Title 18
California Code of Regulations
AMEND: 1668
Filed 04/16/02
Effective 05/16/02
Agency Contact: Diane G. Olson (916) 322-9569

BOARD OF EQUALIZATION
Application for Equalization

This action adopts a rule intended to clarify a taxpayer's right to apply to a county board of equalization for equalization of the value of property when an assessor's audit of business property under Revenue and Taxation Code section 469 concludes that there is property of the business subject to an escape assessment charged retroactively to remedy an omission or error in the original assessment.

Title 18
California Code of Regulations
ADOPT: 305.3
Filed 04/17/02
Effective 05/17/02
Agency Contact: Diane G. Olson (916) 322-9569

CALIFORNIA HORSE RACING BOARD
Punishment by the Board/General Authority of Stewards

The California Horse Racing Board is amending the captioned sections changing the word "enclosure" to "inclosure". Said sections pertain to punishment by the Horse Racing Board through revocation or suspension of licensure, by fine or by exclusion from all racing inclosures under the jurisdiction of the Board, or by any combination thereof; and, general authority of stewards.

Title 4
California Code of Regulations
AMEND: 1405, 1527
Filed 04/16/02
Effective 05/16/02
Agency Contact: Pat Noble (916) 263-6033

**CALIFORNIA INTEGRATED WASTE
MANAGEMENT BOARD**
Rigid Plastic Packaging Container Recycling Rates

This is the certification of compliance for an amendment to the definition of the term "recycling rate" necessary so that annual determinations concerning attainment of the statutory rigid plastic packaging container recycling goals of 25% and 55% will be based upon data reported during the previous year.

Title 14
 California Code of Regulations
 AMEND: 17943(b)(26)
 Filed 04/10/02
 Effective 04/10/02
 Agency Contact: Jan Howard (916) 341-6514

DEPARTMENT OF CORRECTIONS

Firearms

This action would amend the provision prohibiting private firearms or ammunition. It would allow employees the use of privately owned firearms or ammunition if authorized by the director or his/her designee.

Title 15
 California Code of Regulations
 AMEND: 3276
 Filed 04/17/02
 Effective 05/17/02
 Agency Contact: Peggy McHenry (916) 324-6775

DEPARTMENT OF DEVELOPMENTAL SERVICES

Anticipated Rate Adjustments

This is the first readoption of an emergency amendment to the regulation that describes when a program change that could have been planned for will be sufficient to warrant an adjustment in the payment rate for an in-home respite services agency.

Title 17
 California Code of Regulations
 AMEND: 58420
 Filed 04/11/02
 Effective 04/11/02
 Agency Contact: David J. Judd (916) 654-2257

DEPARTMENT OF DEVELOPMENTAL SERVICES

Article 1 definitions

This Certificate of Compliance amends special incident reporting requirements for vendors, long-term health care facilities, and regional centers.

Title 17
 California Code of Regulations
 ADOPT: 54327.2 AMEND: 54302, 54327, 54327.1, 56002, 56026, 56093&58651
 Filed 04/10/02
 Effective 04/10/02
 Agency Contact: Diana Nicolaou (916) 654-1760

DEPARTMENT OF FISH AND GAME

Central California Gill Net Fishery Closure

The proposed emergency action would close the area from Point Reyes in Marin County to Point Arguello in Santa Barbera County to the use of gill and trammel nets in ocean waters 60 fathoms or less.

Title 14
 California Code of Regulations
 ADOPT: 104.1

Filed 04/11/02
 Effective 04/26/02
 Agency Contact: Joseph Milton (916) 654-5336

DEPARTMENT OF FOOD AND AGRICULTURE

Oriental Fruit Fly Interior Quarantine

This emergency regulatory action repeals the previously established quarantine area of approximately 52 square miles surrounding an oriental fruit fly infestation in the Ontario area of San Bernardino County.

Title 3
 California Code of Regulations
 AMEND: 3423(b)
 Filed 04/12/02
 Effective 04/12/02
 Agency Contact: Stephen Brown (916) 654-1017

DEPARTMENT OF FOOD AND AGRICULTURE

Grapevine Loss Assistance Program

This emergency rulemaking establishes the Grapevine Loss Assistance Program which will provide assistance to vineyard owners with losses due to Pierce's disease spread by the glassy-winged sharpshooter.

Title 3
 California Code of Regulations
 ADOPT: 3664, 3665, 3666, 3667, 3668, 3669
 Filed 04/11/02
 Effective 04/11/02
 Agency Contact:
 Barbara J. Hass (916) 654-1017

DEPARTMENT OF INSURANCE

Organized Automotive Insurance Fraud Interdiction Program

This emergency rulemaking amends existing provisions for the assessment and distribution of funds to California district attorneys for the purpose of prosecuting organized automobile fraud cases.

Title 10
 California Code of Regulations
 AMEND: 2698.73
 Filed 04/16/02
 Effective 04/16/02
 Agency Contact:
 Wesley E. Kennedy (916) 854-5766

DEPARTMENT OF JUSTICE

Non-Participating Tobacco Manufacturers Reserve Fund

The emergency regulatory action deals with the Non-Participating Tobacco Product Manufacturers Reserve Fund.

Title 11
 California Code of Regulations
 ADOPT: 999.10, 999.11, 999.12, 999.13, 999.14 and Appendix A

Filed 04/15/02
 Effective 04/15/02
 Agency Contact:
 William F. Soo Hoo (916) 323-3853

**DEPARTMENT OF TOXIC SUBSTANCES
 CONTROL**
 Scrap Metal Requirements for Recyclable Materials

The Department of Toxic Substances Control is amending the captioned section in order to provide a reference to Health and Safety Code section 25153.6.

Title 22
 California Code of Regulations
 AMEND: 66261.6
 Filed 04/11/02
 Effective 05/11/02
 Agency Contact: Joan Ferber (916) 322-6409

EMPLOYMENT TRAINING PANEL
 California Career Ladders

This Certificate of Compliance moves the California Career Ladders to the 21st Century program from the Special Employment Training (SET) provisions to the Panel's regular funding category.

Title 22
 California Code of Regulations
 AMEND: 4408, 4409, 4414
 Filed 04/16/02
 Effective 04/16/02
 Agency Contact: Deanna Fong (650) 655-6938

FISH AND GAME COMMISSION
 Transport of Recreational Finfish

This action would specify that a transit permit allowing for the transport of recreational finfish through a restricted fishing area is needed only when legally taking fish in a Northern, Central or Southern Rockfish and Lingcod Management Area and transiting to return to port through a different management area where regulations differ.

Title 14
 California Code of Regulations
 AMEND: 27.67
 Filed 04/10/02
 Effective 04/10/02
 Agency Contact: John M. Duffy (916) 653-4899

**OFFICE OF ENVIRONMENTAL HEALTH
 HAZARD ASSESSMENT**
 Chemicals Known to the State to Cause Cancer or Reproductive Toxicity

The Office of Environmental Health Hazard Assessment is amending the captioned section pursuant to Health and Safety Code section 25249.8, and is exempt from review by the Office of Administrative Law pursuant to the aforementioned section of the

Health and Safety Code. The captioned section pertains to chemicals known to the state to cause cancer or reproductive toxicity.

Title 22
 California Code of Regulations
 AMEND: 12000
 Filed 04/16/02
 Effective 01/25/02
 Agency Contact: Cynthia Oshita (916) 322-2068

STATE ALLOCATION BOARD
 Leroy F. Greene School Facilities Act of 1998

The proposed regulatory action amends regulations implementing the Leroy F. Greene School Facilities Act of 1998 by adding provisions governing high school attendance area (HSAA) eligibility status and funding for hazardous waste removal on existing school sites.

Title 2
 California Code of Regulations
 ADOPT: 1859.74.4 AMEND: 1859.2, 1859.20, 1859.21, 1859.30, 1859.33, 1859.40, 1859.41, , 1859.42, 1859.43, 1859.50, 1859.51, 1859.60, 1859.70, 1859.73.1, 1859.73.2, 1859.74.1, 1859.74.4, 1859.75.1, 1859.76, 1859.78.2, 1859.79.3, 1859.81, 1859.81.1, 1859.
 Filed 04/10/02
 Effective 04/10/02
 Agency Contact: Lisa Jones (916) 322-1043

STATE WATER RESOURCES CONTROL BOARD
 Request To Print Conflict of Interest Code As Approved Under The Political Reform Act

This is a Conflict of Interest Code filing that has been approved by the Fair Political Practices Commission and is being submitted for filing with the Secretary of State and printing in the California Code of Regulations only.

Title 23
 California Code of Regulations
 AMEND: Article 6, section 645
 Filed 04/17/02
 Effective 05/17/02
 Agency Contact: Marleigh Wood (916) 341-5169

**CCR CHANGES FILED WITH THE
 SECRETARY OF STATE
 WITHIN DECEMBER 12, 2001 TO
 APRIL 17, 2002**

All regulatory actions filed by OAL during this period are listed below by California Code of Regulation's 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

CALIFORNIA REGULATORY NOTICE REGISTER 2002, VOLUME NO. 17-Z

Summary of Regulatory Actions section of the Notice Register published on the first Friday more than nine days after the date filed.

Title 1

02/22/02 AMEND: 121, Appendix A
01/08/02 AMEND: 1402, 1414, 1437

Title 2

04/10/02 ADOPT: 1859.74.4 AMEND: 1859.2, 1859.20, 1859.21, 1859.30, 1859.33, 1859.40, 1859.41, , 1859.42, 1859.43, 1859.50, 1859.51, 1859.60, 1859.70, 1859.73.1, 1859.73.2, 1859.74.1, 1859.74.4, 1859.75.1, 1859.76, 1859.78.2, 1859.79.3, 1859.81, 1859.81.1, 1859
04/04/02 ADOPT: 60, 60.1, 60.2, 60.3, 60.4, 60.5, 60.6, 60.7, 60.8, 60.9, 60.10
03/27/02 ADOPT: 59100
03/19/02 ADOPT: 599.930
03/18/02 AMEND: 599.502, 599.508
03/15/02 ADOPT: 1859.200, 1859.201, 1859.202, 1859.203, 1859.204, 1859.205, 1859.206, 1859.207, 1859.208, 1859.209, 1859.210, 1859.211, 1859.212, 1859.213, 1859.214, 1859.215, 1859.216, 1859.217, 1859.218, 1859.219, 1859.220
03/13/02 AMEND: 56800
03/07/02 ADOPT: 2351
02/19/02 ADOPT: 18450.11
02/19/02 ADOPT: 18543 REPEAL: 18543
02/19/02 ADOPT: 18530.8
02/14/02 ADOPT: 18404.1 REPEAL: 18404.2
02/05/02 ADOPT: 433.1 AMEND: 433
01/31/02 ADOPT: 18421.4
01/30/02 AMEND: 55300
01/24/02 ADOPT: 58500
01/24/02 ADOPT: 18450.3, 18450.4, 18450.5 AMEND: 18402
01/22/02 AMEND: 18706
01/16/02 AMEND: 18232, 18702.1, 18705.5, 18708
01/16/02 ADOPT: 18539, 18550
12/27/01 AMEND: 18428
12/26/01 AMEND: 2554(b)(4), 2555(a)(1)
12/21/01 AMEND: 1859.2, 1859.81
12/20/01 AMEND: 2300(b)
12/20/01 AMEND: 45100
12/18/01 AMEND: 2541(c), 2541(d)
12/12/01 ADOPT: 1896.300, 1896.310, 1896.320, 1896.330, 1896.340, 1896.350, 1896.360, 1896.370

Title 3

04/12/02 AMEND: 3423(b)
04/11/02 ADOPT: 3664, 3665, 3666, 3667, 3668, 3669

04/08/02 AMEND: 6450.2, 6450.3, 6784
04/04/02 AMEND: 3033.2, 3033.3, 3033.4
04/02/02 ADOPT: 480.9 AMEND: 480.7
03/12/02 AMEND: 3423(b)
03/12/02 AMEND: 3423(b)
03/08/02 ADOPT: 306, 6188, 6780 AMEND: 6000
02/22/02 AMEND: Div. 1, Chapter 1.1, Section 2 and Appendix
02/20/02 AMEND: 3591.16(a)
02/07/02 AMEND: 3591.12 (a)
02/04/02 AMEND: 3591.13 (a)
02/04/02 AMEND: 1392.1, 1392.2, 1392.4, 1392.9.1
01/30/02 ADOPT: 2681, 2799 AMEND: 2675, 2676, 2694, 2695, 2697, 2701, 2734, 2773.1, 2773.5, 2774, 2774.5, 2775, 2778, 2782, 2783, 2783.5, 2788, 2789, 2790, 2790.5, 2793, 2794, 2796, 2798, 2801, 2802
01/14/02 AMEND: 3406 (b)
01/14/02 AMEND: 3423 (b)
01/08/02 AMEND: 576.1
01/04/02 AMEND: 3591.16 (a)
12/27/01 AMEND: 2
12/26/01 AMEND: 6650, 6654, 6656
12/26/01 ADOPT: 950, 951, 952, 953, 954, 955 AMEND: 900.1, 901, 927, 930, 931
12/20/01 ADOPT: 7010
12/14/01 AMEND: 3700 (a),(b),(c)
12/12/01 AMEND: 3591.2(a)

Title 4

04/16/02 AMEND: 1405, 1527
03/21/02 ADOPT: 8090, 8091, 8092, 8093, 8094, 8095, 8096, 8097, 8098, 8099, 8100, 8101
03/19/02 ADOPT: 12100, 12102, 12104, 12106, 12108, 12120, 12130
02/13/02 AMEND: 1691
02/06/02 AMEND: 1858
01/31/02 AMEND: 1467
01/28/02 AMEND: 1844
01/18/02 ADOPT: 2081
01/11/02 ADOPT: 4160, 4161, 4162, 4263, 4164, 4165, 4166, 4167, 4168, 4169, 4170, 4171 REPEAL: 4160, 4161, 4162, 4164, 4167, 4168, 4169, 4170, 4171, 4172, 4173, 4174, 4175
01/10/02 ADOPT: 2078
01/07/02 ADOPT: 2071
01/07/02 ADOPT: 2076
01/07/02 ADOPT: 2082
01/07/02 ADOPT: 2073
01/07/02 ADOPT: 2072
01/04/02 ADOPT: 2083
01/03/02 ADOPT: 2077
01/03/02 ADOPT: 2079

01/03/02 ADOPT: 2070
 01/03/02 ADOPT: 2080
 01/03/02 ADOPT: 2074
 01/03/02 ADOPT: 2075
 12/12/01 REPEAL: 143.4

Title 5

03/25/02 ADOPT: 11980, 11981, 11982, 11983, 11984, 11985, 11986
 03/15/02 ADOPT: 11963, 11963.1, 11963.2, 11963.3, 11963.4
 03/12/02 ADOPT: 18400, 18405, 18406, 18407, 18408, 18409, 18409.5, 18410, 18411, 18412, 18413, 18414, 18415, 18416, 18417, 18418, 18419, 18420, 18421, 18422, 18423, 18424, 18425, 18426, 18427, 18428, 18429, 18430, 18431, 18432, 18433, AMEND: 18409.5, 18409(e),
 03/01/02 ADOPT: 11967.5, 11967.5.1
 02/20/02 AMEND: 41906.5
 02/19/02 ADOPT: 55753.5, 55753.7 AMEND: 55753
 02/08/02 ADOPT: 43095 REPEAL: 43101
 02/08/02 AMEND: 40407.1
 02/08/02 AMEND: 42350.6
 01/24/02 AMEND: 43880, 43881, 43882, 43883, 43884
 01/24/02 AMEND: 11530, 11531
 01/08/02 REPEAL: 11820, 11822, 11823, 11827, 11828, 11829, 11831, 11832, 11833, 11834
 01/08/02 AMEND: 1031, 1032, 1033, 1034, 1035, 1036, 1037, 1038, 1039
 01/07/02 AMEND: 42713
 01/07/02 AMEND: 73000, 73010, 73100, 73110, 73120, 73130, 73140, 73150, 73160, 73165, 73170, 73180, 73190, 73200, 73210, 73230, 73240, 73260, 73270, 73280, 73290, 73300, 73310, 73320, 73330, 73340, 73350, 73360, 73380, 73390, 73400, 73410, 73420, 73430, 73440,
 12/27/01 ADOPT: 31000, 31001, 31003, 31004, 31005, 31006, 31007
 12/26/01 AMEND: 80487
 12/21/01 ADOPT: 31000, 31001, 31002, 31003, 31004, 31005, 31006, 31007
 12/21/01 ADOPT: 1215, 1216, 1217, 1217.5, 1218, 1219, 1219.5
 12/18/01 AMEND: 30950, 30951, 30951.1, 30952, 30953, 30954, 30955, 30956, 30957, 30958, 30959
 12/14/01 AMEND: 41802 REPEAL: 41802.1, 41913
 12/12/01 AMEND: 80225

Title 7

04/04/02 ADOPT: 237

Title 8

04/03/02 AMEND: 1626
 03/28/02 ADOPT: 341.15
 03/05/02 AMEND: 3251
 02/22/02 ADOPT: 11010, 11020, 11030, 11040, 11050, 11060, 11070, 11080 REPEAL: 11010, 11020, 11020, 11040, 11050, 11060, 11070, 11080
 02/14/02 AMEND: 17
 02/08/02 AMEND: 3641, 3648
 01/30/02 ADOPT: New Appendix D AMEND: 450, 453, 471, 475, 477, 494 REPEAL: 486, 487
 01/17/02 ADOPT: 206, 207 AMEND: 201, 205, 208, 212, 212.01, 212.2, 212.3, 212.4, 228, 229, 230, 231, 230.1, 230.2, 234.2
 01/17/02 AMEND: 5155
 01/15/02 ADOPT: 17201, 17202, 17203, 17204, 17205, 17206, 17207, 17208, 17209, 17210, 17211, 17212, 17220, 17221, 17222, 17223, 17224, 17225, 17226, 17227, 17228, 17229, 17230, 17231, 17232, 17234, 17235, 17236, 17237, 17240, 17241, 17242, 17243, 17244, 17245,
 01/15/02 ADOPT: 14300.1, 14300.2, 14300.03, 14300.04, 14300.05, 14300.06, 14300.07, 14300.08, 14300.09, 14300.10, 14300.11, 14300.12, 14300.13, 14300.14, 14300.15, 14300.16, 14300.17, 14300.18, 14300.19, 14300.20, 14300.21, 14300.22, 14300.23, 14300.24, 14300.25,
 01/04/02 ADOPT: 11170 AMEND: 11160
 01/03/02 AMEND: 3472, 4884, 4885, 4886, 4907, 4924, 4965, 4966, 4968
 12/31/01 AMEND: 9792.1
 12/26/01 AMEND: 1532.1
 12/24/01 AMEND: 31100

Title 9

01/17/02 ADOPT: 9533 AMEND: 9500, 9505, 9510, 9515, 9517, 9520, 9525, 9530, 9532, 9535, 9540, 9545
 12/12/01 ADOPT: 9500, 9505, 9510, 9515, 9517, 9520, 9525, 9530, 9532, 9533, 9535, 9540, 9545

Title 10

04/16/02 AMEND: 2698.73
 03/27/02 ADOPT: 260.204.9
 03/26/02 AMEND: 250.30
 03/22/02 AMEND: 2698.200, 2698.201, 2698.301, 2698.302
 03/21/02 ADOPT: 2130, 2130.1, 2130.2, 2130.3, 2130.4, 2130.5, 2130.6, 2130.7.8

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03/18/02 ADOPT: 1422 & 1423
02/27/02 AMEND: 2498.6
02/26/02 ADOPT: 2581.1, 2581.2, 2581.3, 2581.4
02/11/02 AMEND: 4019
02/11/02 AMEND: 10.3154
02/11/02 AMEND: 5002
02/07/02 AMEND: 260.102.19, 260.140.41,
260.140.42, 260.140.45, 260.140.46
01/31/02 ADOPT: 2192.1
01/31/02 ADOPT: 2130, 2130.1, 2130.2, 2130.3,
2130.4, 2130.5, 2130.6, 2130.7, 2130.8
01/10/02 AMEND: 2318.6, 2353.1
01/09/02 AMEND: 2248.31, 2248.32, 2248.35,
2248.40, 2248.41, 2248.42, 2248.47
01/08/02 AMEND: 5460, 5461, 5462, 5463, 5464,
5465
12/31/01 ADOPT: 2695.30
12/31/01 ADOPT: 1729, 1741.5, 1950.302
AMEND: 1741.5
12/26/01 ADOPT: 2278, 2278.1, 2278.2, 2278.3,
2278.4, 2278.5
12/26/01 AMEND: 2698.70, 2698.71

Title 11

04/15/02 ADOPT: 999.10, 999.11, 999.12, 999.13,
999.14, Appendix A
03/14/02 ADOPT: 1081(a) [31]
03/11/02 AMEND: 1005, 1007
03/07/02 AMEND: 1018
03/06/02 ADOPT: Article 20, Section 51.19
02/25/02 ADOPT: 410, 411, 415, 416, 417, 418,
419, 420, 421, 422, 423, 424, 425, 426
02/19/02 AMEND: 20
01/14/02 AMEND: 1005
01/09/02 AMEND: 1081
12/31/01 AMEND: 3000, 3001, 3003, 3007

Title 13

04/04/02 ADOPT: 565
03/25/02 AMEND: 345.04, 345.41
03/20/02 ADOPT: 1235.1, 1235.2, 1235.3, 1235.4,
1235.5, 1235.6 AMEND: 1200
03/08/02 ADOPT: 593.3
02/19/02 ADOPT: 156.00
02/05/02 AMEND: 160.00, 170.00
01/30/02 AMEND: 553.70
01/18/02 AMEND: 599
01/10/02 AMEND: 50.45 REPEAL: 50.40

Title 14

04/11/02 ADOPT: 104.1
04/10/02 AMEND: 17943(b)(26)
04/10/02 AMEND: 27.67
04/04/02 AMEND: 670.2
03/26/02 AMEND: 28.59
03/25/02 ADOPT: 180.15
03/25/02 AMEND: 2090, 2105, 2420, 2425, 2530,
2690

03/14/02 AMEND: 150
03/14/02 AMEND: 180.3
03/13/02 ADOPT: 18627
03/04/02 ADOPT: 17211, 17211.1, 17211.2,
17211.3, 17211.4, 17211.5, 17211.6,
17211.7, 17211.8, 17211.9
03/04/02 AMEND: 2030
02/28/02 ADOPT: 4971
02/22/02 AMEND: 2135
02/04/02 AMEND: 17979
01/16/02 AMEND: 17943(b)(26)
01/10/02 ADOPT: 2.10, 5.60, 28.59 AMEND:
1.24, 2.06, 4.00, 4.15, 5.00, 5.05, 5.15,
5.20, 5.35, 5.40, 5.75, 7.00, 7.50, 8.00,
27.60, 27.65, 27.82, 28.27, 28.54, 28.55,
29.15, 40 REPEAL: 2.01, 2.02, 2.03,
2.04, 2.07, 2.10, 2.13, 2.14, 5.70, 41,
41.5, 42., 42.5
01/09/02 ADOPT: 14021, 14022, 14023, 14024,
14025, 14026, 14027, 14028, 14029,
14030, 14031, 14032
12/31/01 ADOPT: 749.1
12/20/01 AMEND: 2.00
12/19/01 ADOPT: 180.4
12/17/01 AMEND: 120
12/13/01 AMEND: 670.5

Title 15

04/17/02 AMEND: 3276
03/20/02 AMEND: 3401.5
03/11/02 ADOPT: 3501
03/07/02 AMEND: 3375.2
02/28/02 AMEND: 2005
01/31/02 AMEND: 3041.3
01/09/02 ADOPT: 4742, 4743, 4744, 4745, 4746,
4747 AMEND: 4730, 4732, 4733, 4734,
4735, 4736, 4737, 4739, 4740
01/08/02 REPEAL: 3074

Title 16

04/09/02 AMEND: 2010.1, 2024, 2025
04/02/02 AMEND: 2068.5
03/29/02 REPEAL: 1044.4
03/29/02 AMEND: 2620.5, 2649, 2671
03/26/02 AMEND: 1950, 1950.2, 1970.4 RE-
PEAL: 1990.1, 1991.1
03/25/02 AMEND: Section 1888
03/20/02 AMEND: 1083
02/28/02 ADOPT: 4100, 4101, 4102, 4110, 4111,
4112, 4113, 4114, 4120, 4121, 4122, 4130
02/26/02 AMEND: 3394.4, 3394.6
02/20/02 AMEND: 1388, 1388.6, 1389, 1392,
1397.63 REPEAL: 1388.5
02/19/02 AMEND: 1387.6, 1387.7, 1387.8
02/13/02 AMEND: 3361.1
02/11/02 ADOPT: 2085.4
02/04/02 AMEND: 1399.157

02/04/02 ADOPT: 2085, 2085.1, 2085.2, 2085.3,
2085.4, 2085.5, 2085.6, 2085.7, 2085.8,
2085.9, 2085.10, 2085.11, 2085.12,
2085.13 AMEND: 2070
01/31/02 ADOPT: 1399.698
01/31/02 AMEND: 411
01/28/02 AMEND: 1531
01/18/02 AMEND: 1391.7
01/14/02 ADOPT: 1711
01/14/02 ADOPT: 980.1 AMEND: 974
12/19/01 AMEND: 1388, 1388.6, 1389, 1392,
1397.63 REPEAL: 1388.5
12/18/01 AMEND: 1397.61, 1397.64, 1397.65
12/17/01 AMEND: 1088
12/17/01 ADOPT: 2412 AMEND: 2418 REPEAL:
2411 (a)(1)(A)

Title 17

04/11/02 AMEND: 58420
04/10/02 ADOPT: 54327.2 AMEND: 54302,
54327, 54327.1, 56002, 56026, 56093,
58651
03/27/02 AMEND: 57310, 57332, 57530
03/12/02 ADOPT: 33001, 33002, 33003, 33004,
33005, 33006, 33007, 33008, 33009,
33010, 33011, 33012, 33013, 33014,
33015, 33025 AMEND: 33020, 33030,
33040 REPEAL: 3001, 33010
03/01/02 ADOPT: 2638 AMEND: 2500, 2502,
2505, 2551, 2552, 2553, 2596, 2614,
2626
02/28/02 AMEND: 56002, 56031, 56033, 56034,
56134.1, 56035, 56036, 56037, 56038,
56048, 56054, 56057, 56059, 56060
12/28/01 AMEND: 6508

Title 18

04/17/02 ADOPT: 305.3
04/16/02 AMEND: 1668
04/16/02 AMEND: 1532
04/16/02 AMEND: 1525.2
04/03/02 AMEND: 25110
04/03/02 ADOPT: 138
04/02/02 AMEND: 25114
04/02/02 AMEND: 25111-1
03/19/02 AMEND: 25112
03/13/02 AMEND: 24411
03/12/02 REPEAL: 25111
03/12/02 AMEND: 24344(c)
03/12/02 REPEAL: 25111.1
03/11/02 AMEND: 25106.5-0, 25106.5
03/08/02 AMEND: 6001
02/28/02 REPEAL: 25115
01/16/02 ADOPT: 4063.5, 4098 AMEND: 4018,
4021, 4022, 4023, 4026, 4027, 4034,
4047, 4055, 4056, 4057, 4058, 4059,

4060, 4062, 4063, 4064, 4065, 4080,
4081, 4091, 4092 REPEAL: 4028, 4067,
4079, 4082

01/10/02 ADOPT: 29
01/08/02 AMEND: 1620
01/07/02 AMEND: 122.5
12/24/01 ADOPT: 17951-6 AMEND: 17951-4
12/24/01 AMEND: 17000.30
12/17/01 AMEND: 1642
12/14/01 ADOPT: 138

Title 19

04/02/02 ADOPT: 2575, 2575.1, 2575.2, 2576,
2576.1, 2577, 2577.1, 2577.2, 2577.3,
2577.4, 2577.5, 2577.6, 2577.7, 2577.8,
2578, 2578.1, 2578.2
02/08/02 AMEND: 2900, 2910, 2915, 2940, 2945,
2955, 2970, 2980, 2990
12/28/01 AMEND: 981.3
12/27/01 ADOPT: 565.1, 567.1, 567.2, 567.3,
567.4, 567.5, 567.6, 567.7, 567.8, 573,
575 AMEND: 550, 550.2, 557.1, 557.3,
557.4, 557.5, 557.6, 557.8, 557.9, 557.12,
557.13, 557.14, 557.16, 557.18, 557.19,
557.20, 557.21, 557.22, 557.23, 560,
560.1, 560.2, 560.3

Title 20

03/08/02 ADOPT: 1207, 1212, 1710, 1712, 1714.5,
1718, 1741, 1748, 1751, 1752, 1755,
1940, 1945, 2021
01/16/02 AMEND: 201

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