

California Regulatory Notice Register

REGISTER 2002, NO. 6-Z

PUBLISHED WEEKLY BY THE OFFICE OF ADMINISTRATIVE LAW

FEBRUARY 8, 2002

PROPOSED A	ACTION	ON REGUL	ATIONS
I NOI ODED A			

TITLE 2. FAIR POLITICAL PRACTICES COMMISSION	Page
Conflict of Interest Codes—Notice File No. Z02-0129-02	315
State Agency: Office of the State Controller California Integrated Waste Management Board	
Multi-County: Western Municipal Water District	
·	
TITLE 2. FAIR POLITICAL PRACTICES COMMISSION Proposition 34—Carryover of Contributions—Notice File No. Z02-0129-03	216
Froposition 34—Carryover of Contributions—Notice File No. 202-0129-03	. 310
TITLE 2. FAIR POLITICAL PRACTICES COMMISSION	0.4 .
Proposition 34—Reporting by Affiliated Entities—Notice File No. Z02-0129-04	. 317
TITLE 3. DEPARTMENT OF FOOD AND AGRICULTURE	
Cherries—Notice File No. Z02-0129-06	. 317
TITLE 3. DEPARTMENT OF PESTICIDE REGULATION	
Effectiveness Evaluation—Notice File No. Z02-0128-02	. 319
TITLE 10. DEPARTMENT OF INSURANCE	
Workers' Compensation: Statistical Reporting and Experience Rating—Notice File No. Z02-0129-01	. 321
TITLE 14. CALIFORNIA INTEGRATED WASTE MANAGEMENT BOARD Conflict of Interest Code—Notice File No. Z02-0128-01	323
	323
TITLE 18. BOARD OF EQUALIZATION	22.4
Exemption for Aircraft Being Repaired, Overhauled, Modified or Serviced—Notice File No. Z02-0128-03	. 324
TITLE 18. BOARD OF EQUALIZATION	
Restricted Access as Damage Eligible for Reassessment Relief—Notice File No. Z02-0128-04	. 326
TITLE 18. BOARD OF EQUALIZATION	
Motor Vehicle Fuel and Diesel Fuel Tax—Notice File No. Z02-0128-05	. 328
(Continued on next page)	

Time-Dated Material

TITLE 18. BOARD OF EQUALIZATION Technology Transfer Agreements—Notice File No. Z02-0128-06	331
TITLE 18. BOARD OF EQUALIZATION Rural Investment Tax Exemption—Notice File No. Z02-0128-07	333
TITLE 18. BOARD OF EQUALIZATION Liquefied Petroleum Gas—Notice File No. Z02-0128-08	334
TITLE 18. BOARD OF EQUALIZATION Farm Equipment and Machinery—Notice File No. Z02-0128-09	335
TITLE 18. BOARD OF EQUALIZATION Federal Areas—Notice File No. Z02-0128-10	337
TITLE 18. BOARD OF EQUALIZATION Diesel Fuel Used in Farming Activities or Food—Notice File No. Z02-0128-11	338
GENERAL PUBLIC INTEREST	
DEPARTMENT OF TOXIC SUBSTANCES CONTROL Variance—Alternative Technologies, Inc	340
Variance—Santa Barbara County Household Hazardous Waste Collection Program	340
PRECEDENTIAL DECISION INDEX	
AGRICULTURAL LABOR RELATIONS BOARD Notice of Availability of Index of Precedential Decisions and Related Court Decisions	340
DISAPPROVAL DECISIONS AIR RESOURCES BOARD	241
	341
SUMMARY OF REGULATORY ACTIONS	241
Regulations filed with the Secretary of State	
REQUESTS FOR REGULATORY DETERMINATION	
OFFICE OF EMERGENCY SERVICES (OAL File No. 01-001)	348

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.

CALIFORNIA REGULATORY NOTICE REGISTER (ISSN 1041-2654) is published weekly by the Office of Administrative Law, 300 Capitol Mall, Suite 1250, Sacramento, CA 95814-4339. The Register is printed by the Office of State Publishing and is offered by subscription for \$302.00 (annual price). To order, call (916) 445-5391. Periodicals postage paid at Sacramento, CA and additional mailing offices. **POSTMASTER:** Send address changes to the: CALIFORNIA REGULATORY NOTICE REGISTER, Customer Coordinator, Office of State Publishing, 344 N. 7th Street, Room 104, Sacramento, CA 95814-0212.

PROPOSED ACTION ON REGULATIONS

Information contained in this document is published as received from agencies and is not edited by the Office of State Publishing.

TITLE 2. FAIR POLITICAL PRACTICES COMMISSION

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

CONFLICT OF INTEREST CODES

AMENDMENT

STATE AGENCY: Office of the State Controller

California Integrated Waste

Management Board

MULTI-COUNTY: Western Municipal Water

District

A written comment period has been established commencing on **February 8, 2002** and closing on **March 25, 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 **March 25**, **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 2. FAIR POLITICAL PRACTICES COMMISSION

NOTICE IS HEREBY GIVEN that the Fair Political Practices Commission, pursuant to the authority vested in it by Section 83112 of the Government Code and 2 Cal. Code of Regs., Section 18312, proposes to adopt, amend, or repeal regulations in Title 2, Division 6 of the California Code of Regulations. A public hearing on the proposed regulation will be held on or after March 14, 2002, at the offices of the Fair Political Practices Commission, 428 J Street, Suite 800, Sacramento, California 95814, commencing at approximately 9:30 a.m. Written comments to be submitted to the Commission prior to the hearing must be received no later than 5:00 p.m. on March 12, 2002, at the Commission offices.

BACKGROUND/OVERVIEW

Proposition 34, a campaign finance reform measure sponsored by the Legislature and passed in November of 2000, took effect on January 1, 2001. The proposition repealed most of the existing provisions of the Act dealing with campaign contribution limits enacted by Proposition 208 (another campaign reform measure adopted in November 1996). New provisions added to the Political Reform Act by Proposition 34 impose mandatory limits on contributions received by candidates for elective state office and by committees that make contributions to candidates for elective state office. New law also subjects state candidates to voluntary expenditure limits.

New Government Code section 85317, as amended by SB 34, provides:

"Notwithstanding subdivision (a) of Section 85306, a candidate for elective state office may carry over contributions raised in connection with one election for elective state office to pay campaign expenditures incurred in connection with a subsequent election for the same elective state office."

Section 85306(a) provides:

"A candidate may transfer campaign funds from one controlled committee to a controlled committee for elective state office of the same candidate. Contributions transferred shall be attributed to specific contributors using a 'last in, first out' or 'first in, first out' accounting method, and these attributed contributions when aggregated with all other contributions from the same contributor may not exceed the limits set forth in Section 85301 or 85302."

However, the meaning of the phrase "a subsequent election for the same elective state office" is unclear. Does this refer to election and reelection to the State Controller, for example, or the general election to that

office, after the primary election for the same term of office? Does this contemplate a single "carry over" or multiple transactions?

REGULATORY ACTION

This item was previously noticed and published on November 2, 2001, and heard by the Commission on December 7, 2001. However, the Commission requested additional language. Consequently, the Commission will be presented two optional draft regulations that seek to interpret and bring clarity to the statute.

Option A: The first option recognizes that section 85317 allows the "carry over" of contributions to a "subsequent election for the same elective state office." Under this option, funds raised in a primary election may be carried over to the general election for the same office, and funds raised in a special primary election may be carried over to a special general election for the same office. This is permitted because these are elections to the "same elective office" consistent with the proposed interpretation of the "one-bank-account" rule in Regulation 18520. Thus, funds raised in a primary election may be carried forward to the associated general election because they are both elections for the same elective state office. Similarly, funds raised in a special primary election may be carried over to a special general election for the same office for the same reason.

Option B: Option B reflects a broader reading of the statute, which would allow carry over in any case where a candidate is running for re-election to the same elective state office.

FISCAL IMPACT STATEMENT

<u>Fiscal Impact on Local Government.</u> This regulation will have no fiscal impact on any local entity or program.

<u>Fiscal Effect on State Government.</u> This regulation will have no fiscal impact on any state agency or program.

<u>Fiscal Effect on Federal Funding of State Programs.</u> This regulation will have no fiscal impact on any federally funded state program or agency.

AUTHORITY

Government Code Section 83112 provides that the Fair Political Practices Commission may adopt, amend and rescind rules and regulations to carry out the purposes and provisions of the Political Reform Act.

REFERENCE

The purpose of these regulations is to implement, interpret and make specific Government Code Sections 85306 and 85317.

CONTACT

Any inquiries concerning the proposals should be made to John W. Wallace, Fair Political Practices Commission, 428 J Street, Eighth Floor, Sacramento, California 95814, telephone (916) 322-5660. Proposed regulatory language can be accessed at www.fppc.ca.gov.

ADDITIONAL COMMENTS

After the hearing, the Fair Political Practices Commission may adopt the proposed regulation if it remains substantially the same as described or as in the text originally made available to the public. The Fair Political Practices Commission may make changes to the proposed regulation before its adoption.

TITLE 2. FAIR POLITICAL PRACTICES COMMISSION

NOTICE IS HEREBY GIVEN that the Fair Political Practices Commission, under the authority vested in it by Section 83112 of the Government Code, proposes to adopt, amend, or repeal regulations in Title 2, Division 6 of the California Code of Regulations. The Fair Political Practices Commission will consider the proposed regulation at a public hearing on or after March 14, 2002 at 9:30 a.m. Written comments must be received at the Commission offices no later than 5:00 p.m. on March 12, 2002.

BACKGROUND/OVERVIEW

Proposition 34, a campaign finance reform measure sponsored by the Legislature and passed in November of 2000, took effect on January 1, 2001. Prop. 34 repealed most of the provisions of Proposition 208, which passed in November 1996, along with several provisions enacted by Proposition 73, a measure adopted in 1988. In addition to repealing these existing provisions, Proposition 34 added numerous provisions to the Political Reform Act.

REGULATORY ACTION

Regulation 18428—Reporting by Affiliated Entities. Proposition 34 added to the Political Reform Act Section 85311, governing aggregation of contributions among affiliated entities. Regulation 18428 currently governs "Reporting by Affiliated Entities," which are defined in part by criteria inconsistent with Section 85311, as enacted by Proposition 34. Regulation 18428 will be amended to bring its definition of "affiliated entities" into alignment with the language of Section 85311.

FISCAL IMPACT STATEMENT

<u>Fiscal Impact on Local Government.</u> This regulation will have no fiscal impact on any local entity or program.

<u>Fiscal Impact on State Government.</u> This regulation will have no fiscal impact on any state entity or program.

<u>Fiscal Impact on Federal Funding of State Programs.</u> This regulation will have no fiscal impact on the federal funding of any state program or entity.

AUTHORITY

Section 83112 provides that the Fair Political Practices Commission may adopt, amend, and rescind rules and regulations to carry out the purposes and provisions of the Political Reform Act.

REFERENCE

The purpose of this regulation is to implement, interpret and make specific Government Code sections 82015, 84211 and 85311.

CONTACT

Any inquiries should be made to Lawrence T. Woodlock, Fair Political Practices Commission, 428 J Street, Suite 800, Sacramento, CA 95814; telephone (916) 322-5660 or 1-866-ASK-FPPC. Proposed regulatory language can be accessed at www.fppc.ca.gov.

ADDITIONAL COMMENTS

After the hearing, the Commission may adopt the proposed regulation if it remains substantially the same as described or as in the text originally made available to the public. The Commission may make changes to the proposed regulations before their adoption or repeal.

TITLE 3. DEPARTMENT OF FOOD AND AGRICULTURE

NOTICE IS HEREBY GIVEN that the Department of Food and Agriculture proposes to amend Sections 1428.12 and 1428.16 of the regulations in Title 3 of the California Code of Regulations pertaining to required container size markings and sample size for cherries.

Notice is also given of a written public hearing. Any interested person may present statements or arguments in writing relevant to the proposed action until 4:30 p.m. on March 25, 2002. Please refer to the contact section of this notice for the contact persons and address information when submitting comments.

Oral testimony is not scheduled but will be if any interested person, or his or her duly authorized representative, submits a written request for a public hearing to the Department no later than 15 days prior to the close of the written comment period. Following the public hearing (if one is requested) or following the written comment period (if no public hearing is requested), the Department of Food and Agriculture,

upon its own motion or at the instance of any interested person, may adopt the proposal substantially as set forth above without further notice.

INFORMATIVE DIGEST/POLICY STATEMENT OVERVIEW

Section 1428.12 describes the marking and size requirements for standard containers of loose cherries.

This proposal would amend Section 1428.12 by adding subsection (c) to exclude containers of cherries packed by the face-and-fill method from the required size designation markings under specified conditions.

Section 1428.16 requires a sample size of 100 cherries to determine size and quality.

This proposal would amend Section 1428.16 by changing the sample size from 100 to 50 cherries for determining size and quality.

FISCAL IMPACT STATEMENTS

The Department has initially determined that these proposed regulations will have no effect on savings or increased costs to any State agency, no costs under "Part 7 (commencing with Section 17500) of Division 4" of the Government Code to local agencies or school districts requiring reimbursement, no other nondiscretionary costs or savings imposed on local agencies, and no costs or savings in federal funding to the State will result from these proposed regulations. The Department has also determined that the proposed regulations do not impose a mandate on local agencies or school districts.

EFFECT ON SMALL BUSINESS

The Department has initially determined that these proposed regulations would affect small businesses.

EFFECT ON HOUSING COSTS

The Department has made an initial determination that the amendment of the proposed regulations will have no effect on housing costs.

SIGNIFICANT STATEWIDE ADVERSE ECONOMIC IMPACT DIRECTLY AFFECTING BUSINESS

The Department made an initial determination that the proposed changes will have no significant statewide adverse economic impact directly affecting businesses including the ability of California businesses to compete with businesses in other states.

ASSESSMENT STATEMENT

The Department has initially determined that the proposed changes in the regulations would not affect the creation or elimination of jobs in California and would not create new or eliminate or expand existing businesses in California.

COST IMPACTS ON REPRESENTATIVE PRIVATE PERSONS OR BUSINESSES

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

ALTERNATIVES

The Department has initially determined that no reasonable alternative considered by the Department, or that has otherwise been identified and brought to the attention of the Department, would be more effective in carrying out the purpose for which these regulations are proposed, or would be as effective and less burdensome to affected private persons than the proposed regulations.

AUTHORITY AND REFERENCE

Notice is hereby given that the Department of Food and Agriculture, pursuant to the authority vested by Sections 407 and 42682 of the Food and Agricultural Code, and to implement, interpret, or make specific Section 42941 of the Food and Agricultural Code, proposes to amend regulations in Title 3 of the California Code of Regulations.

CONTACT

Inquiries concerning the proposed administrative action may be directed to Sonja Dame or Robert A. Cummings. Inquiries pertaining to the substance of the proposed regulation may be directed to Robert A. Cummings. The contact persons may be reached at the Department of Food and Agriculture, 1220 N Street, Room A-447, Sacramento, CA 95814, phone number (916) 654-0919, fax number (916) 654-0666. Comments may also be submitted via e-mail at sdame@cdfa.ca.qov.

AVAILABILITY OF STATEMENT OF REASONS AND TEXT OF PROPOSED REGULATIONS

A complete copy of existing regulations, the proposed changes, and the Initial Statement of Reasons may be obtained upon request from the Department of Food and Agriculture. In addition, all information, including reports, documentation, and other materials (rulemaking file) related to the proposed action is available upon request from the agency contact persons named in this notice. The Final Statement of Reasons, when available, may also be obtained from the contact persons named in this notice. The text of the proposed regulations with any sufficiently related changes clearly indicated will be made available for 15 days prior to adoption.

TITLE 3. DEPARTMENT OF PESTICIDE REGULATION

Evaluation of the County's Pesticide Use Enforcement Programs DPR Regulation No. 02-003

NOTICE OF PROPOSED REGULATORY ACTION

The Department of Pesticide Regulation (DPR) proposes to amend sections 6391, 6393, 6394, and 6395 of Title 3, California Code of Regulations (3 CCR). The proposed regulatory action pertains to the evaluation of the county's pesticide use enforcement programs.

SUBMITTAL OF COMMENTS

Any interested person may present comments in writing about the proposed action to the agency contact person named below. Written comments must be received no later than 5:00 p.m. on March 25, 2002. Comments regarding this proposed action may also be transmitted via e-mail <dpr02003@cdpr.ca.gov> or by facsimile (FAX) transmission at (916) 327-9688.

A public hearing is not scheduled. However, a public hearing will be scheduled if any interested person submits a written request for a public hearing to DPR no later than 15 days prior to the close of the written comment period. Following the public hearing if one is requested, or following the written comment period if no public hearing is requested, DPR, on its own motion, may adopt the proposal substantially as set forth without further notice.

EFFECT ON SMALL BUSINESS

DPR has determined that the proposed regulatory action does not affect small businesses. The proposed action would apply only to the evaluation of the effectiveness of the pesticide use enforcement program in each county.

INFORMATIVE DIGEST/POLICY STATEMENT OVERVIEW

DPR is mandated by law to regulate the sale and use of pesticides to protect the public health and the environment. All pesticides offered for sale or use in California must first be registered by DPR. Persons who sell DPR-registered pesticide products in California are assessed a mill (\$0.001) assessment based on dollar sales of the products sold within or into the State. DPR receives the majority of its funding from this mill assessment. Each county within the State receives a portion of these funds for local enforcement of pesticide laws by the county agricultural commissioners (CACs).

Food and Agricultural Code (FAC) section 12844 requires the Director and the CACs to jointly develop regulations specifying the criteria to be used in

allocating the mill assessment funds to the counties based upon four factors: each county's pest control activities, costs, workload, and performance. Senate Bill 1161 (Chapter 695, Statutes of 1997) amended FAC section 12844 with changes pertaining mainly to funding levels, funding sources, and pest control activities. To implement the changes in FAC section 12844, DPR and the CACs formed the Mill Assessment Disbursement Work Group in 1998. The work group members included both DPR staff and CAC representatives from five regional areas of the State. The work group's task was to develop amended regulations pertaining to the mill assessment disbursement criteria in 3 CCR sections 6391 (County Reimbursement) and 6393 (Criteria Items and Apportionment). DPR subsequently adopted those amendments in 1999. DPR amended the payment schedule in section 6391, and in section 6393 amended both the types of pest control activities for which funding is allocated and the levels of funding assigned to each criteria item. Since the revisions to FAC section 12844 pertained only to pest control activities, workload, and costs, and did not change the fourth factorperformance, the work group did not propose changes to section 6394 (Effectiveness Evaluation) at that time. The performance factor allows DPR to allocate funding based on a county's performance or effective-

The Mill Assessment Disbursement Work Group formed an Effectiveness Evaluation Team to continue to review the mill assessment disbursement program to determine if further improvements were necessary. During these meetings, both DPR and the CACs expressed their desire to amend section 6394 to incorporate a robust quality improvement component in the pesticide use enforcement program.

DPR proposes to make performance evaluation an integral part of such a quality improvement component by amending section 6394.

DPR proposes to amend sections 6391, 6393, and 6395 to clean-up outdated regulatory provisions.

IMPACT ON LOCAL AGENCIES OR SCHOOL DISTRICTS

DPR has determined that the proposed regulatory action does not impose a mandate on local agencies or school districts, nor does it require reimbursement by the State pursuant to Part 7 (commencing with section 17500) of Division 4 of the Government Code, because the regulatory action does not constitute a "new program or higher level of service of an existing program" within the meaning of section 6 of Article XIII of the California Constitution. DPR has also determined that no nondiscretionary costs or savings

to local agencies or school districts are expected to result from the proposed regulatory action. Under the current effectiveness evaluation process, very little staff time is involved. Some counties may be impacted by the proposed regulation as staff time, by all levels, is expected to increase; however, the increase is not significant.

COSTS OR SAVINGS TO STATE AGENCIES

DPR has determined that the proposed regulatory action will result in a total first year cost of \$251,000, with ongoing cost of \$213,000. These costs include additional staffing of two Senior Pesticide Use Specialists to conduct the evaluations.

EFFECT ON FEDERAL FUNDING TO THE STATE

DPR has determined that no costs or savings in federal funding to the State will result from the proposed action.

EFFECT ON HOUSING COSTS

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

SIGNIFICANT STATEWIDE ADVERSE ECONOMIC IMPACT DIRECTLY AFFECTING BUSINESSES

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

COST IMPACTS ON REPRESENTATIVE PRIVATE PERSONS OR BUSINESSES

DPR has made an initial determination that the adoption of this regulation will not have a significant cost impact on representative private persons or businesses. 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.

IMPACT ON THE CREATION, ELIMINATION, OR EXPANSION OF JOBS/BUSINESSES

DPR has determined it is unlikely the proposed regulatory action will impact the creation or elimination of jobs, the creation of new businesses or the elimination of existing businesses, or the expansion of businesses currently doing business with the State of California.

CONSIDERATION OF ALTERNATIVES

DPR must determine that no reasonable alternative considered by the agency, 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 the action is proposed or would be as effective and less burdensome to affected private persons or businesses than the proposed regulatory action.

AUTHORITY

This regulatory action is taken pursuant to the authority vested by FAC sections 11456, 12781, and 12844.

REFERENCE

This regulatory action is to implement, interpret, or make specific FAC sections 2281 and 12844.

AVAILABILITY OF STATEMENT OF REASONS AND TEXT OF PROPOSED REGULATIONS

DPR has prepared an Initial Statement of Reasons, and has available the express terms of the proposed action, all of the information upon which the proposal is based, and a rulemaking file.+ A copy of the Initial Statement of Reasons and the proposed text of the regulation may be obtained from the agency contact person named in this notice. The information upon which DPR relied in preparing this proposal and the rulemaking file are available for review at the address specified below.

AVAILABILITY OF CHANGED OR MODIFIED TEXT

After the close of the comment period, DPR may make the regulation permanent if it remains substantially the same as described in the Informative Digest. If DPR does make changes to the regulation, the modified text will be made available for at least 15 days prior to adoption. Requests for the modified text should be addressed to the agency contact person named in this notice. DPR will accept written comments on any changes for 15 days after the modified text is made available.

AGENCY CONTACT

Written comments about the proposed regulatory action; requests for a copy of the initial statement of reasons, the proposed text of the regulation, and a public hearing; and inquiries regarding the rulemaking file may be directed to:

Linda Irokawa-Otani, Regulations Coordinator Department of Pesticide Regulation 1001 I Street P.O. Box 4015 Sacramento, California 95812-4015 (916) 445-3991 **Note:** In the event the contact person is unavailable, inquiries should be directed to the following backup contact person at the same address as noted above:

Fred Bundock, Program Specialist (916) 324-4194

Questions on the substance of the proposed regulatory action, particularly technical or historical questions concerning DPR's existing effectiveness evaluation regulations, may be directed to:

Roy Rutz, Agricultural Program Supervisor Pesticide Enforcement Branch Department of Pesticide Regulation (916) 445-4279

This notice of proposed action, the initial statement of reasons, and the proposed text of the regulation are also available on DPR's Internet Home Page http://www.cdpr.ca.gov>.

AVAILABILITY OF FINAL STATEMENT OF REASONS

Following its preparation, a copy of the Final Statement of Reasons mandated by Government Code section 11346.9(a) may be obtained from the contact person named above. In addition, the Final Statement of Reasons will be posted on DPR's Internet Home Page and accessed at http://www.cdpr.ca.gov>.

TITLE 10. DEPARTMENT OF INSURANCE

NOTICE OF PROPOSED ACTION AND NOTICE OF PUBLIC HEARING

Proposed Revisions to the Insurance Commissioner's Regulations pertaining to Statistical Reporting and Experience Rating.

File No. RH 020219139

SUBJECT OF HEARING

Notice is hereby given that the insurance commissioner will hold a public hearing to consider amendments to the California Workers' Compensation Uniform Statistical Reporting Plan—1995 and the California Workers' Compensation Experience Rating Plan—1995. The hearing will be held in response to a filing, submitted on January 16, 2002, by the Workers' Compensation Insurance Rating Bureau of California ("WCIRB").

AUTHORITY AND REFERENCE

Uniform Plans and Regulations

The workers' compensation statistical reporting rules are set forth in Title 10, California Code of Regulations, Section 2318.6. The workers' compensation experience rating regulations are set forth in

Title 10, California Code of Regulations, Section 2353.1. The regulations were promulgated by the insurance commissioner pursuant to the authority granted by Insurance Code Section 11734.

HEARING DATE AND LOCATION

A public hearing will be held to permit all interested persons the opportunity to present statements or arguments, orally or in writing, with respect to the matters proposed in the WCIRB's filing, at the following date, time and place:

> February 27, 2002 at 10:00 AM 22nd Floor Hearing Room 45 Fremont Street San Francisco, California

INFORMATIVE DIGEST

Pursuant to Insurance Code Section 11734 and Insurance Code Section 11751.5, the insurance commissioner has designated the Workers' Compensation Insurance Rating Bureau of California as his rating organization and statistical agent. As the designated rating organization and statistical agent, the WCIRB has developed and submitted for the insurance commissioner's approval revisions to the California Workers' Compensation Uniform Statistical Reporting Plan—1995 and the California Workers' Compensation Experience Rating Plan—1995. Adherence to the regulations contained in the California Workers' Compensation Uniform Statistical Reporting Plan—1995 and the California Workers' Compensation Experience Rating Plan—1995 is mandatory.

The proposed revisions to the California Workers' Compensation Uniform Statistical Reporting Plan—1995, to be approved with respect to unit statistical report data with a required date of valuation on or after March 1, 2002, and to the California Workers' Compensation Experience Rating Plan—1995, to be approved as of the anniversary rating date of a risk on or after April 1, 2002, are detailed in the WCIRB's filing letter and are summarized below.

AMEND THE CALIFORNIA WORKERS' COMPENSATION UNIFORM STATISTICAL REPORTING PLAN—1995

The WCIRB recommends that the following revisions be approved with respect to unit statistical report data with a required date of valuation on or after March 1, 2002:

• Amend the reporting instructions to specify that all claims directly arising from the September 11, 2001 commercial airline hijackings with accident dates of September 11, 2001 through September 14, 2001 be reported as Catastrophe Number 48.

AMEND THE CALIFORNIA WORKERS' COMPENSATION EXPERIENCE RATING PLAN—1995

The WCIRB recommends that the following revisions to the California Workers' Compensation Experience Rating Plan—1995 be approved as of the anniversary rating date of a risk on or after April 1, 2002:

- Amend to specify that data will not be eligible to be used in experience rating if the data has not been reported timely in accordance with the regulations and the WCIRB has been advised in writing by the liquidator or regulator for an insolvent insurer that unit statistical data will not be forthcoming.
- Amend to specify that, with certain exceptions, an experience modification computed without data from an insolvent insurer shall not be published after the effective date of the experience modification.
- Amend to specify that all claims directly arising from the September 11, 2001 commercial airline hijackings with accident dates of September 11, 2001 through September 14, 2001 shall not be listed as a loss.
- Amend to provide that none of the claims directly arising from the September 11, 2001 commercial airline hijackings with accident dates of September 11, 2001 through September 14, 2001 be reflected in the computation of an experience modification.

COST OR SAVINGS AND MANDATE TO LOCAL AGENCIES AND SCHOOL DISTRICTS

The insurance commissioner has determined that there will not be a cost increase and there will not be any new programs mandated on any local agency or school district as a result of the proposed regulations, if adopted as proposed herein.

IMPACT ON HOUSING COSTS

The insurance commissioner has determined that the proposed regulations will not have a significant effect on housing costs.

IMPACT ON SMALL BUSINESSES

The insurance commissioner has determined that the proposed regulations will not have a significant effect on small businesses.

COST IMPACT ON PRIVATE PERSONS OR ENTITIES

The insurance commissioner must determine the potential cost impact of the proposed regulations on private persons or businesses directly affected by the

proposal. At this time, the insurance commissioner expects that the proposed regulations will not have a significant effect on private persons or entities.

FEDERAL FUNDING TO THE STATE

The matters proposed herein will not affect any federal funding.

NON-DISCRETIONARY COSTS OR SAVINGS

The proposed regulations will not impose any non-discretionary costs or savings to local agencies.

COST OR SAVINGS TO STATE AGENCIES

The matters proposed herein will not result in any cost or savings to State agencies, except for the State Compensation Insurance Fund.

REIMBURSABLE COSTS

There are no costs to local agencies or school districts for which Part 7 (commencing with Section 17500) of Division 4 of the Government Code would require reimbursement.

COMPARABLE FEDERAL LAW

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

ACCESS TO HEARING ROOMS

The facility to be used for the public hearing is accessible to persons with mobility impairment. Persons with sight or hearing impairments are requested to notify the contact person for these hearings (listed below) in order to make special arrangements, if necessary.

PRESENTATION OF ORAL AND/OR WRITTEN COMMENTS

All persons are invited to submit written comments to the insurance commissioner prior to the public hearing on the proposed amendments contained in the Workers' Compensation Insurance Rating Bureau's filing. Such comments should be addressed to:

California Department of Insurance Attention: Larry C. White, Senior Staff Counsel 45 Fremont Street, 24th Floor San Francisco, California 94105 (415) 538-4423

Any interested person may present oral and/or written testimony at the scheduled public hearing. Written comments and oral testimony will be given equal weight in the insurance commissioner's deliberations.

DEADLINE FOR WRITTEN COMMENTS

All written material, unless submitted at the hearing, must be received by the insurance commissioner at the address listed above no later than 5:00 PM on March 1, 2002.

TEXT OF REGULATIONS AND STATEMENT OF REASONS AVAILABLE

The insurance commissioner has prepared an Initial Statement of Reasons for the proposed regulations in addition to the informative digest included in this Notice of Proposed Action and Notice of Public Hearing. The express terms of the proposed regulations as contained in the WCIRB's filing, the Notice of Proposed Action and Notice of Public Hearing and the Initial Statement of Reasons will be made available for inspection or provided without charge upon written request to the contact person for these hearings (listed above).

ACCESS TO COPIES OF PROPOSED REGULATIONS AND STATEMENT OF REASONS, CONTACT

Any interested person may direct questions about the proposed regulations or other matters relative to this filing, the statement of reasons thereof, and any supplemental information contained in the rule-making file upon application to the contact person (listed above). The rule-making file will be available for inspection at 45 Fremont Street, 22nd Floor, San Francisco, California, 94105, between the hours of 9:00 AM and 4:30 PM, Monday through Friday.

AUTOMATIC MAILING

A copy of this Notice, including the informative digest that contains the general substance of the proposed regulations and the text of the proposed regulations, automatically will be sent to all persons on the insurance commissioner's Bulletins and Rulings, and California Government Code mailing lists.

ADOPTION OF REGULATIONS

Following the hearing, the insurance commissioner may adopt or approve regulations substantially as described in this Notice and informative digest or he may adopt or approve modified regulations. He also may refuse to adopt or approve the regulations. Notice of the insurance commissioner's action will be sent to all persons on the insurance commissioner's Bulletins and Rulings mailing list and to those persons who have otherwise requested notice of the commissioner's action.

TITLE 14. CALIFORNIA INTEGRATED WASTE MANAGEMENT BOARD

NOTICE OF PROPOSED RULEMAKING

CHAPTER 5.9 SECTION 18419 CONFLICT OF INTEREST CODE

PROPOSED REGULATORY ACTION

The California Integrated Waste Management Board (Board) proposes to amend Title 14, California

Code of Regulations, Division 7, Chapter 5.9, section 18419. The proposed regulations make revisions to the Board's Conflict of Interest Code to reflect changes in the organizational structure and by adding and deleting designated positions.

WRITTEN COMMENT PERIOD

Any interested person, or his or her authorized representative, may submit written comments relevant to the proposed regulatory action to the Board. The written comment period closes at 5:00 p.m. on March 29, 2002. The Board will only consider comments received at the Board's headquarters by that time. Written comments may be submitted through electronic mail. Please submit your written comments to:

Elliot Block Legal Office California Integrated Waste Management Board 1001 I Street Sacramento, California 95812 eblock@ciwmb.ca.gov

PUBLIC HEARING

A public hearing has not been scheduled. However, any interested person or his or her duly authorized representative may request, no later than 15 days prior to the close of the written comment period, a public hearing pursuant to Government Code § 11346.8. Please address all requests to the Board's contact person as designated in this Notice.

INFORMATIVE DIGEST

This regulation implements Government Code sections 87300, 87302, and 87306. Every governmental agency is required to adopt a conflict of interest code which designates the positions within the agency which make or participate in the making of decisions which may foreseeably effect any financial interest. Conflict of interest codes require the disclosure of those interests which may be affected by any decisions participated in by the designated positions (Government Code section 87300 and 87302). Conflict of interest codes must be amended when changes occur necessitating changes in the code (Government Code section 87306).

Title 14 California Code of Regulations section 18419, which contains the Board's Conflict of Interest Code, is proposed to be amended as follows:

Changes to Organizational Structure

The Division of Special Waste and the Office of Integrated Education have been added to the Board's organizational structure.

Changes to Designated Positions

A number of positions have been added and deleted to reflect changes since the last amendment of the conflict of interest code as set forth in the text of the proposed changes.

FISCAL IMPACT

The adoption of the proposed amendment 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 the Government Code; will not result in any nondiscretionary cost or savings to local agencies; will not result in any cost or savings in federal funding to the state; will not impose a mandate on local agencies or school districts; and will not have any potential cost impact on private persons or businesses including small businesses.

AUTHORITY AND REFERENCE

Authority: Government Code section 87306

Reference: The purpose of these regulations is to implement, interpret and make specific

Government Code sections 87300-

87302, and 87306.

CONSIDERATION OF ALTERNATIVES

The Board must determine that no other alternatives considered by the agency 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 the substance of the proposed action may be directed to:

Elliot Block, Legal Office California Integrated Waste Management Board 1001 I Street Sacramento, California 95812 (916) 341-6080 phone (916) 319-7138 facsimile

e-mail: eblock@ciwmb.ca.gov

AVAILABILITY OF STATEMENT OF REASONS AND TEXT OF PROPOSED REGULATIONS

The Board will have the entire rulemaking file, and all information upon which the proposed regulations are based, available for inspection and copying throughout the rulemaking process at the above address. As of the date this notice is published in the Notice Register, the rulemaking file consists of this notice, the proposed text of the regulations, the initial statement of reasons, and the Board's most recent organizational chart. Copies may be obtained by contacting Elliot Block at the address or phone number listed above.

AVAILABILITY OF CHANGED OR MODIFIED TEXT

The Board may adopt the proposed regulations substantially as described in this notice. If the Board makes modifications which are sufficiently related to the originally proposed text, it will make the modified text—with changes clearly indicated—available to the public for at least 15 days before the Board adopts the regulations as revised. Requests for the modified test should be made to the contact person named. The Board will mail any modified text to all persons who testify at the public hearing; all persons who submit written comments at the public hearing; all persons whose comments are received during the comment period; and all persons who request notification of the availability of such changes. The Board will accept written comments on the modified regulations for 15 days after the date on which they are made available.

TITLE 18. BOARD **OF EQUALIZATION**

NOTICE IS HEREBY GIVEN

The State Board of Equalization, pursuant to the authority vested in the Board by section 15606, subdivision (c) of the Government Code, proposes to adopt Rule 138, Exemption for Aircraft Being Repaired, Overhauled, Modified or Serviced, in Title 18, Division 1, of the California Code of Regulations. A public hearing on the proposed regulation will be held in Room 121, 450 N Street, Sacramento, at 1:30 p.m., or as soon thereafter as the matter may be heard, on March 27, 2002. Any person interested may present statements or arguments orally at that time and place. Written statements or arguments will be considered by the Board if received by March 27, 2002.

INFORMATIVE DIGEST/POLICY STATEMENT OVERVIEW

Under existing law, all property is taxable unless there is a specific constitutional or statutory exemption for the property. The determination of taxability is generally made as of the lien date, January 1 of each year. Certificated aircraft used by air carriers is subject to taxation when in revenue service in California. However, section 220 of the Revenue and Taxation Code provides an exemption for aircraft in California on the lien date solely for the purpose of being repaired, overhauled, modified, or serviced. The legislative purpose for the exemption was to promote

the aircraft service and repair industry in California, which industry is in competition with similar industries in other states that do not have a comparable tax on aircraft.

Rule 138 will make it clear that the exemption provided by section 220 applies to aircraft which are located in California while out of revenue service due to the downturn in air carrier business in the aftermath of the terrorists attacks of September 11, 2001, where such aircraft are serviced in accordance with FAA requirements. The broad objective of the rule is to encourage air carriers to service their aircraft in California while the aircraft is out of revenue service. The benefit to California is the aircraft maintenance and repair work that will accrue to California businesses. The proposed rule is intended to make it clear that the terms "aircraft . . . in California . . . solely for the purpose of being repaired, overhauled, modified, or serviced" includes necessary and attendant storage and that exempt aircraft are not valued under Rule 202.

Air carrier management have been uncertain as to whether the exemption provided by section 220 would apply to aircraft located and maintained in California under the circumstances described above. Proposed Rule 138 addresses that uncertainty, interpreting and making specific the provisions of section 220, providing that the exemption will apply to the aircraft in question and that the aircraft in question will not be included in the allocation calculations of Rule 202. Subsection (a) of the rule states the general exemption, restating the provisions of section 220. Subsection (b) of the rule addresses how certificated aircraft can qualify for the exemption and that incidental and attendant storage is not disqualifying. Subsection (c) of the rule states that certificated aircraft that meet the requirements of subsection (b) also meet the "operated interstate in California" requirement for exemption. Subsection (d) of the rule provides that certificated aircraft that qualify for exemption are not included in the allocation formula of Revenue and Taxation Code section 1152 and Rule 202. Subsection (e) of the rule provides reporting requirements upon air carriers seeking to qualify for the exemption.

COST TO LOCAL AGENCIES AND SCHOOL DISTRICTS

The State Board of Equalization has determined that proposed Rule 138 does not impose a mandate on local agencies or school districts. Further, the Board has determined that the proposed rule will not result in direct or indirect cost or savings to any State agency, any cost to local agencies or school districts that are required to be reimbursed under Part 7 (commencing with § 17500) of Division 4 of Title 2 of the

Government Code, or other non-discretionary cost or savings imposed on local agencies, or cost or savings in federal funding to the State of California.

EFFECT ON BUSINESS

Pursuant to Government Code section 11346.5, subdivision (a)(8), the Board of Equalization makes an initial determination that proposed Rule 138 will not have a significant statewide adverse economic impact directly affecting business.

The proposed rule will neither eliminate jobs in the State of California nor result in the elimination of existing businesses. The proposed rule may result, however, in the creation of jobs in the State of California and create and expand business in the State of California.

The proposed rule will not be detrimental to California businesses in competing with businesses in other states.

The proposed rule will not affect small business because the new rule only clarifies existing interpretations of statute.

COST IMPACT ON PRIVATE PERSONS OR BUSINESSES

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.

SIGNIFICANT EFFECT ON HOUSING COSTS No significant effect.

FEDERAL REGULATIONS

Proposed Rule 138 has no comparable Federal regulation.

AUTHORITY

Government Code section 15606, subdivision (c).

REFERENCE

Revenue and Taxation Code sections 220, 1150, 1151, 1152 and 1154.

CONTACT

Questions regarding the substance of the proposed rule should be directed to Mr. Anthony Epolite, Tax Counsel, Property Tax Section, telephone (916) 324-2642, fax (916) 323-3387, email anthony.epolite@boe.ca.gov or by mail to the State Board of Equalization, Attn: Anthony Epolite, MIC:82, P.O. Box 942879, 450 N Street, Sacramento, CA 94279-0082.

The Board will consider comments on the rule if received by March 27, 2002. Written comments for the Board's consideration, notice of intent to present testimony or witnesses, and inquiries concerning the proposed administrative action should be directed to Ms. Diane Olson, Regulations Coordinator, telephone

(916) 322-9569, fax (916) 324-3984, email <u>Diane.Olson@boe.ca.gov</u> or to Ms. Joann Richmond, Property Taxes Analyst, telephone (916) 322-1931, email <u>Joann.Richmond@boe.ca.gov</u> or by mail to the State Board of Equalization, Attn: Diane Olson or Joann Richmond, MIC:80, P.O. Box 942879, Sacramento, CA 94279-0080.

ALTERNATIVES CONSIDERED

The Board must determine that no reasonable alternative considered by it or that has been otherwise identified and brought to its attention 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.

AVAILABILITY OF INITIAL STATEMENT OF REASONS AND TEXT OF PROPOSED REGULATION

The Board has prepared an initial statement of reasons and an underscored version (express terms) of the proposed rule. This document and all information on which the proposal is based are available to the public upon request. The rulemaking file is available for public inspection at 450 N Street, Sacramento, California. Requests for copies should be addressed to Ms. Diane Olson, Regulations Coordinator, (916) 322-9569, at P.O. Box 942879, 450 N Street, Sacramento, CA 94279-0080. The express terms of the proposed regulation (rule) are available on the Internet at the Board's website http://www.boe.ca.gov.

AVAILABILITY OF FINAL STATEMENT OF REASONS

The final statement of reasons will be made available on the Internet at the Board's website following its public hearing of the proposed rule. The final statement of reasons is also available for public inspection at the State Board of Equalization, 450 N Street, Sacramento, California.

ADDITIONAL COMMENTS

Following the hearing, the State Board of Equalization may, in accordance with law, adopt the proposed rule if the text remains substantially the same as described in the text originally made available to the public. If the State Board of Equalization makes modifications which are substantially related to the originally proposed text, the Board will make the modified text, with the changes clearly indicated, available to the public for fifteen days before adoption of the rule. The text of the modified rule will be mailed to those interested parties who commented on the proposed regulatory action orally or in writing or who asked to be informed of such changes. The modified rule will be available to the public from Ms. Olson.

The State Board of Equalization will consider written comments on the modified rule for fifteen days after the date on which the modified rule is made available to the public.

TITLE 18. BOARD OF EQUALIZATION

NOTICE IS HEREBY GIVEN

The State Board of Equalization, pursuant to the authority vested in the Board by section 15606 (c) of the Government Code, proposes to adopt Rule 139—Restricted Access as Damage Eligible for Reassessment Relief Pursuant to Revenue and Taxation Code section 170 in Title 18, Division 1 of the California Code of Regulations. A public hearing on the proposed adoption of the regulation will be held in Room 121, 450 N Street, Sacramento, at 1:30 p.m., or as soon thereafter as the matter may be heard, on March 27, 2002. Any person interested may present statements or arguments orally at that time and place. Written statements or arguments will be considered by the Board if received by March 27, 2002.

INFORMATIVE DIGEST/POLICY STATEMENT OVERVIEW

Section 170 of the Revenue and Taxation Code authorizes a county board of supervisors to enact an ordinance that provides for the reassessment of property damaged or destroyed by misfortune or calamity as of the date of occurrence of the damage or destruction. For purposes of applying section 170, the proposed rule interprets damage or destruction as including restricted access that results in a diminution of the property's value. Restricted access resulting in a diminution of property value constitutes damage or destruction within the meaning of section 170 because it imposes a physical limitation on the use of property that adversely affects its value. The proposed rule also provides that reassessment relief may be granted only for the duration of the period of restricted access and prescribes the method of reappraisal for the period of restricted access and of reassessment at the termination of the period.

COST TO LOCAL AGENCIES AND SCHOOL DISTRICTS

The State Board of Equalization has determined that proposed Rule 139 does not impose a mandate on local agencies or school districts. Further, the Board has determined that the proposed rule will not result in direct or indirect cost or savings to any State agency, any costs to local agencies or school districts that are required to be reimbursed under Part 7 (commencing with Section 17500) of Division 4 of Title 2 of the

Government Code, or other non-discretionary costs or savings imposed on local agencies, or cost or savings in federal funding to the State of California.

EFFECT ON BUSINESS

Pursuant to Government Code section 11346.5 (a)(8), the Board of Equalization makes an initial determination that the adoption of amendments to Rule 139 will not have a significant statewide adverse economic impact directly affecting business.

The adoption of the proposed rule will neither create nor eliminate jobs in the State of California nor result in the elimination of existing businesses nor create or expand business in the State of California.

The rule as proposed will not be detrimental to California businesses in competing with businesses in other states.

The proposed rule will not affect small business because the proposed rule interprets and makes specific the required assessment practice of county assessors for property damaged or destroyed by misfortune or calamity and does not impose any additional compliance or reporting requirements on taxpayers.

COST IMPACT ON PRIVATE PERSONS OR BUSINESSES

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

SIGNIFICANT EFFECT ON HOUSING COSTS No significant effect.

FEDERAL REGULATIONS

Proposed Rule 139 has no comparable Federal regulations.

AUTHORITY

Government Code section 15606, subdivision (c).

REFERENCE

Section 170, Revenue and Taxation Code.

CONTACT

Questions regarding the substance of the proposed rule should be directed to Mr. Louis Ambrose, Senior Tax Counsel, Property Tax Section, telephone (916) 445-5580, fax (916) 323-3387, email Lou.Ambrose@boe.ca.gov or by mail to the State Board of Equalization, Attn: Louis Ambrose, MIC:82, P.O. Box 942879, 450 N Street, Sacramento, CA 94279-0082.

The Board will consider comments on the rule if received by March 27, 2002. Written comments for the Board's consideration, notice of intent to present testimony or witnesses, and inquiries concerning the

proposed administrative action should be directed to Ms. Diane Olson, Regulations Coordinator, telephone (916) 322-9569, fax (916) 324-3984, email Diane.Olson@boe.ca.gov or to Ms. Joann Richmond, Property Taxes Analyst, telephone (916) 322-1931, email Joann.Richmond@boe.ca.gov or by mail to the State Board of Equalization, Attn: Diane Olson or Joann Richmond, MIC:80, P.O. Box 942879, Sacramento, CA 94279-0080.

ALTERNATIVES CONSIDERED

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

AVAILABILITY OF INITIAL STATEMENT OF REASONS AND TEXT OF PROPOSED REGULATION

The Board has prepared an initial statement of reasons and an underscored version (express terms) of the proposed rule amendment. Those documents and all information on which the proposal is based are available to the public upon request. The rulemaking file is available for public inspection at 450 N Street, Sacramento, California. Requests for copies should be addressed to Ms. Diane Olson, Regulations Coordinator, (916) 322-9569, at P. O. Box 942879, 450 N Street, MIC:80, Sacramento, CA 94279-0080. The express terms of the proposed regulation (rule) amendment is available on the Internet at the Board's website http://www.boe.ca.gov.

AVAILABILITY OF FINAL STATEMENT OF REASONS

The final statement of reasons will be made available on the Internet at the Board's web site following its public hearing of the proposed rule amendment. It is also available for public inspection at 450 N Street, Sacramento, California.

ADDITIONAL COMMENTS

Following the hearing, the State Board of Equalization may, in accordance with law, adopt the proposed rule if the text remains substantially the same as described in the text originally made available to the public. If the State Board of Equalization makes modifications which are substantially related to the originally proposed text, the Board will make the modified text, with the changes clearly indicated, available to the public for fifteen days before adoption of the rule amendment. The text of the modified rule will be mailed to those interested parties who commented on the proposed regulatory action orally or in writing or who asked to be informed of such

changes. The modified rule will be available to the public from Ms. Olson. The State Board of Equalization will consider written comments on the modified rule for fifteen days after the date on which the modified rule is made available to the public.

TITLE 18. BOARD OF EQUALIZATION

NOTICE IS HEREBY GIVEN

The State Board of Equalization, pursuant to the authority vested in it by section 15606(a) of the Government Code and Sections 8251 and 60601 of the Revenue and Taxation Code, proposes to adopt Regulations 1123, 1124, 1161 and 1178, and amend Regulations 1101, 1105, 1120, 1132, and 1134 to explain, interpret, and clarify the application of the Motor Vehicle Fuel Tax Law in light of recent amendments to the law, in Title 18, Division 2, Chapter 1, of the California Code of Regulations, and to adopt Regulations 1435 and 1436 and amend Regulations 1420, 1422, and 1430 to explain, interpret, and clarify the application of the Diesel Fuel Tax Law in light of recent amendments to the law, in Title 18, Division 2, Chapter 3, of the California Code of Regulations. In addition, the Board proposes to repeal Regulations 1103, 1104, 1106, 1107, 1108, 1114, 1115, 1116, 1117, 1118, 1119, 1121, 1131, 1133, 1151, 1154, 1155, 1171, 1172, 1173, 1174, 1175 and 1176 which are obsolete due to the statutory changes in definitions, imposition of tax and exemptions in the Motor Vehicle Fuel License Tax Law and due to the repeal or amendment of statutory sections dealing with returns and records. A public hearing on the proposed regulations will be held in Room 121, 450 N Street, Sacramento, at 1:30 p.m., or as soon thereafter as the matter may be heard, on Wednesday, March 27, 2002. At the hearing, any person interested may present statements or arguments orally. The Board will consider written statements or arguments if received by March 27, 2002.

INFORMATIVE DIGEST/POLICY STATEMENT OVERVIEW

Recently passed legislation, (Assembly Bill 2114, Statutes of 2000, Chapter 1053, operative January 1, 2002) revised the Motor Vehicle Fuel License Tax Law to mirror the state Diesel Fuel Tax Law and Federal Fuel Tax Law with respect to definitions, imposition of tax and exemptions. The legislation renamed the law the Motor Vehicle Fuel Tax Law and moved the point of collection of the Motor Vehicle Fuel Tax from the first distribution to the terminal rack. Further changes to the Motor Vehicle Fuel Tax Law and the Diesel Fuel Tax Law were passed in 2002 and those changes are also reflected in these proposed regulations (Assembly

Bill 309, Statutes of 2001, Chapter 429). The specific changes are summarized below:

Regulation 1101, Motor Vehicle Fuel. Existing Regulation 1101 is repealed because on January 1, 2002, the definition of motor vehicle fuel is changed. The proposed regulation defines "motor vehicle fuel", and at 1101(f)(1) lists the products that are gasoline blendstocks and, like the Internal Revenue Service Regulation 48.4081-1, at 1101(f)(2) clarifies what is not a gasoline blendstock.

Regulation 1105, Tax-Paid Fuel and Ex-Tax Fuel. The terms "tax-paid fuel" and "ex-tax fuel" are proposed to be defined at 1105(a) and 1105(b) respectively and other minor clarifying changes are proposed to be made to those definitions. Existing 1105(b) is proposed to be repealed since on and after January 1, 2002, it will no longer be necessary to explain the continuing tax liability of a distributor upon distribution of fuel.

Regulations 1120 and 1436, Returned Sales and Invoice Corrections. Regulation 1120 is amended to refer to a supplier instead of a distributor and to clarify how a supplier is to handle motor vehicle fuel returned by a customer. The regulation explains that when motor vehicle fuel is returned to a refinery or an approved terminal by the supplier, the supplier may either file a claim for refund with the State Controller or take a credit on the supplier's tax return. The regulation presumes (i) that the supplier purchased the motor vehicle fuel tax-paid if the credit memorandum includes motor vehicle fuel tax and (ii) that for purposes of a refund or credit, the supplier subsequently removed the motor vehicle fuel from a terminal rack in the same month that the motor vehicle fuel was returned.

Regulation 1436 is a new diesel fuel regulation which provides that when diesel fuel is returned to the supplier by a customer and delivered into a refinery or an approved terminal, the supplier may either file a claim for refund of the tax with the Board or take a credit on the supplier's tax return. The regulation explains when and how the credit may be taken and when a refund must be filed. The regulation is identical to Regulation 1120 except that regulation 1436 explains that the claim for refund of the diesel fuel tax must be filed with the Board, rather than with the State Controller.

Regulations 1123 and 1420, Supplier. Effective January 1, 2002, Section 7338 of the Revenue and Taxation Code defines the term "supplier" to include blenders, enterers, position holders, refiners, terminal operators, and throughputters. Proposed regulation 1123 identifies the various types of motor vehicle fuel suppliers and describes the imposition of the motor vehicle fuel tax and the reporting requirements of each. The proposed regulation also describes the

circumstances in which the terminal operator is jointly liable with a supplier for the removal of motor vehicle fuel from the terminal rack. The proposed regulation is nearly identical to the Board's existing Diesel Fuel Tax Regulation 1420.

Regulations 1124 and 1422, Relief from Liability. Effective January 1, the Motor Vehicle Fuel Tax Law, Section 7657.1, of the Revenue and Taxation Code, provides that a taxpayer may be relieved of liability from the Motor Vehicle Fuel Tax, including penalty and interest, if the Board finds that the person's failure to make a timely return or payment was due to the person's reasonable reliance on written advice from the Board. Regulation 1124 is proposed to clarify the circumstances under which relief may be granted for reliance on written advice of the Board. The proposed regulation is nearly identical to the Board Regulation 1705, which pertains to the Sales and Use Tax Law.

Existing Diesel Fuel Tax Law Regulation 1422 is proposed to be revised to conform to Sales and Use Tax Regulation 1705 and to proposed motor Vehicle Fuel Tax Regulation 1124. The proposed changes include written advice in the form of an annotation or legal ruling of counsel under the conditions set forth in new subdivision (d). Also, new subdivision (e) adds that a trade or industry association requesting advice for its members must identify the member for whom the advice is requested in order for the relief from liability to apply. These revisions make Regulation 1422 nearly identical to the other Board regulations on relief from liability.

Regulations 1132 and 1430, Shipments Out of the State. Regulation 1132 which describes the credit or refund of tax on exports of tax-paid fuel is proposed to be amended to replace references to "distributor" with references to "supplier", and to remove the obsolete instruction regarding stock transfers of ex-tax fuel to a point outside California.

Regulation 1430 is proposed to be amended to allow the credit for exports of tax paid diesel fuel to be claimed on a return filed within three months after the close of the calendar month in which the tax-paid fuel is exported. This will make the time for taking a credit or filing a claim for refund the same in both Regulation 1430 and Regulation 1132.

Regulation 1134, Sales to the United States. Proposed Regulation 1134 amends the existing regulation to replace references to "distribution" and "distributor" with "sales" and "seller" to conform to the definitions in the new law. Language was added to clarify that a supplier making a sale of ex-tax fuel to the United States armed forces may claim an exemption on the supplier's tax return, and to clarify that any person making a sale of tax-paid fuel to the United States armed forces shall file a claim for refund of the tax with the State Controller. The remainder of

the existing regulation is proposed to be repealed as no longer necessary since Revenue and Taxation Code Sections 7401, 7486 and 7487 (relating to exemptions for distributors and brokers and to bond requirements of distributors and brokers) are repealed effective January 1, 2002.

Regulations 1161 and 1435, Tax Paid Twice on Fuel. Regulation 1161 explains when and how a supplier who is required to pay tax on the removal from the terminal rack of motor vehicle fuel on which a prior tax was paid may obtain a credit or refund. The regulation defines a first taxpayer as the person paying to the State the first tax on the fuel and defines a second taxpayer as the person paying to the State the second tax on the fuel.

When a supplier is required to pay tax on the removal from the terminal rack of diesel fuel on which a prior tax was paid, the supplier may either file a claim for refund of the tax with the Board or take a credit on the supplier's tax return. Regulation 1435 explains when and how a supplier who is required to pay tax on the removal from the terminal rack of diesel fuel on which a prior tax was paid may obtain a credit or refund. The regulation is identical to Regulation 1161 except that the regulation explains that the claim for refund of the diesel fuel tax is to be filed with the Board instead of with the Controller.

Regulation 1178, Records. Proposed Regulation 1178 specifies the records and documentation that are necessary and the form in which they should be maintained in order to support reported amounts. The proposed regulation is nearly identical to the existing Board Regulation 1698, which pertains to the Sales and Use Tax Law.

<u>Repealed Regulations</u>. The twenty-five affected regulations that the staff proposes to repeal as the result of statutory changes (effective January 1, 2002, Chapter 1053, Statutes of 2000, (AB 2114)) are:

Regulation 1103, Blending or Compounding;

Regulation 1104, Consignment for Sale;

Regulation 1106, Tax-Paid Fuel Distributed;

Regulation 1107, Drip Gasoline Producer;

Regulation 1108, Qualified Distributor;

Regulation 1114, Book Transfers, In-Tank Transfers, Physical Exchanges and Settlements;

Regulation 1115, Pipeline Overages and Shortages; Regulation 1116, Losses Prior to Distribution;

Regulation 1117, Allowable Losses of Commission Agents:

Regulation 1118, Distribution of Commingled Fuel; Regulation 1119, Tax-Paid Motor Vehicle Fuel Blended, Compounded or Redistilled;

Regulation 1121, Temperature Corrected Distributions:

Regulation 1131, Natural Gasoline Sales to Licensed Distributors;

Regulation 1133, Exempt Distributions to a Qualified Distributor;

Regulation 1151, Monthly Return of Distributor;

Regulation 1152, Weekly Return of Distributor;

Regulation 1153, Processor's Return of Distribution;

Regulation 1154, Owner's Return of Processing Transactions:

Regulation 1155, Recipient's Return of Processing Transactions:

Regulation 1171, Distributor's Inventory and Stock Record;

Regulation 1172, Producer's Stock Record;

Regulation 1173, Producer's Purchase Record;

Regulation 1174, Producer's Sales Record;

Regulation 1175, Broker's Purchase Record; and

Regulation 1176, Broker's Sales Record.

COST TO LOCAL AGENCIES AND SCHOOL DISTRICTS

The State Board of Equalization has determined that the proposed regulations do not impose a mandate on local agencies or school districts. Further, the Board has determined that the regulations will result in no direct or indirect cost or savings to any State agency, any local agency or school district that is required to be reimbursed under Part 7 (commencing with section 17500) of Division 4 of Title 2 of the Government Code or other non-discretionary cost or savings imposed on local agencies, or cost or savings on Federal funding to the State of California.

EFFECT ON BUSINESS

Pursuant to Government Code section 11346.5(a)(8), the State Board of Equalization makes an initial determination that the adoption of the regulations will clarify the application of the Motor Vehicle Fuel Tax Law and the Diesel Fuel Tax Law and will have no significant statewide adverse economic impact directly affecting businesses.

The adoption of the regulations will neither create nor eliminate jobs in the State of California nor result in the elimination of existing businesses nor create or expand business in the State of California.

The regulations as proposed will not be detrimental to California businesses in competing with businesses in other states.

The regulations as proposed may affect small business.

COST IMPACT ON PRIVATE PERSONS OR BUSINESSES

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.

FEDERAL REGULATIONS

There are no comparable federal regulations to the proposed regulations except that proposed Regulation 1101(f)(2) is similar to Internal Revenue Service Regulation 48.4081-1, in that it clarifies what products are not considered to be gasoline blendstocks.

AUTHORITY

Government Code Section 15606(a) and Revenue and Taxation Code Sections 8251 and 60601.

REFERENCES

The References are separately identified for each Regulation as set forth below:

<u>Regulation 1101</u>—Revenue and Taxation Code Sections 7304, 7306, 7307, 7313, 7316, 7317, 7318, and 7326.

<u>Regulation 1105</u>—Revenue and Taxation Code Sections 7345, 7401, 7653, 8101, 8106.8.

Regulation 1120—Revenue and Taxation Code Sections 7315, 8101, and 8106.8.

<u>Regulation 1123</u>—Revenue and Taxation Code Sections 7307, 7308, 7309, 7310, 7311, 7312, 7324, 7326, 7329, 7332, 7333, 7334, 7335, 7336, 7338, 7339, 7340, 7341, 7360, 7362, 7363, 7365, 7366, 7368, 7369, 7370, 7371, 7372, 7451, 7651, 7652.5.

<u>Regulation 1124</u>—Revenue and Taxation Code Section 7657.1.

<u>Regulation 1132</u>—Revenue and Taxation Code Sections 7338, 7401, 7651, 8101, 8102, 8105, 8106.5, 8126, 8128, 8129, 8301 and 8303.

<u>Regulation 1134</u>—Revenue and Taxation Code Sections 7401 and 8101.

<u>Regulation 1161</u>—Revenue and Taxation Code Sections 7362, 7262, 8101, 8102, 8105, 8106.5 and 8127.5.

<u>Regulation 1178</u>—Revenue and Taxation Code Sections 7388, 7393, 7403.2, 7651, 7652.5, 7652.7, 8253, 8301, 8302 and 8303.

<u>Regulation 1420</u>—Revenue and Taxation Code Sections 60003, 60004, 60006, 60007, 60008, 60009, 60010, 60011, 60012, 60013, 60015, 60021, 60022, 60023, 60029, 60030, 60031, 60032, 60033, 60035, 60050, 60051, 60052, 60053, 60054, 60055, 60059, 60060, 60061, 60062, 60131 and 60201.

<u>Regulation 1422</u>—Revenue and taxation Code Section 60210.

<u>Regulation 1430</u>—Revenue and Taxation Code Sections 60033, 60100, 60501-60512, 60521-60524 and 60604.

<u>Regulation 1435</u>—Revenue and Taxation Code Sections 60051, 60052, 60501, 60507, 60508.4 and 60521.5.

<u>Regulation 1436</u>—Revenue and Taxation Code Sections 60025, 60501 and 60508.4.

CONTACT

Questions regarding the substance of the proposed rule should be directed to Ms. M. Judith Nelson, Tax Counsel, Business Tax Section, telephone (916) 324-2641, fax (916) 324-2618, email Judy.Nelson@boe.ca.gov or by mail to the State Board of Equalization, Attn: M. Judith Nelson, MIC:82, P.O. Box 942879, 450 N Street, Sacramento, CA 94279-0082.

The Board will consider comments on the rule if received by March 27, 2002. Written comments for the Board's consideration, notice of intent to present testimony or witnesses, and inquiries concerning the proposed administrative action should be directed to Ms. Diane Olson, Regulations Coordinator, telephone (916) 322-9569, fax (916) 324-3984, email Diane.Olson@boe.ca.gov or to Ms. Lydia Moreno, Business Taxes Analyst, telephone (916) 322-1931, email Lydia.Moreno@boe.ca.gov or by mail to the State Board of Equalization, Attn: Diane Olson or Lydia Moreno, MIC:80, P.O. Box 942879, Sacramento, CA 94279-0080.

ALTERNATIVES CONSIDERED

The Board must determine that no alternative considered would be more effective in carrying out the purpose for which this action is proposed or be as effective and less burdensome to affected private persons than the proposed action.

AVAILABILITY OF INITIAL STATEMENT OF REASONS AND TEXT OF PROPOSED REGULATION

The Board has prepared a statement of reasons and an underscored version of the proposed regulation. Both of these documents and all information on which the proposal is based are available to the public upon request. The rulemaking file is available for public inspection at 450 N Street, Sacramento, California. The express terms of the proposed regulation are available on the Internet at the Board's web site http://www.boe.ca.gov. Requests for copies should be addressed to Ms. Diane G. Olson, Regulations Coordinator, at P.O. Box 942879, 450 N Street, MIC:80, Sacramento, CA 94279-0080, telephone (916) 322-9569.

AVAILABILITY OF FINAL STATEMENT OF REASONS

The final statement of reasons will be made available on the Internet at the Board's web site following its public hearing of the proposed regulation. It also will be available for your inspection at 450 N Street, Sacramento, CA 94279-0080.

ADDITIONAL COMMENTS

Following the hearing, the State Board of Equalization may adopt the proposed regulation if the text remains substantially the same as described in the text originally made available to the public. If the State Board of Equalization makes modifications which are substantially related to the originally proposed text, the Board will make the modified text, with the changes clearly indicated, available to the public for 15 days before adoption of the regulation. The text of any modified regulation will be mailed to those interested parties who commented on the proposed regulatory action orally or in writing or who asked to be informed of such changes. The modified regulation will be available to the public from Ms. Olson. The State Board of Equalization will consider written comments on the modified regulation for 15 days after the date on which the modified regulation is made available to the public.

TITLE 18. BOARD OF EQUALIZATION

NOTICE IS HEREBY GIVEN

The State Board of Equalization, pursuant to the authority vested in it by section 15606(a) of the Government Code, proposes to promulgate Regulation 1507, Technology Transfer Agreements, in Title 18, Division 2, Chapter 4, of the California Code of Regulations, relating to sales and use tax. A public hearing on the proposed regulation will be held in Room 121, 450 N Street, Sacramento, at 1:30 p.m., or as soon thereafter as the matter may be heard, on March 27, 2002. At the hearing, any person interested may present statements or arguments orally or in writing relevant to the proposed regulatory action. The Board will consider written statements or arguments if received by March 27, 2002.

INFORMATIVE DIGEST/POLICY STATEMENT OVERVIEW

Current law provides, in Revenues and Taxation Code sections 6011(c)(10) and 6012(c)(10), enacted by Assembly Bill 103, Stats. 1993, Chap. 887 (AB 103), that the gross receipts from the sale of tangible personal property under a technology transfer agreement are not included in the measure of tax. The statutes "technology transfer agreements" and prescribe how the gross receipts from such sales are to be calculated.

Regulation 1507, Technology Transfer Agreements, is proposed to interpret, implement and make specific Revenue and Taxation Code sections 6011 and 6012. The regulation is proposed to incorporate the California Supreme Court decision in *Preston* vs. *State Board of Equalization*; clarify how the statutory language

applies to technology transfer agreements that include transfers of patent interests; and describe the application of tax to technology transfer agreements.

COST TO LOCAL AGENCIES AND SCHOOL DISTRICTS

The State Board of Equalization has determined that proposed Regulation 1507 does not impose a mandate on local agencies or school districts. Further, the Board has determined that the proposed regulation will not result in direct or indirect cost or savings to any State agency, any costs to local agencies or school districts that are required to be reimbursed under Part 7 (commencing with Section 17500) of Division 4 of Title 2 of the Government Code, or other non-discretionary costs or savings imposed on local agencies, or cost or savings in federal funding to the State of California.

EFFECT ON BUSINESS

Pursuant to Government Code section 11346.5 (a)(8), the Board of Equalization makes an initial determination that the adoption of amendments to Regulation 1507 will not have a significant statewide adverse economic impact directly affecting business.

The adoption of the proposed regulation will neither create nor eliminate jobs in the State of California nor result in the elimination of existing businesses nor create or expand business in the State of California.

The regulation as proposed will not be detrimental to California businesses in competing with businesses in other states.

The proposed regulation may affect small business.

COST IMPACT ON PRIVATE PERSONS OR BUSINESSES

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

SIGNIFICANT EFFECT ON HOUSING COSTS No significant effect.

FEDERAL REGULATIONS

Proposed Regulation 1507 has no comparable Federal regulations.

AUTHORITY

Section 7051 Revenue and Taxation Code.

REFERENCE

Sections 6011 and 6012 Revenue and Taxation Code.

CONTACT

Questions regarding the substance of the proposed regulation should be directed to Mr. David Rosenthal, Regulations Coordinator, telephone

(916) 324-2195, fax (916) 323-3387, email <u>Dave.Rosenthal@boe.ca.gov</u> or by mail to the State Board of Equalization, Attn: Dave Rosenthal, MIC:50, P.O. Box 942879, 450 N Street, Sacramento, CA 94279-0082.

The Board will consider comments on the regulation if received by March 27, 2002. Written comments for the Board's consideration, notice of intent to present testimony or witnesses, and inquiries concerning the proposed administrative action should be directed to Ms. Diane Olson, Regulations Coordinator, telephone (916) 322-9569, fax (916) 324-3984, email Diane.Olson@boe.ca.gov or to Ms. Lydia Moreno, Business Taxes Analyst, telephone (916) 322-1931, email Lydia.Moreno@boe.ca.gov or by mail to the State Board of Equalization, Attn: Diane Olson or Lydia Moreno, MIC:80, P.O. Box 942879, Sacramento, CA 94279-0080.

ALTERNATIVES CONSIDERED

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

AVAILABILITY OF INITIAL STATEMENT OF REASONS AND TEXT OF PROPOSED REGULATION

The Board has prepared an initial statement of reasons and an underscored version (express terms) of the proposed rule amendment. Those documents and all information on which the proposal is based are available to the public upon request. The rulemaking file is available for public inspection at 450 N Street, Sacramento, California. Requests for copies should be addressed to Ms. Diane Olson, Regulations Coordinator, (916) 322-9569, at P. O. Box 942879, 450 N Street, MIC:80, Sacramento, CA 94279-0080. The express terms of the proposed regulation amendment is available on the Internet at the Board's website http://www.boe.ca.gov.

AVAILABILITY OF FINAL STATEMENT OF REASONS

The final statement of reasons will be made available on the Internet at the Board's web site following its public hearing of the proposed rule amendment. It is also available for public inspection at 450 N Street, Sacramento, California.

ADDITIONAL COMMENTS

Following the hearing, the State Board of Equalization may, in accordance with law, adopt the proposed rule if the text remains substantially the same as described in the text originally made available to the public. If the State Board of Equalization makes modifications which are substantially related to the originally proposed text, the Board will make the modified text, with the changes clearly indicated, available to the public for fifteen days before adoption of the rule amendment. The text of the modified rule will be mailed to those interested parties who commented on the proposed regulatory action orally or in writing or who asked to be informed of such changes. The modified rule will be available to the public from Ms. Olson. The State Board of Equalization will consider written comments on the modified rule for fifteen days after the date on which the modified rule is made available to the public.

TITLE 18. BOARD OF EQUALIZATION

NOTICE IS HEREBY GIVEN

The State Board of Equalization, pursuant to the authority vested in it by section 15606(a) of the Government Code, proposes to promulgate Regulation 1525.7, Rural Investment Tax Exemption, in Title 18, Division 2, Chapter 4, of the California Code of Regulations, relating to sales and use tax. A public hearing on the proposed regulation will be held in Room 121, 450 N Street, Sacramento, at 1:30 p.m., or as soon thereafter as the matter may be heard, on March 27, 2002. At the hearing, any person interested may present statements or arguments orally or in writing relevant to the proposed regulatory action. The Board will consider written statements or arguments if received by March 27, 2002.

INFORMATIVE DIGEST/POLICY STATEMENT OVERVIEW

Revenue and Taxation Code section 6378.1, added by AB 511 (Stats. 2001, Ch. 107) provides an exemption from the state portion of the sales or use taxes for an eligible entity as determined by the California Infrastructure and Economic Development Bank Board of the California Technology, Trade, and Commerce Agency.

Proposed Regulation 1525.7, Rural Investment Tax Exemption, is proposed to be promulgated to interpret, implement and make specific Revenue and Taxation Code section 6378.1

COST TO LOCAL AGENCIES AND SCHOOL DISTRICTS

The State Board of Equalization has determined that proposed Regulation 1525.7 does not impose a mandate on local agencies or school districts. Further, the Board has determined that the proposed regulation will not result in direct or indirect cost or savings to

any State agency, any costs to local agencies or school districts that are required to be reimbursed under Part 7 (commencing with Section 17500) of Division 4 of Title 2 of the Government Code, or other non-discretionary costs or savings imposed on local agencies, or cost or savings in federal funding to the State of California.

EFFECT ON BUSINESS

Pursuant to Government Code section 11346.5 (a)(8), the Board of Equalization makes an initial determination that the adoption of amendments to Regulation 1525.7 will not have a significant statewide adverse economic impact directly affecting business.

The adoption of the proposed regulation will neither create nor eliminate jobs in the State of California nor result in the elimination of existing businesses nor create or expand business in the State of California.

The regulation as proposed will not be detrimental to California businesses in competing with businesses in other states.

The proposed regulation may affect small business.

COST IMPACT ON PRIVATE PERSONS OR BUSINESSES

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

SIGNIFICANT EFFECT ON HOUSING COSTS No significant effect.

FEDERAL REGULATIONS

Proposed Regulation 1525.7 has no comparable Federal regulations.

AUTHORITY

Section 7051 Revenue and Taxation Code.

REFERENCE

Sections 6378.1 Revenue and Taxation Code.

CONTACT

Questions regarding the substance of the proposed regulation should be directed to Mr. David Rosenthal, Regulations Coordinator, telephone (916) 324-2195, fax (916) 323-3387, email Dave.Rosenthal@boe.ca.gov or by mail to the State Board of Equalization, Attn: Dave Rosenthal, MIC:50, P.O. Box 942879, 450 N Street, Sacramento, CA 94279-0082.

The Board will consider comments on the regulation if received by March 27, 2002. Written comments for the Board's consideration, notice of intent to present testimony or witnesses, and inquiries concerning the proposed administrative action should be

directed to Ms. Diane Olson, Regulations Coordinator, telephone (916) 322-9569, fax (916) 324-3984, email Diane.Olson@boe.ca.gov or to Ms. Lydia Moreno, Business Taxes Analyst, telephone (916) 322-1931, email Lydia.Moreno@boe.ca.gov or by mail to the State Board of Equalization, Attn: Diane Olson or Lydia Moreno, MIC:80, P.O. Box 942879, Sacramento, CA 94279-0080.

ALTERNATIVES CONSIDERED

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

AVAILABILITY OF INITIAL STATEMENT OF REASONS AND TEXT OF PROPOSED REGULATION

The Board has prepared an initial statement of reasons and an underscored version (express terms) of the proposed rule amendment. Those documents and all information on which the proposal is based are available to the public upon request. The rulemaking file is available for public inspection at 450 N Street, Sacramento, California. Requests for copies should be addressed to Ms. Diane Olson, Regulations Coordinator, (916) 322-9569, at P. O. Box 942879, 450 N Street, MIC:80, Sacramento, CA 94279-0080. The express terms of the proposed regulation amendment is available on the Internet at the Board's website http://www.boe.ca.gov.

AVAILABILITY OF FINAL STATEMENT OF REASONS

The final statement of reasons will be made available on the Internet at the Board's web site following its public hearing of the proposed rule amendment. It is also available for public inspection at 450 N Street, Sacramento, California.

ADDITIONAL COMMENTS

Following the hearing, the State Board of Equalization may, in accordance with law, adopt the proposed rule if the text remains substantially the same as described in the text originally made available to the public. If the State Board of Equalization makes modifications which are substantially related to the originally proposed text, the Board will make the modified text, with the changes clearly indicated, available to the public for fifteen days before adoption of the rule amendment. The text of the modified rule will be mailed to those interested parties who commented on the proposed regulatory action orally or in writing or who asked to be informed of such

changes. The modified rule will be available to the public from Ms. Olson. The State Board of Equalization will consider written comments on the modified rule for fifteen days after the date on which the modified rule is made available to the public.

TITLE 18. BOARD OF EQUALIZATION

NOTICE IS HEREBY GIVEN

The State Board of Equalization, pursuant to the authority vested in it by section 15606(a) of the Government Code, proposes to promulgate Regulation 1533, Liquefied Petroleum Gas, in Title 18, Division 2, Chapter 4, of the California Code of Regulations, relating to sales and use tax. A public hearing on the proposed regulation will be held in Room 121, 450 N Street, Sacramento, at 1:30 p.m., or as soon thereafter as the matter may be heard, on March 27, 2002. At the hearing, any person interested may present statements or arguments orally or in writing relevant to the proposed regulatory action. The Board will consider written statements or arguments if received by March 27, 2002.

INFORMATIVE DIGEST/POLICY STATEMENT OVERVIEW

Current law, Revenue and Taxation Code section 6353, provides that the sales of gas, electricity, and water are exempt from tax under defined conditions.

Regulation 1533, Liquefied Petroleum Gas, is proposed to be promulgated to interpret, implement and make specific Revenue and Taxation Code section 6353, granting an exemption from tax for sales of liquefied petroleum gas under defined conditions. (AB 426, Stats. 2001, Ch. 156, § 3.)

COST TO LOCAL AGENCIES AND SCHOOL DISTRICTS

The State Board of Equalization has determined that proposed Regulation 1533 does not impose a mandate on local agencies or school districts. Further, the Board has determined that the proposed regulation will not result in direct or indirect cost or savings to any State agency, any costs to local agencies or school districts that are required to be reimbursed under Part 7 (commencing with Section 17500) of Division 4 of Title 2 of the Government Code, or other non-discretionary costs or savings imposed on local agencies, or cost or savings in federal funding to the State of California.

EFFECT ON BUSINESS

Pursuant to Government Code section 11346.5 (a)(8), the Board of Equalization makes an initial determination that the adoption of amendments to

Regulation 1533 will not have a significant statewide adverse economic impact directly affecting business.

The adoption of the proposed regulation will neither create nor eliminate jobs in the State of California nor result in the elimination of existing businesses nor create or expand business in the State of California.

The regulation as proposed will not be detrimental to California businesses in competing with businesses in other states.

The proposed regulation may affect small business.

COST IMPACT ON PRIVATE PERSONS OR BUSINESSES

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

SIGNIFICANT EFFECT ON HOUSING COSTS No significant effect.

FEDERAL REGULATIONS

Proposed Regulation 1533 has no comparable Federal regulations.

AUTHORITY

Section 7051 Revenue and Taxation Code.

REFERENCE

Sections 6353 Revenue and Taxation Code.

CONTACT

Questions regarding the substance of the proposed regulation should be directed to Mr. David Rosenthal, Regulations Coordinator, telephone (916) 324-2195, fax (916) 323-3387, email Dave.Rosenthal@boe.ca.gov or by mail to the State Board of Equalization, Attn: David Rosenthal, MIC:50, P.O. Box 942879, 450 N Street, Sacramento, CA 94279-0082.

The Board will consider comments on the regulation if received by March 27, 2002. Written comments for the Board's consideration, notice of intent to present testimony or witnesses, and inquiries concerning the proposed administrative action should be directed to Ms. Diane Olson, Regulations Coordinator, telephone (916) 322-9569, fax (916) 324-3984, email Diane.Olson@boe.ca.gov or to Ms. Lydia Moreno, Business Taxes Analyst, telephone (916) 322-1931, email Lydia.Moreno@boe.ca.gov or by mail to the State Board of Equalization, Attn: Diane Olson or Lydia Moreno, MIC:80, P.O. Box 942879, Sacramento, CA 94279-0080.

ALTERNATIVES CONSIDERED

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

AVAILABILITY OF INITIAL STATEMENT OF REASONS AND TEXT OF PROPOSED REGULATION

The Board has prepared an initial statement of reasons and an underscored version (express terms) of the proposed rule amendment. Those documents and all information on which the proposal is based are available to the public upon request. The rulemaking file is available for public inspection at 450 N Street, Sacramento, California. Requests for copies should be addressed to Ms. Diane Olson, Regulations Coordinator, (916) 322-9569, at P. O. Box 942879, 450 N Street, MIC:80, Sacramento, CA 94279-0080. The express terms of the proposed regulation amendment is available on the Internet at the Board's website http://www.boe.ca.gov.

AVAILABILITY OF FINAL STATEMENT OF REASONS

The final statement of reasons will be made available on the Internet at the Board's web site following its public hearing of the proposed rule amendment. It is also available for public inspection at 450 N Street, Sacramento, California.

ADDITIONAL COMMENTS

Following the hearing, the State Board of Equalization may, in accordance with law, adopt the proposed rule if the text remains substantially the same as described in the text originally made available to the public. If the State Board of Equalization makes modifications which are substantially related to the originally proposed text, the Board will make the modified text, with the changes clearly indicated, available to the public for fifteen days before adoption of the rule amendment. The text of the modified rule will be mailed to those interested parties who commented on the proposed regulatory action orally or in writing or who asked to be informed of such changes. The modified rule will be available to the public from Ms. Olson. The State Board of Equalization will consider written comments on the modified rule for fifteen days after the date on which the modified rule is made available to the public.

TITLE 18. BOARD OF EQUALIZATION

NOTICE IS HEREBY GIVEN

The State Board of Equalization, pursuant to the authority vested in it by section 15606(a) of the Government Code, proposes to promulgate Regulation

1533.1, Farm Equipment and Machinery, in Title 18, Division 2, Chapter 4, of the California Code of Regulations, relating to sales and use tax. A public hearing on the proposed regulation will be held in Room 121, 450 N Street, Sacramento, at 1:30 p.m., or as soon thereafter as the matter may be heard, on March 27, 2002. At the hearing, any person interested may present statements or arguments orally or in writing relevant to the proposed regulatory action. The Board will consider written statements or arguments if received by March 27, 2002.

INFORMATIVE DIGEST/POLICY STATEMENT OVERVIEW

Regulation 1533.1, Farm Equipment and Machinery, is proposed to be promulgated to interpret, implement and make specific Revenue and Taxation Code section 6356.5, granting a partial exemption from tax for sales of farm equipment and machinery under defined conditions. (AB 426, Stats. 2001, Ch. 156, § 3.)

COST TO LOCAL AGENCIES AND SCHOOL DISTRICTS

The State Board of Equalization has determined that proposed Regulation 1533.1 does not impose a mandate on local agencies or school districts. Further, the Board has determined that the proposed regulation will not result in direct or indirect cost or savings to any State agency, any costs to local agencies or school districts that are required to be reimbursed under Part 7 (commencing with Section 17500) of Division 4 of Title 2 of the Government Code, or other non-discretionary costs or savings imposed on local agencies, or cost or savings in federal funding to the State of California.

EFFECT ON BUSINESS

Pursuant to Government Code section 11346.5 (a)(8), the Board of Equalization makes an initial determination that the adoption of amendments to Regulation 1533.1 will not have a significant statewide adverse economic impact directly affecting business.

The adoption of the proposed regulation will neither create nor eliminate jobs in the State of California nor result in the elimination of existing businesses nor create or expand business in the State of California.

The regulation as proposed will not be detrimental to California businesses in competing with businesses in other states.

The proposed regulation may affect small business.

COST IMPACT ON PRIVATE PERSONS OR BUSINESSES

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 SIGNIFICANT EFFECT ON HOUSING COSTS No significant effect.

FEDERAL REGULATIONS

Proposed Regulation 1533.1 has no comparable Federal regulations.

AUTHORITY

Section 7051 Revenue and Taxation Code.

REFERENCE

Sections 6353.5 Revenue and Taxation Code.

CONTACT

Questions regarding the substance of the proposed regulation should be directed to Mr. David Rosenthal, Regulations Coordinator, telephone (916) 324-2195, fax (916) 323-3387, email Dave.Rosenthal@boe.ca.gov or by mail to the State Board of Equalization, Attn: David Rosenthal, MIC:50, P.O. Box 942879, 450 N Street, Sacramento, CA 94279-0082.

The Board will consider comments on the regulation if received by March 27, 2002. Written comments for the Board's consideration, notice of intent to present testimony or witnesses, and inquiries concerning the proposed administrative action should be directed to Ms. Diane Olson, Regulations Coordinator, telephone (916) 322-9569, fax (916) 324-3984, email Diane.Olson@boe.ca.gov or to Ms. Lydia Moreno, Business Taxes Analyst, telephone (916) 322-1931, email Lydia.Moreno@boe.ca.gov or by mail to the State Board of Equalization, Attn: Diane Olson or Lydia Moreno, MIC:80, P.O. Box 942879, Sacramento, CA 94279-0080.

ALTERNATIVES CONSIDERED

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

AVAILABILITY OF INITIAL STATEMENT OF REASONS AND TEXT OF PROPOSED REGULATION

The Board has prepared an initial statement of reasons and an underscored version (express terms) of the proposed rule amendment. Those documents and all information on which the proposal is based are available to the public upon request. The rulemaking file is available for public inspection at 450 N Street, Sacramento, California. Requests for copies should be addressed to Ms. Diane Olson, Regulations Coordinator, (916) 322-9569, at P. O. Box 942879, 450 N Street, MIC:80, Sacramento, CA 94279-0080.

The express terms of the proposed regulation amendment is available on the Internet at the Board's website http://www.boe.ca.gov.

AVAILABILITY OF FINAL STATEMENT OF REASONS

The final statement of reasons will be made available on the Internet at the Board's web site following its public hearing of the proposed rule amendment. It is also available for public inspection at 450 N Street, Sacramento, California.

ADDITIONAL COMMENTS

Following the hearing, the State Board of Equalization may, in accordance with law, adopt the proposed rule if the text remains substantially the same as described in the text originally made available to the public. If the State Board of Equalization makes modifications which are substantially related to the originally proposed text, the Board will make the modified text, with the changes clearly indicated, available to the public for fifteen days before adoption of the rule amendment. The text of the modified rule will be mailed to those interested parties who commented on the proposed regulatory action orally or in writing or who asked to be informed of such changes. The modified rule will be available to the public from Ms. Olson. The State Board of Equalization will consider written comments on the modified rule for fifteen days after the date on which the modified rule is made available to the public.

TITLE 18. BOARD OF EQUALIZATION

NOTICE IS HEREBY GIVEN

The State Board of Equalization, pursuant to the authority vested in it by section 15606(a) of the Government Code, proposes to amend Regulation 1616, Federal Areas, in Title 18, Division 2, Chapter 4, of the California Code of Regulations, relating to sales and use tax. A public hearing on the proposed regulation will be held in Room 121, 450 N Street, Sacramento, at 1:30 p.m., or as soon thereafter as the matter may be heard, on March 27, 2002. At the hearing, any person interested may present statements or arguments orally or in writing relevant to the proposed regulatory action. The Board will consider written statements or arguments if received by March 27, 2002.

INFORMATIVE DIGEST/POLICY STATEMENT OVERVIEW

Current law, Revenue and Taxation Code section 6352, provides that the state may not levy a tax when it is prohibited by the federal constitution. Regulation

1616 currently provides, in part, that sales by Indians to non-Indians on the reservation are subject to use tax which the Indian retailer must collect.

Regulation 1616, Federal Areas, is proposed to be amended to interpret, implement and make specific Revenue and Taxation Code section 6352. Amendments are proposed to provide that to the extent the gross receipts from the sale or consumption of tangible personal property by non-Indians on reservations have reservation-based value, they are not included in the gross receipts subject to tax.

COST TO LOCAL AGENCIES AND SCHOOL DISTRICTS

The State Board of Equalization has determined that proposed Regulation 1616 does not impose a mandate on local agencies or school districts. Further, the Board has determined that the proposed regulation will not result in direct or indirect cost or savings to any State agency, any costs to local agencies or school districts that are required to be reimbursed under Part 7 (commencing with Section 17500) of Division 4 of Title 2 of the Government Code, or other non-discretionary costs or savings imposed on local agencies, or cost or savings in federal funding to the State of California.

EFFECT ON BUSINESS

Pursuant to Government Code section 11346.5 (a)(8), the Board of Equalization makes an initial determination that the adoption of amendments to Regulation 1616 will not have a significant statewide adverse economic impact directly affecting business.

The adoption of the proposed regulation will neither create nor eliminate jobs in the State of California nor result in the elimination of existing businesses nor create or expand business in the State of California.

The regulation as proposed will not be detrimental to California businesses in competing with businesses in other states.

The proposed regulation may affect small business.

COST IMPACT ON PRIVATE PERSONS OR BUSINESSES

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

SIGNIFICANT EFFECT ON HOUSING COSTS No significant effect.

FEDERAL REGULATIONS

Proposed Regulation 1616 has no comparable Federal regulations.

AUTHORITY

Section 7051 Revenue and Taxation Code.

REFERENCE

Sections 6352 Revenue and Taxation Code.

CONTACT

Questions regarding the substance of the proposed regulation should be directed to Mr. David Rosenthal, Regulations Coordinator, telephone (916) 324-2195, fax (916) 323-3387, email Dave.Rosenthal@boe.ca.gov or by mail to the State Board of Equalization, Attn: David Rosenthal, MIC:50, P.O. Box 942879, 450 N Street, Sacramento, CA 94279-0082.

The Board will consider comments on the regulation if received by March 27, 2002. Written comments for the Board's consideration, notice of intent to present testimony or witnesses, and inquiries concerning the proposed administrative action should be directed to Ms. Diane Olson, Regulations Coordinator, telephone (916) 322-9569, fax (916) 324-3984, email Diane.Olson@boe.ca.gov or to Ms. Lydia Moreno, Business Taxes Analyst, telephone (916) 322-1931, email Lydia.Moreno@boe.ca.gov or by mail to the State Board of Equalization, Attn: Diane Olson or Lydia Moreno, MIC:80, P.O. Box 942879, Sacramento, CA 94279-0080.

ALTERNATIVES CONSIDERED

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

AVAILABILITY OF INITIAL STATEMENT OF REASONS AND TEXT OF PROPOSED REGULATION

The Board has prepared an initial statement of reasons and an underscored version (express terms) of the proposed rule amendment. Those documents and all information on which the proposal is based are available to the public upon request. The rulemaking file is available for public inspection at 450 N Street, Sacramento, California. Requests for copies should be addressed to Ms. Diane Olson, Regulations Coordinator, (916) 322-9569, at P. O. Box 942879, 450 N Street, MIC:80, Sacramento, CA 94279-0080. The express terms of the proposed regulation amendment is available on the Internet at the Board's website http://www.boe.ca.gov.

AVAILABILITY OF FINAL STATEMENT OF REASONS

The final statement of reasons will be made available on the Internet at the Board's web site following its public hearing of the proposed rule amendment. It is also available for public inspection at 450 N Street, Sacramento, California.

ADDITIONAL COMMENTS

Following the hearing, the State Board of Equalization may, in accordance with law, adopt the proposed rule if the text remains substantially the same as described in the text originally made available to the public. If the State Board of Equalization makes modifications which are substantially related to the originally proposed text, the Board will make the modified text, with the changes clearly indicated, available to the public for fifteen days before adoption of the rule amendment. The text of the modified rule will be mailed to those interested parties who commented on the proposed regulatory action orally or in writing or who asked to be informed of such changes. The modified rule will be available to the public from Ms. Olson. The State Board of Equalization will consider written comments on the modified rule for fifteen days after the date on which the modified rule is made available to the public.

TITLE 18. BOARD OF EQUALIZATION

NOTICE IS HEREBY GIVEN

The State Board of Equalization, pursuant to the authority vested in it by section 15606(a) of the Government Code, proposes to promulgate Regulation 1533.2, Diesel Fuel Used in Farming Activities or Food Processing, in Title 18, Division 2, Chapter 4, of the California Code of Regulations, relating to sales and use tax. A public hearing on the proposed regulation will be held in Room 121, 450 N Street, Sacramento, at 1:30 p.m., or as soon thereafter as the matter may be heard, on March 27, 2002. At the hearing, any person interested may present statements or arguments orally or in writing relevant to the proposed regulatory action. The Board will consider written statements or arguments if received by March 27, 2002.

INFORMATIVE DIGEST/POLICY STATEMENT OVERVIEW

Regulation 1533.2, Diesel Fuel Used in Farming Activities or Food Processing, is proposed to be promulgated to interpret, implement and make specific Revenue and Taxation Code section 6357.1, granting a partial exemption from tax for sales of diesel fuel used in farming activities or food processing under defined conditions. (AB 426, Stats. 2001, Ch. 156, § 6.)

COST TO LOCAL AGENCIES AND SCHOOL DISTRICTS

The State Board of Equalization has determined that proposed Regulation 1533.2 does not impose a mandate on local agencies or school districts. Further,

the Board has determined that the proposed regulation will not result in direct or indirect cost or savings to any State agency, any costs to local agencies or school districts that are required to be reimbursed under Part 7 (commencing with Section 17500) of Division 4 of Title 2 of the Government Code, or other non-discretionary costs or savings imposed on local agencies, or cost or savings in federal funding to the State of California.

EFFECT ON BUSINESS

Pursuant to Government Code section 11346.5 (a)(8), the Board of Equalization makes an initial determination that the adoption of amendments to Regulation 1533.2 will not have a significant statewide adverse economic impact directly affecting business.

The adoption of the proposed regulation will neither create nor eliminate jobs in the State of California nor result in the elimination of existing businesses nor create or expand business in the State of California.

The regulation as proposed will not be detrimental to California businesses in competing with businesses in other states.

The proposed regulation may affect small business.

COST IMPACT ON PRIVATE PERSONS OR BUSINESSES

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

SIGNIFICANT EFFECT ON HOUSING COSTS No significant effect.

FEDERAL REGULATIONS

Proposed Regulation 1533.2 has no comparable Federal regulations.

AUTHORITY

Section 7051 Revenue and Taxation Code.

REFERENCE

Sections 6357.1 Revenue and Taxation Code.

CONTACT

Questions regarding the substance of the proposed regulation should be directed to Mr. David Rosenthal, Regulations Coordinator, telephone (916) 324-2195, fax (916) 323-3387, email Dave.Rosenthal@boe.ca.gov or by mail to the State Board of Equalization, Attn: David Rosenthal, MIC:50, P.O. Box 942879, 450 N Street, Sacramento, CA 94279-0082.

The Board will consider comments on the regulation if received by March 27, 2002. Written comments for the Board's consideration, notice of intent to

present testimony or witnesses, and inquiries concerning the proposed administrative action should be directed to Ms. Diane Olson, Regulations Coordinator, telephone (916) 322-9569, fax (916) 324-3984, email Diane.Olson@boe.ca.gov or to Ms. Lydia Moreno, Business Taxes Analyst, telephone (916) 322-1931, email Lydia.Moreno@boe.ca.gov or by mail to the State Board of Equalization, Attn: Diane Olson or Lydia Moreno, MIC:80, P.O. Box 942879, Sacramento, CA 94279-0080.

ALTERNATIVES CONSIDERED

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

AVAILABILITY OF INITIAL STATEMENT OF REASONS AND TEXT OF PROPOSED REGULATION

The Board has prepared an initial statement of reasons and an underscored version (express terms) of the proposed rule amendment. Those documents and all information on which the proposal is based are available to the public upon request. The rulemaking file is available for public inspection at 450 N Street, Sacramento, California. Requests for copies should be addressed to Ms. Diane Olson, Regulations Coordinator, (916) 322-9569, at P. O. Box 942879, 450 N Street, MIC:80, Sacramento, CA 94279-0080. The express terms of the proposed regulation amendment is available on the Internet at the Board's website http://www.boe.ca.gov.

AVAILABILITY OF FINAL STATEMENT OF REASONS

The final statement of reasons will be made available on the Internet at the Board's web site following its public hearing of the proposed rule amendment. It is also available for public inspection at 450 N Street, Sacramento, California.

ADDITIONAL COMMENTS

Following the hearing, the State Board of Equalization may, in accordance with law, adopt the proposed rule if the text remains substantially the same as described in the text originally made available to the public. If the State Board of Equalization makes modifications which are substantially related to the originally proposed text, the Board will make the modified text, with the changes clearly indicated, available to the public for fifteen days before adoption of the rule amendment. The text of the modified rule will be mailed to those interested parties who

commented on the proposed regulatory action orally or in writing or who asked to be informed of such changes. The modified rule will be available to the public from Ms. Olson. The State Board of Equalization will consider written comments on the modified rule for fifteen days after the date on which the modified rule is made available to the public.

GENERAL PUBLIC INTEREST

DEPARTMENT OF TOXIC SUBSTANCES CONTROL

CALIFORNIA REGULATORY REGISTER
NOTICE ACTION DESCRIPTION FOR
A SMALL LOAD HAZARDOUS WASTE
TRANSPORTATION VARIANCE ISSUED BY
THE STATEWIDE COMPLIANCE DIVISION,
TRANSPORTATION SECTION,
FOR ALTERNATIVE
TECHNOLOGIES, INCORPORATED.

On January 15, 2002, the Department of Toxic Substances Control (DTSC), granted a regulatory exemption variance to Alternative Technologies, Incorporated, a registered transporter of hazardous waste, to conduct small load transporter operations authorized under Section 66263.46 of Title 22, California Code of Regulations. The variance permits the grantee to transport asbestos waste in amounts no greater than 100 kilograms per load and no greater than 1,000 kilograms per calendar month. In lieu of a manifest, the transporter shall use a shipping paper which contains all the information required pursuant to Title 49, Code of Federal Regulations, Part 172, Subpart C, and Section 66263.46(f), 22 CCR. The hazardous waste shall be transported to authorized facilities only.

CEQA Exemption. The project qualifies for a CEQA exemption under Public Resources Code Section 21080(b)(1), Ministerial Projects. This variance is issued pursuant to Chapter 13, Article 4, Section 66263.40 et seq., (Regulatory Exemptions for Certain Transportation Operations), that allows for five specific types of transportation requirement exemptions. Applicants must meet preset regulatory standards. In applying these standards, DTSC only verifies specific facts regarding eligibility and may not add case-specific conditions.

The variance expires on January 15, 2004. For more information please call Maria Salomon of DTSC's Transportation Section at (916) 255-3624.

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

On January 3, 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 Barbara County's household hazardous waste collection program. Authority for this action is contained in Health and Safety Code section 25143. The variance authorizes Santa Barbara 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(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.

PRECEDENTIAL DECISION INDEX

AGRICULTURAL LABOR RELATIONS BOARD

NOTICE OF AVAILABILITY OF INDEX OF PRECEDENTIAL DECISIONS OF THE AGRICULTURAL LABOR RELATIONS BOARD AND RELATED COURT DECISIONS

PLEASE TAKE NOTICE that the Agricultural Labor Relations Board's Index of Precedential Decisions (Case Digest), which includes supplements through Volume 27 (2001), is available for purchase by contacting:

J. Antonio Barbosa Executive Secretary Agricultural Labor Relations Board 915 Capitol Mall, Third Floor Sacramento, CA 95814 Phone: (916) 653-3741

Fax: (916) 653-8750

e-mail: jbarbosa@alrb.ca.gov

The Case Digest also may be viewed online at www.alrb.ca.gov.

This notice is published pursuant to California Government Code section 11425.60, subdivision (c).

DISAPPROVAL DECISIONS

DECISIONS OF DISAPPROVAL OF REGULATORY ACTIONS

Printed below are the summaries of Office of Administrative Law disapproval decisions. Disapproval decisions are published in full in the California Code of Regulatory Decisions. You may request a copy of a decision by contacting Mike Ibold, Law Librarian at the Office of Administrative Law, 300 Capitol Mall, Suite 1250, Sacramento, California 95814-4339, (916) 323-8906—FAX (916) 323-6826. Please request by OAL file number.

STATE OF CALIFORNIA OFFICE OF ADMINISTRATIVE LAW (Gov. Code, sec. 11349.3) OAL File No. 01-1207-02 S

GORDON R. YOUNG Senior Staff Counsel

For: DAVID B. JUDSON

Deputy Director/Chief Counsel

In re:

AIR RESOURCES BOARD

REGULATORY ACTION: Title 13, California

Code of Regulations

AMEND SECTIONS: 1900, 1960.1(k), 1961, 1962

DECISION SUMMARY

This regulatory action amends the California Zero Emission Vehicle (ZEV) program regulations. The proposed amendments include adjustments to the rate and timing of ZEV and Partial ZEV ("PZEV") sales mandates and adjustments to various credit and allowance mechanisms. Among the amendments made is the phased-in addition of SUV's and minivans (defined as Light-Duty Trucks 2 ("LDT2")), to the volume production calculation used to determine the number of vehicles to which a manufacturer's percentage ZEV mandate is applied beginning in the 2007 model year. On January 23, 2002, the Office of Administrative Law ("OAL") disapproved this regulatory action for incorrect APA procedure and defective or inadequate notice of modification of the proposed regulatory action.

SUMMARY OF REGULATORY ACTIONS

REGULATIONS FILED WITH SECRETARY OF STATE

This Summary of Regulatory Actions lists regulations filed with the Secretary of State on the dates indicated. Copies of the regulations may be obtained by contacting the agency or from the Secretary of State, Archives, 1020 O Street, Sacramento, CA, 95814, (916) 653-7715. Please have the agency name and the date filed (see below) when making a request.

BOARD OF EDUCATION

High School Equivalency Certificate (GED)

This emergency rulemaking action implements changes in High School Equivalency (GED) passing scores.

Title 5

California Code of Regulations

AMEND: 11530, 11531

Filed 01/24/02

Effective 01/24/02

Agency Contact: Pat McGinnis (916) 657-4669

BOARD OF OPTOMETRY

Licensure Examination

This regulatory action adopts the licensure examination developed by the National Board of Examiners in Optometry (NBEO).

Title 16

California Code of Regulations

AMEND: 1531 Filed 01/28/02

Effective 01/28/02

Agency Contact: Jane Flint (916) 323-8722

CALIFORNIA HORSE RACING BOARD

Authorized Medication

This rulemaking expands the list of authorized medications to include clenbuterol at a level not to exceed 5.0 nanograms per milliliter of urine that can be present in an official post race urine test sample.

Title 4

California Code of Regulations

AMEND: 1844

Filed 01/28/02 Effective 01/28/02

Agency Contact:

Jacqueline Wagner

(916) 263-6041

CALIFORNIA REGULATORY NOTICE REGISTER 2002, VOLUME NO. 6-Z

CALIFORNIA SHEEP COMMISSION

Conflict of Interest Code

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

Title 2

California Code of Regulations

ADOPT: 58500 Filed 01/24/02 Effective 02/23/02 Agency Contact: Jill S. England

(916) 448-3826

CALIFORNIA STATE LIBRARY

Conflict of Interest Code

This is an amendment to their Conflict of Interest Code that has been approved by the Fair Political Practices Commission. This amendment is being submitted to OAL for filing with the Secretary of State and printing only.

Title 2

California Code of Regulations

AMEND: 55300 Filed 01/30/02 Effective 03/01/02 Agency Contact: Fritz Walgenbach

(916) 654-0024

CALIFORNIA STATE UNIVERSITY

DVBE Participation Goals for Professional Bond Services

The California State University is amending the captioned sections pursuant to Education Code section 89030.1. Said amendments were filed with the Secretary of State's Office on November 27, 2001 by the California State University.

Title 5

California Code of Regulations

AMEND: 43880, 43881, 43882, 43883, 43884

Filed 01/24/02 Effective 01/24/02 Agency Contact:

Bruce M. Richardson

(562) 951-4500

DEPARTMENT OF FOOD AND AGRICULTURE Revision of Commercial Feed

The regulatory action deals with Commercial Feed.

Title 3

California Code of Regulations

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

Filed 01/30/02

Effective 01/30/02

Agency Contact:

Maryam Khosravifard

(916) 654-0574

DEPARTMENT OF SOCIAL SERVICES

Adult Protective Services Program

The regulatory action deals with the Adult Protective Services Program. (Prior OAL File 01-0807-03S; California Department of Social Services File 0600-15.)

Title MPP

California Code of Regulations

ADOPT: 33-135 AMEND: 33-120, 33-510, 33-805

Filed 01/23/02 Effective 01/23/02 Agency Contact:

Anthony J. Velasquez

(916) 657-2586

DEPARTMENT OF SOCIAL SERVICES

Refugee Cash Assistance/Entrant Cash Assistance (RCA/ECA) Amendments

This emergency rulemaking will allow California counties to operate their Refugee Cash Assistance (RCA) programs in accordance with the California Work Opportunity and Responsibility to Kids (Cal-WORKS) program instead of the obsolete Aid to Families with Dependent Children (AFDC) program.

Title MPP

California Code of Regulations

ADOPT: 69-209, 69-210 AMEND: 69-201, 69-202, 69-203, 69-204, 69-205, 69-206, 69-207, 69-208, 69-211, 69-212, 69-213, 6-214, 69-215, 69-216, 69-217, 69-301 REPEAL: 69-210, 69-221

Filed 01/30/02 Effective 02/01/02 Agency Contact:

DeAnna J. Setzer

(916) 657-2586

DEPARTMENT OF TOXIC SUBSTANCES CONTROL

Schools Hazardous Waste Collection

This action adds a Permit by Rule authorization for off-site K–12 Schools Hazardous Waste Collection, Consolidation, and Accumulation Facilities (SHWCCAF).

Title 22

California Code of Regulations

ADOPT: 67450.40, 67450.41, 67450.42, 67450.43, 67450.44, 67450.45, 67450.46, 67450.47, 67450.48, 67450.49, 67450.50 AMEND: 66262.20, 66270.6

Filed 01/30/02 Effective 01/30/02

Agency Contact: Joan Ferber (916)

(916) 322-6409

EMPLOYMENT DEVELOPMENT DEPARTMENT Retraining Benefits

The Employment Development Department is making an editorial correction by removing an unnecessary reference below the title to "Article 1.5. Retraining Benefits", title 22, California Code of Regulations.

Title 22

California Code of Regulations

REPEAL: Repeal the language "(See Section 3901.1, Retraining Benefits Definitions)" below Article 1.5. Retraining Benefits.

Filed 01/24/02 Effective 01/24/02

Agency Contact: Laura Colozzi (916) 654-7712

FAIR POLITICAL PRACTICES COMMISSION Prop.34—Advertising Disclosure

The Fair Political Practices Commission is adopting sections 18450.3, 18450.4, 18450.5, and amending section 18402, of title 2, California Code of Regulations. These changes were made on an emergency basis and pertain to committee names; committee name identification, advertisement disclosure; contents of disclosure statements, advertisement disclosure; and amended advertising disclosure. The Office of Administrative Law has filed the above regulatory action with the Secretary of State in accordance with the decision of the Third District Court of Appeal in Fair Political Practices Commission v. Office of Administrative Law, et al., 3 Civil CO 10924, dated April 27, 1992.

Title 2

California Code of Regulations

ADOPT: 18450.3, 18450.4, 18450.5 AMEND:

18402

Filed 01/24/02 Effective 02/23/02

Agency Contact: Scott Tocher (916) 322-5660

NEW MOTOR VEHICLE BOARD

Arbitration Certification Program—Fee Collection

The New Motor Vehicle Board is amending the captioned section pertaining to the arbitration certification program fee collection for fiscal year 2001–2002.

Title 13

California Code of Regulations

AMEND: 553.70 Filed 01/30/02 Effective 01/30/02

Agency Contact: Dawn K. Kindel (916) 445-1888

OCCUPATIONAL SAFETY AND HEALTH STANDARDS BOARD

Liquefied Petroleum Gas Systems

This action updates the regulations affecting liquefied petroleum gas storage containers, their repair, and use, relying upon the 1998 National Fire Protection Association LP Gas Code.

Title 8

California Code of Regulations

ADOPT: New Appendix D AMEND: 450, 453, 471,

475, 477, 494 REPEAL: 486, 487

Filed 01/30/02

Effective 03/01/02

Agency Contact: Marley Hart (916) 274-5721

CCR CHANGES FILED WITH THE SECRETARY OF STATE WITHIN SEPTEMBER 26, 2001 TO JANUARY 30, 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 Summary of Regulatory Actions section of the Notice Register published on the first Friday more than nine days after the date filed.

Title 1

01/08/02 AMEND: 1402, 1414, 1437

Title 2

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 ADOPT: 18539, 18550

01/16/02 AMEND: 18232, 18702.1, 18705.5,

18708

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: 45100

12/20/01 AMEND: 2300(b)

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

11/27/01 ADOPT: 599.911, 599.912, 599.913

11/26/01 ADOPT: 18540

11/16/01 ADOPT: 18539.2

11/06/01 ADOPT: 18536 REPEAL: 18536

10/31/01 AMEND: 599.936

CALIFORNIA REGULATORY NOTICE REGISTER 2002, VOLUME NO. 6-Z

<u> </u>	TO RECOLD WORK INCOMOL RECORDING ECO.	_,	10.0 =
10/31/01	AMEND: 599.911, 599.912, 599.913	01/07/02	ADOPT: 2071
	ADOPT: 18542		ADOPT: 2072
	ADOPT: 18543		ADOPT: 2073
	ADOPT: 18404.2		ADOPT: 2082
	ADOPT: 18530.4, 18570		ADOPT: 2083
	AMEND: 599.502, 599.508		ADOPT: 2003 ADOPT: 2074
	ADOPT: 18531.6		ADOPT: 2074 ADOPT: 2075
			ADOPT: 2075 ADOPT: 2079
10/01/01	AMEND: 599.616.1, 599.619, 599.631,		
	599.723.1		ADOPT: 2080
Title 3			ADOPT: 2077
01/30/02	ADOPT: 2681, 2799 AMEND: 2675,		ADOPT: 2070
	2676, 2694, 2695, 2697, 2701, 2734,		REPEAL: 143.4
	2773.1, 2773.5, 2774, 2774.5, 2775,		AMEND: 1979
	2778, 2782, 2783, 2783.5, 2788, 2789,		AMEND: 1969
	2790, 2790.5, 2793, 2794, 2796, 2798,		ADOPT: 12130
	2801, 2802		AMEND: 376, 377
01/14/02	AMEND: 3423(b)	11/19/01	ADOPT: 12100, 12102, 12104, 12106,
01/14/02	AMEND: 3406(b)		12108, 12110, 12120
	AMEND: 576.1	11/19/01	ADOPT: 10300, 10302, 10305, 10310,
	AMEND: 3591.16(a)		10315, 10317, 10320, 10322, 10325,
	AMEND: 2		10326, 10327, 10328, 10330, 10335,
	AMEND: 6650, 6654, 6656		10337 AMEND: 10317(c)
	ADOPT: 950, 951, 952, 953, 954, 955	11/01/01	AMEND: 401, 403
12/20/01	AMEND: 900.1, 901, 927, 930, 931		AMEND: 8070(e)
12/20/01	ADOPT: 7010		ADOPT: 4144
	AMEND: 3700(a),(b),(c)		AMEND: 1433
	AMEND: 3591.2(a)		ADOPT: 7000, 7001, 7002, 7003, 7003.5,
	ADOPT: 1301, 1301.1, 1301.2, 1301.3,	10/07/01	7004, 7005, 7006, 7007, 7008, 7009,
12/03/01			7010, 7011, 7012, 7013, 7013.1, 7013.5,
	1301.4, 1301.5, 1301.6, 1301.7, 1301.8,		7016, 7011, 7012, 7013, 7013.1, 7013.5, 7014, 7015, 7016, and 7017 REPEAL:
10/04/01	1301.9		7000, 7001, 7002, 7003, 7004, 7005,
	AMEND: 3591.12(a)		7006, 7001, 7002, 7003, 7004, 7003, 7006, 7007, 7008, 7009, 7010, 7011,
	AMEND: 3430(b)		7012, 7013, 7014, 7015, 7016
11/28/01	AMEND: 1359, 1392.4, 1436.30 RE-		7012, 7013, 7014, 7013, 7010
	PEAL: 1359.1, 1360, 1361, 1362, 1363	Title 5	
	AMEND: 6252, 6256	01/24/02	AMEND: 43880, 43881, 43882, 43883,
	AMEND: 1380.19		43884
	ADOPT: 480.9 AMEND: 300 (c)(1)		AMEND: 11530, 11531
10/24/01	ADOPT: 1301, 1301.1, 1301.2, 1301.3,	01/08/02	REPEAL: 11820, 11822, 11823, 11827,
	1301.4, 1301.5, 1301.6, 1301.7, 1301.8,		11828, 11829, 11831, 11832, 11833,
	1301.9		11834
10/19/01	ADOPT: 2302 AMEND: 2303	01/08/02	AMEND: 1031, 1032, 1033, 1034, 1035,
10/15/01	AMEND: 6450.2, 6450.3		1036, 1037, 1038, 1039
10/15/01	AMEND: 3591.16	01/07/02	AMEND: 42713
10/11/01	ADOPT: 6625 AMEND: 6624	01/07/02	AMEND: 73000, 73010, 73100, 73110,
	AMEND: 3423(b)	01/0//02	73120,73130, 73140, 73150, 73160,
	ADOPT: 3700		73165, 73170, 73180, 73190, 73200,
Title 4			73210, 73230, 73240, 73260, 73270,
	AMEND: 1844		73280, 73290, 73300, 73310, 73320,
	ADOPT: 2081		7330, 73340, 73350, 73360, 73380,
			73390, 73400, 73410, 73420, 73430,
01/11/02	ADOPT: 4160, 4161, 4162, 4263, 4164, 4165, 4166, 4167, 4168, 4160, 4170		73440
	4165, 4166, 4167, 4168, 4169, 4170,	12/27/01	
	4171 REPEAL: 4160, 4161, 4162, 4164,	12/2//01	ADOPT: 31000, 31001, 31003, 31004, 31005, 31006, 31007
	4167, 4168, 4169, 4170, 4171, 4172,	10/06/01	31005, 31006, 31007
01/10/02	4173, 4174, 4175		AMEND: 80487
	ADOPT: 2078	12/21/01	ADOPT: 31000, 31001, 31002, 31003,
01/07/02	ADOPT: 2076		31004, 31005, 31006, 31007

```
12/21/01 ADOPT: 1215, 1216, 1217, 1217.5, 1218,
                                                     01/15/02 ADOPT: 17201, 17202, 17203, 17204,
                                                               17205, 17206, 17207, 17208, 17209,
          1219, 1219,5
                                                              17210, 17211, 17212, 17220, 17221,
  12/18/01 AMEND: 30950, 30951, 30951.1, 30952,
          30953, 30954, 30955, 30956, 30957,
                                                              17222, 17223, 17224, 17225, 17226,
                                                              17227, 17228, 17229, 17230, 17231, 17232, 17234, '17235, 17236, 17237,
          30958, 30959
  12/12/01 AMEND: 80225
                                                              17240, 17241, 17242, 17243, 17244,
  12/05/01 ADOPT: 20430, 20432, 20434, 20436,
                                                              17245
          20438, 20440, 20442, 20444
  12/03/01 AMEND: 55316.5, 55317, 28003.1,
                                                     01/15/02 ADOPT: 14300.1, 14300.2, 14300.03,
                                                              14300.04, 14300.05, 14300.06, 14300.07,
          58009
                                                              14300.08, 14300.09, 14300.10, 14300.11,
  11/28/01 AMEND: 43810
                                                               14300.12, 14300.13, 14300.14, 14300.15,
  11/27/01 AMEND: 42933
                                                              14300.16, 14300.17, 14300.18, 14300.19,
  11/26/01 AMEND: 22000
                                                              14300.20, 14300.21, 14300.22, 14300.23,
  11/19/01 AMEND: 80026, 80027
                                                              14300.24, 14300.25
  11/15/01 AMEND: 1032 (i)
                                                     01/04/02 ADOPT: 11170 AMEND: 11160
  11/06/01 AMEND: 18302
                                                     01/03/02 AMEND: 3472, 4884, 4885, 4886, 4907,
  11/05/01 REPEAL: 18140, 18141, 18142, 18143,
                                                              4924, 4965, 4966, 4968
          18144, 18145, 18146, 18147, 18148,
          18149, 18150, 18151, 18152, 18153,
                                                      12/31/01 AMEND: 9792.1
          18154, 18155, 18156, 18157, 18158,
                                                      12/26/01 AMEND: 1532.1
          18159, 18160, 18161, 18162, 18163,
                                                      12/24/01 AMEND: 31100
          18164, 18165, 18166, 18167, 18168,
                                                      12/04/01 ADOPT: 32015, 32016, 32325, 32603,
          18169, 18170, 18171, 18172, 18173,
                                                              32604, 6000, 60010, 60020, 60030,
          18174
                                                              60035, 60040, 60050, 60070, 61000,
  10/26/01 ADOPT: 18400, 18405, 18406, 18407,
                                                              61005, 61010, 61020, 61030, 61040,
          18408, 18409, 18409.5, 18410, 18411,
                                                              61050, 61055, 61060, 61065, 61070,
          18412, 18413, 18414, 18415, 18416,
                                                              61072, 61075, 61080, 61090, 61100,
          18417, 18418, 18419, 18420, 18421,
                                                              61105, 61110, 61115, 61120, 61125.
          18422, 18423, 18424, 18425, 18426,
                                                              61130
          18427, 18428, 18429, 18430, 18431,
                                                      11/29/01 AMEND: 5031(c)(3)
          18432, 18433, 18434
                                                      11/19/01 AMEND: 341.15
  10/22/01 AMEND: 74000, 74002, 74004, 74006,
                                                      11/08/01 AMEND: 3340(c) and (d)
          74008, 74010, 74014, 74016, 74018,
          74020, 74030, 74040, 74050, 74100, 74120, 74130, 74140, 74150, 74160,
                                                      11/02/01 AMEND: 15212
                                                      10/30/01 ADOPT: 344.5, 344.6, 344.7, 344.8,
          74170, 74180, 74190, 74200, 74300,
                                                              344.9, 344.10, 344.11, 344.12, 344.13,
          74310, 74320, 75000, 75020, 75030,
                                                              344.14, 344.15, 344.16, 344.17 AMEND:
          75040, 75100, 75110, 75120, 75130
                                                              Re-number 344.10 to 344.18
  10/16/01 AMEND: 53309, 53310
                                                      10/29/01 AMEND: 65
  10/10/01 AMEND: 59020, 59022, 59023
                                                      10/24/01 AMEND: 6249, 6251, 6260, 6262, 6270,
  10/04/01 ADOPT: 11510, 11511, 11511.5, 11512,
                                                              6272, 6281, 6282, 6283, 6290, 6295,
          11512.5, 11513, 11513.5, 11514, 11516,
                                                              6328, 6329, Appendix A
          11516.5, 11517
                                                      10/23/01 AMEND: 1698(e)(1)(2)
  10/04/01 ADOPT: 40701 AMEND: 40700
                                                     09/27/01 AMEND: 3469
Title 7
                                                     09/26/01 AMEND: 2943
  12/11/01 ADOPT: 236
                                                    Title 9
  11/27/01 ADOPT: 212.5
                                                     01/17/02 ADOPT: 9533 AMEND: 9500, 9505,
Title 8
                                                              9510, 9515, 9517, 9520, 9525, 9530,
  01/30/02 ADOPT: New Appendix D AMEND:
                                                              9532, 9535, 9540, 9545
          450, 453, 471, 475, 477, 494 REPEAL:
                                                      12/12/01 ADOPT: 9500, 9505, 9510, 9515, 9517,
          486, 487
                                                              9520, 9525, 9530, 9532, 9533, 9535,
  01/17/02 AMEND: 5155
                                                              9540, 9545
  01/17/02 ADOPT: 206, 207 AMEND: 201, 205,
          208, 212, 212.01, 212.2, 212.3, 212.4,
                                                     12/10/01 AMEND: 7050, 7051, 7053, 7054, 7056,
```

7057

228, 229, 230, 231, 230.1, 230.2, 234.2

CALIFORNIA REGULATORY NOTICE REGISTER 2002, VOLUME NO. 6-Z

Title 10		12/21/01	ADOPT: 749.1
	AMEND: 2318.6, 2353.1		AMEND: 2.00
	AMEND: 2248.31, 2248.32, 2248.35,		ADOPT: 180.4
01/07/02	2248.40, 2248.41, 2248.42, and 2248.47		AMEND: 120
01/08/02	AMEND: 5460, 5461, 5462, 5463, 5464,		AMEND: 670.5
01/00/02	5465		ADOPT: 17367, 17368, 17369, 17370.1,
12/31/01	ADOPT: 1729, 1741.5, 1950.302	12,11,01	17370.2, 18225
12,01,01	AMEND: 1741.5	11/29/01	ADOPT: 1057, 1057.1, 1057.2, 1057.3,
12/31/01	ADOPT: 2695.30		1057.4, 1057.5, 1058, 1058.1, 1058.2,
	ADOPT: 2278, 2278.1, 2278.2, 2278.3,		1058.3, 1058.4, 1058.5
	2278.4, 2278.5	11/20/01	AMEND: 895.1, 898, 898.2, 914.8
12/26/01	AMEND: 2698.70, 2698.71		[934.8, 954.8], 916 [936, 956], 916.2
	AMEND: 4081, 4081.5		[936.2, 956.2], 916.9 [936.9, 956.9],
	AMEND: 2699.6619, 2699.6629		916.11 [936.11, 956.11], 916.12 [936.12,
10/12/01	AMEND: 2698.61, 2698.62, 2698.65,		956.12], 923.3 [943.3, 963.3], 923.9
	2698.66, 26987.67		[943.9, 963.9]
	ADOPT: 2695.30		AMEND: 1038, 1104.1
10/02/01	AMEND: 2248.30, 2248.31,2248.32,		AMEND: 150.16
	2248.33, 2248.34, 2248.39, 2248.40,		AMEND: 1037.5
	2248.41, 2248.42, 2248.43, 2248.45, 2248.47 REPEAL: 2248.48	11/01/01	ADOPT: 17211, 17211.1, 17211.2, 17211.3, 17211.4, 17211.5, 17211.6,
FT1.1 44	2240.47 REPEAL: 2240.40		17211.3, 17211.4, 17211.3, 17211.0, 17211.7, 17211.8, 17211.9
Title 11	ANTENID 1005	10/31/01	AMEND: 300(a)
	AMEND: 1005		AMEND: 163, 163.5, 164
	AMEND: 1081		ADOPT: 1059
	AMEND: 3000, 3001, 3003, 3007		AMEND: 165, 165.5
	AMEND: 1005		AMEND: 550, 551, 552
10/29/01	ADOPT: 410, 411, 415, 416, 417, 418, 419, 420, 421, 422, 423, 424, 425, 426	10/17/01	AMEND: 27.82, 28.54, 28.55
10/17/01	AMEND: 1005, 1018	10/04/01	ADOPT: 6595
	ADOPT: 977.10,977.15, 977.20, 977.30,		AMEND: 14111
09/20/01	977.30, 977.31, 977.32, 977.33, 977.34,		AMEND: 502, 507(c) and 507.1
	977.35, 977.36, 977.40, 977.41, 977.42,		AMEND: 11900
	977.43, 977.44, 977.45, 977.46, 977.47,	Title 15	
	977.48, 977.49, 977.50, 977.51, 977.55,	01/09/02	ADOPT: 4742, 4743, 4744, 4745, 4746,
	977.60, 977.70, 977.71, 977.80, 977.85,		4747 AMEND: 4730, 4732, 4733, 4734,
	977.90	01/00/02	4735, 4736, 4737, 4739, 4740
Title 13			REPEAL: 3074
	AMEND: 553.70		ADOPT: 4746.5 AMEND: 6045.2(e)(2)(G)
	AMEND: 599		ADOPT: 2646.1 AMEND: 2646
01/10/02	AMEND: 50.45 REPEAL: 50.40		AMEND: 3375.2, 3378
10/30/01	AMEND: 553		AMEND: 3341.5
10/24/01	AMEND: 1200, 1201, 1213.2		AMEND: 4720.1
10/17/01	AMEND: 20.04	Title 16	
Title 14			AMEND: 1531
01/16/02	AMEND: 17943(b)(26)		AMEND: 1391.7
01/10/02	ADOPT: 2.10, 5.60, 28.59 AMEND:		ADOPT: 980.1 AMEND: 974
	1.24, 2.06, 4.00, 4.15, 5.00, 5.05, 5.15,	01/14/02	ADOPT: 1711
	5.20, 5.35, 5.40, 5.75, 7.00, 7.50, 8.00,	12/19/01	AMEND: 1388, 1388.6, 1389, 1392,
	27.60, 27.65, 27.82, 28.27, 28.54, 28.55,		1397.63 REPEAL: 1388.5
	29.15, 40 REPEAL: 2.01, 2.02, 2.03,		AMEND: 1397.61, 1397.64, 1397.65
	2.04, 2.07, 2.10, 2.13, 2.14, 5.70, 41,		AMEND: 1088
04/00/05	41.5, 42, 42.5	12/17/01	ADOPT: 2412 AMEND: 2418 REPEAL:
01/09/02	ADOPT: 14021, 14022, 14023, 14024,	12/07/01	2411 (a)(1)(A)
	14025, 14026, 14027, 14028, 14029,		ADOPT: 386
	14030, 14031, 14032	12/04/01	AMEND: 1887.3

```
11/28/01 ADOPT: 872, 872.1
                                                     11/01/01 AMEND: 1598
  11/27/01 AMEND: 3340.16.5
                                                     11/01/01 AMEND: 1617
  11/20/01 ADOPT: 2450
                                                     10/12/01 ADOPT: 18567
  10/31/01 ADOPT: 890
                                                   Title 19
  10/23/01 ADOPT: 1999.5 AMEND: 1970, 1970.6
                                                     12/28/01 ADOPT: 981.3 AMEND: 981.3
  10/19/01 ADOPT: 1357.1, 1357.2, 1357.3, 1357.4,
                                                     12/27/01 ADOPT: 565.1, 567.1, 567.2, 567.3,
          1357.5, 1357.6
                                                              567.4, 567.5, 567.6, 567.7, 567.8, 573,
  10/18/01 AMEND: 2420
                                                              575 AMEND: 550, 550.2, 557.1, 557.3,
  10/16/01 AMEND: 1391.12(b)
                                                              557.4, 557.5, 557.6, 557.8, 557.9, 557.12,
  10/16/01 AMEND: 1870
                                                              557.13, 557.14, 557.16, 557.18, 557.19,
  10/15/01 ADOPT: 1024.1, 1024.3, 1024.4, 1024.5,
                                                              557.20, 557.21, 557.22, 557.23, 560,
          1024.6, 1024.7, 1024.8, 1024.9, 1024.10,
                                                              560.1, 560.2, 560.3
          1024.11, 1024.12 AMEND: 1000 RE-
                                                   Title 20
          PEAL: 1024.1
                                                     01/16/02 AMEND: 201
  10/03/01 AMEND: 1760
                                                   Title 21
  09/27/01 AMEND: 1399.157 (b)
                                                     12/04/01 AMEND: 7000
Title 17
                                                   Title 22
  12/28/01 AMEND: 6508
                                                     01/30/02 ADOPT: 67450.40, 67450.41, 67450.42,
  11/19/01 AMEND: 57310, 57332, 57530
                                                              67450.43, 67450.44, 67450.45, 67450.46,
  11/19/01 ADOPT: 37000, 37020, 37025, 37100
                                                              67450.47, 67450.48, 67450.49, 67450.50
  11/14/01 ADOPT: 33001, 33002, 33003, 33004,
                                                              AMEND: 66262.20, 66270.6
          3005, 33006, 33007, 33008, 33009,
                                                     01/24/02 REPEAL: Repeal the language "(See
          33010, 33011, 33012, 33013, 330014,
                                                              Section 3901.1. Retraining Benefits Defi-
          33015, 33025 AMEND: 33020, 33030,
                                                              nitions)" below Article 1.5. Retraining
          33040 REPEAL: 33001, 33010
                                                              Benefits
  11/07/01 AMEND: 60201
                                                     01/17/02 ADOPT: 84400, 84401, 84422, 84461,
  11/05/01 ADOPT: 2638 AMEND: 2500, 2502,
                                                              84465, 84468.1, 84468.2, 84468.4, 84478
          2505, 2551, 2552, 2553, 2596, 2614,
                                                              REPEAL: 84001, 84022, 84061, 84063,
          2626
                                                              84065, 84300, 84322, 84322.1, 84322.2,
  10/29/01 ADOPT: 30400.5, 30400.60, 30403.5,
                                                              84361, 84365, 84365.5, 84368.3, 84369
          30403.8, 30406
                                                     01/08/02 ADOPT: 7630, 7632, 7632.1, 7632.3,
  10/29/01 ADOPT: 30437 AMEND: 30424, 30425,
                                                              7632.5, 7634, 7634.1, 7634.3, 7634.5,
          30427, 30427.2, 30436, 30447
                                                              7636, 7636.1, 7636.3, 7636.5, 7637.7,
  10/25/01 ADOPT: 54327.2 AMEND: 54302,
                                                              7636.9, 7638, 7638.1, 7638.3, 7638.5,
          54327, 54327.1, 56002, 56093, 58651
                                                              7638.7, 7638.9, 7638.11, 7638.13
  10/15/01 AMEND: 30225, 30253, 30350
                                                     12/31/01 AMEND: 66260.10, 66262.12, 66263.40,
  10/11/01 AMEND: 56033
                                                              66268.7 REPEAL: 66263.42
Title 18
                                                     12/19/01 AMEND: 5151 (c), 5151 (e), 51518 (b),
  01/16/02 ADOPT: 4063.5, 4098 AMEND: 4018,
                                                              51521 (i), 51527 (b)
          4021, 4022, 4023, 4026, 4027, 4034,
                                                     12/18/01 ADOPT:
                                                                        11000,
                                                                                 110042,
                                                                                           110046,
          4047, 4055, 4056, 4057, 4058, 4059,
                                                              110088,
                                                                        110099,
                                                                                 110129,
                                                                                           110135,
          4060, 4062, 4063, 4064, 4065, 4080,
                                                              110147,
                                                                        110148,
                                                                                  110150,
                                                                                           110164,
          4081, 4091, 4092 REPEAL: 4028, 4067,
                                                              110182,
                                                                        110184,
                                                                                  110186,
                                                                                           110194,
          4079, 4082
                                                              110200.
                                                                        110220,
                                                                                  110224,
                                                                                           110230.
  01/10/02 ADOPT: 29
                                                              110252,
                                                                        110261,
                                                                                  110289,
                                                                                           110341,
  01/08/02 AMEND: 1620
                                                                       110431,
                                                              110410,
                                                                                 110436,
                                                                                           110445,
  01/07/02 AMEND: 122.5
                                                              110456, 110474, 110478, 110479
  12/24/01 ADOPT: 17951-6 AMEND: 17951-4
                                                     11/30/01 ADOPT: 66273.6, 66273.80-66273.90
  12/24/01 AMEND: 17000.30
                                                              AMEND: 66261.9, 66273.1, 66273.8,
  12/17/01 AMEND: 1642
                                                              66273.9
  12/14/01 ADOPT: 138
                                                     11/13/01 ADOPT: 64860
  12/06/01 AMEND: 1660
                                                     11/08/01 ADOPT: 67900.1, 67900.2, 67900.3,
  12/04/01 AMEND: 1661
                                                              67900.4, 67900.5, 67900.6, 67900.7,
  11/20/01 AMEND: 19513
                                                              67900.8, 67900.9, 67900.10, 67900.11,
  11/08/01 ADOPT: 206
                                                              67900.12
```

11/08/01 ADOPT: 66250, 66250.1, 66250.2 11/06/01 AMEND: 66264.140, 66264.143, 66264.145, 66264.147, 66265.140, 66265.143, 66265.145, 66265.147 11/06/01 AMEND: 4408, 4409, 4414 11/02/01 ADOPT: 100901, 100902, 100903, 100904, 100904.5 AMEND: 100900 11/02/01 ADOPT: 66261.9, 66273.1, 66273.2, 66273.3, 66273. 4, 66273.5, 66273.6, 66273.7, 66273.8, 66273.9, 66273.10, 66273.11, 66273.12, 66273.13, 66273.14, 66273.15, 66273.16, 66273.17, 66273.18, 66273.19, 66273.20, 66273.30, 66273.31, 66273.32, 66273.33 10/24/01 AMEND: 12000 10/02/01 ADOPT: 68300, 68301, 68302, 68303, 68304, 68305, 68306, 68307, 68308, 68309 Title 22, MPP 11/08/01 AMEND: 84110, 85002, 87102 10/25/01 ADOPT: 85081, 87593 AMEND: 85001, 87101 Title 23 01/03/02 AMEND: 3904 12/28/01 AMEND: 451.1, 451.4, 451.5 11/27/01 AMEND: 3952 10/09/01 AMEND: 3988 Title 25 01/08/02 ADOPT: 7300, 7301, 7302, 7303, 7304, 7305, 7306, 7307, 7308, 7309, 7310, 7311, 7312, 7313, 7314, 7315, 7316, 7317, 7318, 7319, 7320, 7321, 7322, 7323, 7224, 7325, 7326, 7327, 7328, 7329, 7330, 7331, 7332, 7333, 7334, 7335, 7336 01/03/02 ADOPT: 1302, 1316, 1317, 1318, 1319 AMEND: 1300, 1304, 1306, 1310 12/19/01 AMEND: 8202, 8203, 8212, 8212.1 Title 27 10/24/01 AMEND: 15240 12/27/01 ADOPT: 1300.41.8 12/12/01 ADOPT: 1000 Title MPP 01/30/02 ADOPT: 69-209, 69-210 AMEND: 69-201, 69-202, 69-203, 69-204, 69-205, 69-206, 69-207, 69-208, 69-211, 69-212, 69-213, 6-214, 69-215, 69-216, 69-217, 69-301 REPEAL: 69-210, 69-221 01/23/02 ADOPT: 33-135 AMEND: 33-120, 33-510, 33-805 01/14/02 ADOPT: 63-016 AMEND: 63-102, 63-300, 63-504, 63-801, 63-802, 63-804

12/11/01 AMEND: 44-314, 82-518

11/29/01 ADOPT: 44-302 AMEND: 25-301, 25-302, 25-303, 25-304, 25-305, 25-306, 25-310.3, 25-330.9, 25-506, 44-304, 44-305, 44-325, 44-327, 80-310

10/15/01 AMEND: 44-211.63, 44-211.64

10/10/01 AMEND: 42-205, 43-119, 44-133

10/01/01 AMEND: 63-102, 63-300, 63-301, 63-402, 63-405, 63-501, 63-502, 63-503, 63-504, 63-507

REQUESTS FOR REGULATORY DETERMINATION

OFFICE OF EMERGENCY SERVICES

NOTICE OF REQUEST FOR REGULATORY DETERMINATION (GOVERNMENT CODE SECTION 11340.5)

Pursuant to title 1, California Code of Regulations ("CCR"), section 124(a), a summary of the following request for determination, having complied with the requirements of title 1, CCR, section 122, is being published today (the publication date of this issue of the Notice Register) by the Office of Administrative Law ("OAL"):

SUMMARY OF REQUEST FOR DETERMINATION AND THE CHALLENGED STATE AGENCY RULE—OAL FILE NO. 01-001

This request was filed by Malissa Hathaway McKeith, Loeb & Loeb LLP, 1000 Wilshire Blvd., Suite 1800, Los Angeles, CA 90017-2475. The state agency whose rule is being challenged is the Office of Emergency Services ("OES").

The challenged state agency rule: The requester has asked OAL to issue a determination concerning whether the OES document entitled "Sequence of Steps in Inundation Map Preparation" meets the definition of "regulation" under Government Code section 11342.600, which must be adopted pursuant to the rulemaking requirements of the Administrative Procedure Act. This document relates to the preparation of inundation maps showing the areas of potential flooding in the event of a dam failure.

PUBLIC COMMENTS INVITED—PLEASE REFER TO OAL FILE NO. 01-001

Any person may submit a written comment concerning the challenged state agency rule to OAL within 30 days after the date of publication of this notice. Written comments received by OAL within the 30-day period that comply with the requirements of CCR, title 1, section 124 shall be considered by OAL in making a determination of whether the challenged

rule is a "regulation" (as defined in Government Code section 11342.600), which must be adopted pursuant to the Administrative Procedure Act.

Comments must be received by OAL no later than 5 p.m. on March 11, 2002.

Submit written comments to: Office of Administrative Law, Regulatory Determinations Program, 300 Capitol Mall, Suite 1250, Sacramento, CA 95814-4339. Comments may also be submitted to OAL by use of telecopier, FAX: (916) 323-6826, or by electronic mail addressed to "staff@oal.ca.gov".

Any person who submits a written comment to OAL pursuant to CCR, title 1, section 124, shall declare in writing, under penalty of perjury in accordance with Code of Civil Procedure section 2015.5, that all information submitted is true and correct and that any documents submitted with the comment are to the best of his or her knowledge true and correct copies of the originals.

Any person who submits a written comment to OAL pursuant to CCR, title 1, section 124, shall transmit a copy of the written comment, including any attachments, to the requester and to the head of the state agency whose rule is the subject of the request for determination. A copy of a signed and dated statement under penalty of perjury in accordance with Code of Civil Procedure section 2015.5 describing how and when the person transmitted a copy of the written comment and attachments to the requester and to the head of the state agency shall be submitted to OAL

with the written comment. In connection with this request for determination, the written comment and attachments must be transmitted to the following:

Malissa Hathaway McKeith Loeb & Loeb LLP 1000 Wilshire Blvd., Suite 1800 Los Angeles, CA 90017-2475

Dallas Jones, Director Office of Emergency Services P. O. Box 419047 Rancho Cordova, CA 95741-9047

David Zocchetti, Staff Counsel Office of Emergency Services

P. O. Box 419047

Rancho Cordova, CA 95741-9047

The request for determination may be viewed in its entirety at OAL. Also, copies of the request may be obtained by contacting Melvin Fong, Office of Administrative Law, 300 Capitol Mall, Suite 1250, Sacramento, CA 95814-4339, (916) 324-7952, CALNET 8-454-7952; e-mail address "mfong@oal.ca.gov".

IMPORTANT DEADLINES

Summary of Request for Determination Published: February 8, 2002

30-Day Deadline to Receive Written Public Comments: March 11, 2002

45-Day Deadline to Receive Written Agency Response: March 25, 2002

75-Day Deadline for OAL Decision: April 24, 2002



