# TITLE 16. STRUCTURAL PEST CONTROL BOARD DEPARTMENT OF CONSUMER AFFAIRS

### **INITIAL STATEMENT OF REASONS**

**Hearing Date:** No hearing is scheduled for the proposed regulation.

**Subject Matter of the Proposed Regulation:** Fees

<u>Sections Affected:</u> California Code of Regulations (CCR), Title 16, sections 1936, 1936.2, 1948, and 1997. <sup>1</sup>

**Background and Statement of Problem:** The Structural Pest Control Board (Board) licenses, regulates, and investigates complaints against three license categories in California: structural fumigation, general pest control, and wood-destroying pests and organisms (WDO). The license types include applicator, field representative, and operator. The Board enforces the Structural Pest Control Act (Chapter 14 (commencing with section 8500) of Division 3 of the Business and Professions Code (BPC)) (Act) and is authorized through BPC section 8525 to establish necessary rules and regulations for the enforcement of the Act and the laws subject to its jurisdiction.

BPC section 8674 outlines the maximum fees for exams, licensure, renewals and WDO Activity Reporting per property address. The Board is seeking to increase fees for examinations, initial licensure, renewal licensure, and WDO Activity Reporting to address a structural imbalance and ensure the Board can fulfill its consumer protection mandate.

Field representative and operator licensing fees have not increased since 1990, and the applicator license fee has remained unchanged since its establishment in 2007. Examination fees for all three license types have also remained static since 2015.

In comparison to other states, the Board's license and renewal fees are strikingly low, which creates challenges in maintaining the same level of service, enforcement, and public protection expected in a state of California's size and complexity. For example, while the Board's fee for an applicator license equates to \$3.33 per year, states like New York and Texas charge up to \$150 annually for similar licenses. This discrepancy, when adjusted for the relative size and cost of operating in California, highlights the urgent need to modernize the Board's fee structure to ensure the Board can continue to fulfill

<sup>&</sup>lt;sup>1</sup> All CCR references are to Title 16 unless otherwise noted.

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its regulatory responsibilities effectively. Table #1 below compares the Board's current initial license and renewal license fees with those in other states, demonstrating the vast discrepancy:

**Table #1: Comparison of Fees: California vs. Other States** 

State	License & Renewal Fee	Renewal Cycle	Cost Per Year	
<b>Comparable to an Applica</b>	tor License			
California	<i>\$10</i>	3 years	<i>\$3.33</i>	
Texas	\$125	1 year	\$125	
New York	\$450	3 years	\$150	
Massachusetts	\$100	1 year	\$100	
Florida	\$10	1 year	\$10	
Virginia	\$50	2 years	\$25	
Massachusetts	\$100	1 year	\$100	
Comparable to a Field Representative License				
California	<i>\$30</i>	3 years	<i>\$10</i>	
Texas	\$125	1 year	\$125	
New York	\$450	3 years	\$150	
Massachusetts	\$150	1 year	\$150	
Florida	\$150	1 year	\$150	
Virginia	\$150	2 years	\$75	
Massachusetts	\$150	1 year	\$175	
<b>Comparable to an Operat</b>	or License			
California	<i>\$120</i>	3 years	<i>\$40</i>	
Texas	\$125	1 year	\$125	
New York	\$450	3 years	\$150	
Massachusetts	\$150	1 year	\$150	
Florida	\$150	1 year	\$150	
Virginia	\$150	2 years	\$75	
Massachusetts	\$150	1 year	\$175	

Boards and bureaus within the Department of Consumer Affairs (DCA) typically maintain a reserve fund balance of approximately six months to be able to respond to unanticipated revenue fluctuations and costs, litigation expenses, and increases in enforcement costs.

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The Board operates as a special fund entity, funded primarily by WDO Activity Reporting, examination, licensing, and renewal fees, and disciplinary assessments. Historically, the Board maintained a healthy fund reserve. However, rising operational costs – including licensing and enforcement expenses – combined with lower than projected revenues, have led to a structural imbalance, where revenues are no longer sufficient to cover expenditures.

The Board relies heavily on WDO Activity Reporting fees, which account for approximately 80% of its total revenue. However, the Board faces potential insolvency by fiscal year (FY) 2025/26 due to the significant decline in receipt of these fees. This decline may be linked to the downturn in the housing market. Additionally, the Board is experiencing rising costs from an ongoing information technology (IT) upgrade, increased Attorney General and Office of Administrative Hearings rates, operational costs, and recent pay increases from bargaining unit agreements.

The proposed increase in the WDO Activity Reporting fee from \$4 per property address reported to \$5 per property address reported is projected to produce an annual revenue increase of approximately \$1.1M. This action will provide an influx of cash and increase the Board's revenue to go towards covering expenditures and rebuilding its reserve fund balance.

This fee increase proposal is crucial to ensuring the Board has sufficient resources to maintain its priority of consumer protection and to recover costs associated with administering and enforcing pest control industry regulations in California. The structural imbalance was identified in November 2023, the Board immediately conducted a workload analysis, and approved staff to move forward with a regulatory proposal to increase fees at its August 26, 2024, meeting.

Currently, the application requirements for initial applicator, operator, and field representative licenses are outlined CCR sections 1936 and 1936.2. The Board proposes amending these regulations to include requirements and procedures related to initial licensure application fee waiver and expediting of such applications consistent with BPC section 115.5, which became operative July 1, 2022.

The Board also seeks to amend its initial licensure applications for operators, field representatives, and applicators. Updates to the applications include new questions required by newly enacted legislation. Further, the Board proposes using a different font, restructuring questions, making formatting and grammatical changes, and deleting

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unnecessary or duplicative information or questions to improve logical flow, readability, and clarity.

<u>Anticipated benefits from this regulatory action:</u> The proposed amendments to the Board's fee schedule will help reduce the Board's structural budget imbalance, recover costs, and prevent insolvency, while also allowing the Board enough time to seek authority to increase statutory fee levels to eliminate the structural imbalance.

The Board has historically been able to operate within its existing budget. However, due primarily to recent licensing and enforcement-related workload and costs, Board staff and DCA Budget Office began considering options to stabilize the Board's budget in November 2023. At the August 26, 2024, Board meeting, Board Members were presented with, and voted to approve, the proposed regulations text.

The proposed fee increases will help to reduce the structural imbalance and help the Board to recover its administrative costs to ensure the Board has funds to carry out its consumer protection mandate.

If this regulatory proposal is not adopted, the Board may need to restrict its core operations, including slowing its ability to process applications, restricting investigations, and limiting the Board's ability to adjudicate violations of the laws of structural pest control in an expedient manner. These restrictions to the operations and functions of the Board could result in licensing backlogs and compromise the Board's ability to achieve its mission and statutory mandate of consumer protection.

<u>Specific purpose of, and rationale for, each adoption, amendment, or repeal:</u> The Board has not raised license and renewal fees for two of three license types in over 34 years, and examination fees in over 9 years. The Board's fund has a structural imbalance, which will lead to insolvency in FY 2025-26 if not addressed.

Of the proposed fee increases, almost all of the Board's examination, license, renewal, and WDO Activity Reporting fees would increase to the statutory maximums, with the exception of applicator license and renewal fees. Increasing fees will help alleviate the Board's structural imbalance and help recover costs for services provided to applicants. The Board completed a workload cost analysis to support this proposal (see Underlying Data).

Specifically, the Board is proposing the following changes:

## I. Section 1936 – Form and Date for Filing Application for Licensure

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## A. Amend subdivision (a)

**Purpose:** Currently, CCR section 1936 outlines the application required for an initial operator's or field representative's license, which is incorporated by reference. This regulatory proposal changes the revision dates of the application forms from "7/20" to "08/2024."

**Rationale:** Updating the revision date will make it consistent with the proposed revision date on the application forms. Additional updates to the application forms, including the proposed fee, are explained below in section V. "Proposed Changes to License Application Forms Incorporated by Reference."

## B. Amend subdivision (a)(2)

**Purpose:** The proposal amends this subsection from "Accompanied by the required fee." to "Accompanied by the required license fee specified in section 1948, unless the applicant qualifies for a waiver in accordance with subsection (c) of this section."

**Rationale:** Adding "license" and "specified in section 1948," before and after the word "fee" respectively, clarifies what type of fee this section is referencing. Additionally, "unless the applicant qualifies for a waiver in accordance with subsection (c) of this section." was added to comply with fee waivers allowed by BPC section 115.5.

## C. Add subdivision (c)

**<u>Purpose:</u>** The proposal adds subdivision (c) to read:

(c) The license fee referenced in paragraph (2) of subsection (a) shall be waived and the application shall be expedited if the applicant supplies proof of holding a current license or comparable authority to act as an operator or field representative in another state, district, or territory of the United States, and their spouse or domestic partner is an active-duty member of the Armed Forces of the United States and was assigned to a duty station in California under official active-duty military orders. "Proof" shall include supplying the following documentation with the application to receive application expedite and an initial license fee waiver per 115.5 of the code:

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- (A) Certificate of marriage or certified declaration/registration of domestic partnership filed with the California Secretary of State or other documentary evidence of legal union with an active-duty member of the Armed Forces of the United States,
- (B) A copy of the applicant's current license to act as an operator or field representative in another state, district, or territory of the United States, and, (C) A copy of the military orders establishing their spouse or partner's duty station in California.

**Rationale:** Adding subdivision (c) to section 1936 is to make more specific the procedures and requirements for an initial licensure applicant to qualify for fee waiver and expedited review pursuant to BPC section 115.5 that became operative July 1, 2022.

## II. Section 1936.2 – Form for Filing Application for Applicator's License

## A. Amend subdivision (a)

**Purpose:** Currently, CCR section 1936.2 outlines the application required for an initial applicator's license, which is incorporated by reference. This regulatory proposal changes the revision date of the application form from "7/20" to "08/2024."

**Rationale:** Updating the revision date will make it consistent with the proposed revision date on the application form. Additional updates to the application forms, including the proposed fees are explained below in section V. "Proposed Changes to License Application Forms Incorporated by Reference."

### B. Amend subdivision (a)(2)

**Purpose:** The proposal amends this subdivision from "Accompanied by the required fee." to "Accompanied by the required license fee specified in section 1948, unless the applicant qualifies for a waiver in accordance with subsection (c) of this section."

**Rationale:** Adding "license" and "specified in section 1948," before and after the word "fee" respectively, clarifies what type of fee this section is referencing. Additionally, "unless the applicant qualifies for a waiver in accordance with subsection (c) of this section." was added to comply with fee waivers allowed by BPC section 115.5.

## C. Add subdivision (c)

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**Purpose:** The proposal adds subdivision (c) to read:

- (c) The license fee referenced in paragraph (2) of subsection (a) shall be waived and the application shall be expedited if the applicant supplies proof of holding a current license or comparable authority to act as an applicator in another state, district, or territory of the United States, and their spouse or domestic partner is an active-duty member of the Armed Forces of the United States and was assigned to a duty station in California under official active-duty military orders. "Proof" shall include supplying the following documentation with the application to receive application expedite and an initial license fee waiver per 115.5 of the code:
  - (A) Certificate of marriage or certified declaration/registration of domestic partnership filed with the California Secretary of State or other documentary evidence of legal union with an active-duty member of the Armed Forces of the United States,
  - (B) A copy of the applicant's current license to act as an applicator in another state, district, or territory of the United States, and,
  - (C) A copy of the military orders establishing their spouse or partner's duty station in California.

**Rationale:** Adding subdivision (c) to section 1936.2 is to make more specific the procedures and requirements for an initial licensure applicant to qualify for fee waiver and expedited review pursuant to BPC section 115.5 that became operative July 1, 2022.

#### III. Section 1948 – Fees

## A. Amend subdivisions (a) and (b)

**<u>Purpose:</u>** The proposal amends the following fees:

**Rationale:** The Board completed a workload cost analysis to support increasing the fees, which is necessary to alleviate the Board's structural economic imbalance.

Table 2: Fee Schedule - CCR Section 1948 (a) and (b)

	Current Fee	Proposed Fee	Incremental Increase
Applicator examination	\$55	\$60	\$5
Field representative examination	\$50	\$75	\$25

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Operator examination	\$65	\$100	\$35
Applicator License	\$10	\$35	\$25
Field representative license	\$30	\$45	\$15
Operator license	\$120	\$150	\$30
Applicator renewal license	\$10	\$35	\$25
Field representative renewal license	\$30	\$45	\$15
Operator renewal license	\$120	\$150	\$30

## IV. Section 1997 – WDO Inspection and Completion Activity Fee.

## A. Amend subdivision (1)

**Purpose:** The proposal renumbers subdivision (1) to (a) and increases the Activity Reporting fee per Property Address from \$4 to \$5.

Rationale: The renumbering is for consistency with the Board's existing numbering structure in regulation. Additionally, the Board relies heavily on WDO Activity Reporting fees, which account for approximately 80% of its total revenue. However, the Board faces potential insolvency by FY 2025/26, due to rising costs from an ongoing IT upgrade, increased Attorney General and Office of Administrative Hearings rates, operational costs, and recent pay increases from bargaining unit agreements. Increasing the WDO Activity Reporting fee from \$4 per property address reported to \$5 per property address reported is projected to produce an annual revenue increase of approximately \$1.1M. This action will provide an influx of much needed revenue so that the Board can meet the additional rising costs described above and rebuild its reserve fund balance.

# V. <u>Proposed Changes to License Application Forms Incorporated by Reference</u>

## A. Amend Application for Operator's License Form 43L-1 (Rev. 7/20)

**Purpose:** The proposed Application for Operator License Form 43L-1 (Rev. 08/2024) contains most of the same substantive information as the existing form, with new questions required by newly enacted legislation, in addition to restructuring questions, making formatting and grammatical changes, and deleting unnecessary or duplicative information and questions to improve the logical flow, readability, and clarity. The revisions include the following:

# 1. **Proposed Change:** Change font from Arial to Century Gothic.

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**Rationale:** The font used throughout the application is changed because Century Gothic is the preferred font by the current administration, and, as a such, the application is being changed to conform with other government documents.

**2.** <u>Proposed Change:</u> Rename the title of the application from "Application for Operator's License" to "Application for Operator License".

**Rationale:** The name of the application is changed to maintain consistency with the Examination Outline.

**3.** <u>Proposed Change:</u> Change "License Fee \$120" to "License Fee \$150 (unless waived, see question No. 27)."

**Rationale:** As referenced above, the Board has completed a workload cost analysis to support increasing the fees, which is necessary to alleviate the Board's structural economic imbalance. Additionally, a new question #27 was added to comply with fee waivers allowed by BPC section 115.5.

**4. Proposed Change:** Delete "(Remit by money order, cashier's check or personal check payable to the Structural Pest Control Board)."

**Rationale:** This information is now found in the Important information section of the application, as discussed below in paragraph V.A.10.

**5. Proposed Change:** In the Board use only box, change "FOR BOARD" to "SPCB" and move and reformat the box.

**Rationale:** "SPCB" rather than "Board" is used to refer to the Board throughout the application for consistency with the Board's logo found at the top left of the application that includes the abbreviation of the Board's full name. The box is moved and reformatted to make it more prominent and to make clear that the section is to be completed by Board staff rather than the applicant.

**6. Proposed Change:** Amend the preamble of the application to move and reformat the text, add "IMPORTANT," and add "Applicants applying for an original operator license shall pass the SPCB's California Branch 1, 2, or 3 Operator Examination required by Business and Professions Code (BPC) section 8565 prior to submission of this application. Per BPC section 8561, you must apply to the SPCB for the issuance

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of an operator license within one year of passing the examination. Failure to comply with these requirements will result in rejection of this application."

**Rationale:** The word "Important" was added to the preamble to inform the reader that the information that follows is important information the applicant should take notice of.

The additional language was added to provide clear guidance to applicants about the legal requirements for obtaining an original operator license. Including this language helps prevent confusion and avoids the submission of incomplete or ineligible applications, thereby reducing administrative delays and rejections. By clearly stating the consequences of failing to meet these requirements, the Board can more efficiently process applications and maintain compliance with statutory obligations, ultimately improving the overall licensing process.

**7. Proposed Change:** Amend the Important information section of the application to add "An application may be denied if an applicant knowingly makes a false statement of fact that is required to be revealed in the application for the license. (See BPC section 480(e))."

**Rationale:** This language was added to provide reasons an application may be denied and to comply with BPC section 480(e).

8. Proposed Change: Add the word "additional" between "attach" and "sheets."

**Rationale:** This language is added to increase clarity that applicants may need to include additional sheets with their application.

**9.** <u>Proposed Change:</u> Amend the Important information section of the application to add "Failure to provide all information requested will also result in application review delays."

**Rationale:** This statement was added to emphasize the importance of submitting a complete application, ensuring that applicants understand the potential consequences of missing or incomplete information.

**10.** Proposed Change: Amend the Important information section of the application to add "A \$150 License Fee is required. Submit the fee by money order, cashier's check, personal check, or certified check payable to the Structural Pest Control Board with this application to the address noted above."

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**Rationale:** This statement was added to ensure applicants know how and where to send the application and application fee. Similar language regarding how to pay the application fee was previously found at the top of the application under the license fee but moved to the Important information section to improve the logical flow and organization.

**11.** <u>Proposed Change:</u> Amend the Important information section of the application to add "**Notice**: Under BPC sections 31 and 494.5, the State California Department of Tax and Fee Administration (CDTFA) and the Franchise Tax Board (FTB) may share taxpayer information with the SPCB. You are required to pay your state tax obligation. This application may be denied, or your license may be suspended if you have a state tax obligation, the state tax obligation is not paid, and your name appears on the CDTFA or FTB certified list of 500 largest tax delinquencies."

Rationale: The inclusion of the language ensures that applicants are informed of their responsibilities under BPC sections 31 and 494.5. These sections mandate coordination between licensing boards and tax agencies, allowing the suspension or denial of a license for applicants with significant tax delinquencies. This change also protects consumers and businesses by ensuring that licensees are financially responsible and in good standing with their state tax obligations. This language is required to be on every initial and renewal application per BPC section 31(e).

**12.** Proposed Change: Strike "All fields must be typed or printed" from the application.

**Rationale:** The Board is moving toward accepting electronic or online applications, where information is entered digitally; therefore, instructions to type or print answers becomes redundant. Removing unnecessary instructions makes the application cleaner and less cluttered. This improves user experience and reduces confusion, especially if applicants are completing forms electronically. Additionally, some applicants may rely on handwriting due to accessibility needs. Removing this instruction allows for greater flexibility in how the form is filled out without imposing a strict format.

**13.** <u>Proposed Change:</u> Strike "Business & Professions Code Section 8562" from the application.

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**Rationale:** Since the application is already incorporated by reference in the CCR, the specific legal authority (BPC section 8562) may already be understood through that incorporation. Including it on the form is redundant or unnecessary.

**14.** <u>**Proposed Change:**</u> Strike the option of "Qualifying Manager" from question #2.

**Rationale:** "Qualifying Manager" was removed as an option from the application because collecting this information at this stage of the process does not provide any practical value or serve a functional, procedural, or operational purpose, as the information is not utilized or required to apply for an operator license. This information is obtained on the Request for Approval of Registered Company, which captures all necessary details of the Qualifying Manager.

**15.** <u>Proposed Change:</u> Move and renumber "Name of Applicant" from question #6 to question #3 and add "(Full name as it appears on your government issued identification)."

**Rationale:** This is restructuring questions to improve the logical flow. In addition, requiring an applicant to provide their name as it appears on their government issued identification helps prevent fraud and ensures that the individual applying is the same person who will be licensed. It strengthens the identity verification process. It also ensures consistency in the applicant's name across all official records, including government databases, background checks, and certifications. This reduces the risk of discrepancies or confusion that could be caused by name variations or nicknames.

**16.** <u>Proposed Change:</u> Move and renumber "Date of Birth" from question #3 to question #4 on the application and add "(MM/DD/YYYY)".

**Rationale:** This is restructuring questions to improve the logical flow. In addition, adding "(MM/DD/YYYY)" next to the date of birth field on the application reduces the likelihood of errors or misinterpretation, and this format aligns with widely accepted U.S. government or institutional standards for date entry.

**17.** <u>Proposed Change:</u> Move and renumber question #4 to question #5, change "Driver's License or California Identification No." to "SSN/ITIN," delete former question #5, and move the substance of former question #5 to the Notice on Collection of Personal Information section.

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**Rationale:** Applicants for the examination must submit a copy of their Driver's License or California ID, so requesting the driver's license or ID number is redundant. In addition, all applicants for licensure must be fingerprinted, which is a more secure method of identity verification than collecting a driver's license or ID number.

In this question, rather than spelling out Social Security Number or Individual Identification Number, this proposal uses the abbreviations "SSN" and "ITIN" because most applicants are familiar with those abbreviations. Using these commonly recognized terms, which are standard and widely accepted abbreviations across many government forms, avoids confusion, makes the application more concise and user friendly, and reduces unnecessary text. Instead, the full wording of Social Security Number (SSN) and Individual Identification Number (ITN) are moved to the Notice on Collection of Personal Information section.

Question #5 regarding disclosure and collection of SSN/ITIN is deleted and the substance is moved to the Notice on Collection of Personal Information section to make the application cleaner and less cluttered and to reduce duplication. Keeping all information regarding collection of personal information on one informational page improves the logical flow and makes that information easier for an applicant to locate.

**18.** <u>Proposed Change:</u> Amend the revision date located in the footer of the application form from "07/20" to "08/2024."

**Rationale:** Amending the revision date in the footer reflects the current updates and approval from the Board and signals compliance with regulatory requirements.

**19.** <u>Proposed Change:</u> Add the number "6." to the question that asks for Residence Address.

**Rationale:** This question is not numbered on the current application. This amendment helps index or number this question for better organization and clarity. This helps applicants follow the form more easily and ensures questions are referred to accurately.

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**20.** <u>Proposed Change:</u> Strike and move "Telephone Number" from after the question that asks for Residence Address to a new question "8. Telephone Number" before question #9.

**Rationale:** This is restructuring questions to improve the logical flow. Further, this question is not numbered on the current application. This amendment helps index or number this question for better organization and clarity. This helps applicants follow the form more easily and ensures questions are referred to accurately.

**21.** Proposed Change: Remove the parenthesis from "(City)", "(State)", and "(Zip)" under question #6.

**Rationale:** This creates a consistent format throughout the form and enhances professionalism.

**22.** <u>Proposed Change:</u> Add the number "7." to the question that asks for Mailing Address and add "(Note: This address will be made available to the public in accordance with BPC section 27. You may provide a P.O. Box or other alternate address in lieu of your residence address in response to this question.)."

**Rationale:** This question is not numbered on the current application. This amendment helps index or number this question for better organization and clarity. This helps applicants follow the form more easily and ensures questions are referred to accurately.

Adding a note to this question informs applicants of the address disclosure requirement consistent with BPC section 27(a). Such language provides an applicant context as to why the Board offers the option to provide a separate mailing address and why an applicant may wish to provide a separate mailing address. BPC section 27(a) states, "Each entity shall disclose a licensee's address of record. However, each entity shall allow a licensee to provide a post office box number or other alternate address, instead of the licensee's home address, as the address of record."

**23.**<u>Proposed Change:</u> Remove the parenthesis from "(City)", "(State)", and "(Zip)" under question #7.

**Rationale:** This creates a consistent format throughout the form and enhances professionalism.

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**24.** <u>Proposed Change:</u> Strike "Email Address (optional)" from after the question that asks for City, State, and Zip and add a new question "9. Email Address" after question #8.

**Rationale:** This is restructuring questions to improve the logical flow. Further, this question is not numbered on the current application. This amendment helps index or number this question for better organization and clarity. This helps applicants follow the form more easily and ensures questions are referred to accurately.

Removing the "optional" language and requiring an email address on the application allows for quicker and more efficient communication between the Board and Applicants. Utilizing email reduces the need for paper, contributing to more environmentally friendly practices. Additionally, the online application system requires an email address to register for an account. This ensures that all applicants can access and manage their applications efficiently. Additionally, if applicants submit a paper application, Board staff still needs an email address to enter their information into the new system. This requirement for an email address helps streamline the processing of applications, enhances communication, and facilitates timely updates, regardless of whether the application is submitted online or in paper form.

**25.** Proposed Change: Move and renumber question #7 to question #10.

**Rationale:** This is restructuring questions to improve the logical flow.

**26.** <u>Proposed Change:</u> Amend and move the "Telephone Number" question, which is after question #10, to "11. Employer's Telephone Number:"

**Rationale:** This is clarifying the telephone number being requested is the employer's telephone number. This question is not numbered on the current application. This amendment helps index or number this question for better organization and clarity. This helps applicants follow the form more easily and ensures questions are referred to accurately.

**27.** Proposed Change: Add the number "12." to the question that asks for Employer's Address.

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**Rationale:** This question is not numbered on the current application. This amendment helps index or number this question for better organization and clarity. This helps applicants follow the form more easily and ensures questions are referred to accurately.

**28.** <u>Proposed Change:</u> Remove the parenthesis from "(City)", "(State)", and "(Zip)" under question #12.

**Rationale:** This creates a consistent format throughout the form and enhances professionalism.

**29.** <u>Proposed Change:</u> Add to the application question "13. Are you 18 years of age or older? (An individual must be 18 years of age or older to qualify for an operator license)" and corresponding yes and no boxes.

**Rationale:** BPC section 8561 states that an individual must be 18 years of age or older to apply for a license as an operator. Including this question ensures applicants are aware of the age minimum, thereby reducing the risk of individuals who do not meet the age minimum from seeking licensure, which saves the Board time and resources by not having to address applications from those who would not qualify based on their age.

**30.** Proposed Change: Renumber question #8 to question #14 and change the word "state" to "provide."

**<u>Rationale:</u>** This is restructuring questions to improve the logical flow.

Changing the word "state" to "provide" improves clarity and directness. "State" suggests the applicant must actively or verbally give specific information whereas "provide" is more specific and conveys a sense of supplying detailed information.

**31.** Proposed Change: Renumber question #9 to question #15 and amend question #15 to read "Give the names and addresses of individuals and businesses with whom you have been associated in the pest control business as a partner or business associate in the last five years (attach additional sheets if needed)."

**<u>Rationale:</u>** This is restructuring questions to improve the logical flow.

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Changes to the language of question #15 improve the **clarity**, **consistency**, and **completeness** of the instructions, specifically:

- Pluralizing "Names and addresses" aligns with the fact that multiple individuals and businesses may need to be listed.
- Changing "as partners or business associates" to "as a partner or business associate" ensures that the relationship is specified for each individual or business listed. This reduces ambiguity and ensures each relationship is treated individually.
- Adding "(attach additional sheets if needed)" increases user-friendliness by clarifying that if the space provided is insufficient, the applicant can include additional information on separate sheets.
- **32.** <u>Proposed Change:</u> Renumber question #10 to question #16, change "State" to "state," and change "If YES, provide the name of the State and your license number" to "If YES, provide the following: Name of the state(s) and your license number(s)," change "License" to "license."

**Rationale:** This is restructuring questions to improve the logical flow.

Capitalizing "State" and "License" suggests a proper noun. Removing the capitalization ensures grammatical correctness.

Pluralizing state and license number reflects that applicants may be licensed to do structural pest control in more than one state and that the Board requests license information about all such states, not just one. The format of the question is also changed to improve readability.

**33.** <u>**Proposed Change:**</u> Renumber question #11 to question #17.

**Rationale:** This is restructuring questions to improve the logical flow.

**34.** <u>Proposed Change:</u> Move and renumber question #12 to question #21, and amend the language to "Within the preceding seven (7) years from the date of the application and excluding actions based upon any criminal conviction history, have you ever had any professional or vocational license or certificate denied, suspended, revoked, or otherwise disciplined by the SPCB or any other governmental authority in this state or any other state, U.S. federal jurisdiction, or foreign country?"

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**Rationale:** This is restructuring questions to improve the logical flow.

Changes to the language of question #21 improve the **clarity**, **consistency**, and **completeness** of the instructions, specifically:

• Including "Within the preceding seven (7) years from the date of the application and excluding actions based upon any criminal conviction history" provides applicants clarity regarding application disclosure requirements. This language is also necessary, to make the question targeted and not overly broad consistent with BPC section 480(a)(2) and Assembly Bill (AB) 2138 (Low, Chapter 186, Statutes of 2020), effective July 1, 2020. The look back period on prior acts is limited to the past seven years per BPC section 480(a)(2). The procedures boards and bureaus under the DCA must follow in requesting or acting on an applicant's criminal history is set forth in BPC section 480(f), which was amended by AB 2138.

- (1) A board issuing a license pursuant to Chapter 3 (commencing with Section 5500), Chapter 3.5 (commencing with Section 5615), Chapter 10 (commencing with Section 7301), Chapter 20 (commencing with Section 9800), or Chapter 20.3 (commencing with Section 9880), of Division 3, or Chapter 3 (commencing with Section 19000) or Chapter 3.1 (commencing with Section 19225) of Division 8 may require applicants for licensure under those chapters to disclose criminal conviction history on an application for licensure.
- (2) Except as provided in paragraph (1), a board shall not require an applicant for licensure to disclose any information or documentation regarding the applicant's criminal history. However, a board may request mitigating information from an applicant regarding the applicant's criminal history for purposes of determining substantial relation or demonstrating evidence of rehabilitation, provided that the applicant is informed that disclosure is voluntary and that the applicant's decision not to disclose any information shall not be a factor in a board's decision to grant or deny an application for licensure.

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<sup>&</sup>lt;sup>2</sup> BPC §480(a): Notwithstanding any other provision of this code, a board may deny a license regulated by this code on the grounds that the applicant has been convicted of a crime or has been subject to formal discipline only if either of the following conditions are met:

<sup>(2)</sup> The applicant has been subjected to formal discipline by a licensing board in or outside California within the preceding seven years from the date of application based on professional misconduct that would have been cause for discipline before the board for which the present application is made and that is substantially related to the qualifications, functions, or duties of the business or profession for which the present application is made. However, prior disciplinary action by a licensing board within the preceding seven years shall not be the basis for denial of a license if the basis for that disciplinary action was a conviction that has been dismissed pursuant to Section 1203.4, 1203.4a, 1203.41, 1203.42, or 1203.425 of the Penal Code or a comparable dismissal or expungement. Formal discipline that occurred earlier than seven years preceding the date of application may be grounds for denial of a license only if the formal discipline was for conduct that, if committed in this state by a physician and surgeon licensed pursuant to Chapter 5 (commencing with Section 2000) of Division 2, would have constituted an act of sexual abuse, misconduct, or relations with a patient pursuant to Section 726 or sexual exploitation as defined in subdivision (a) of Section 729.

<sup>&</sup>lt;sup>3</sup> BPC §480(f): A board shall follow the following procedures in requesting or acting on an applicant's criminal history information:

- Adding "or certificate" after "professional or vocational license" provides a
  more comprehensive list because some state or governmental agencies may
  issue certificates rather than licenses.
- Deleting "refused," before "denied" makes the text more concise and reduces duplication because "refused" is synonymous with "denied."
- Adding "otherwise disciplined by the SPCB or any other governmental authority in this state or any other state, U.S. federal jurisdiction, or foreign country" is more comprehensive as the question does not have to be limited to actions of state agencies.
- Specifically requesting a signed detailed statement is deleted from this question because it is duplicative, as such request is now incorporated in a new question #24. See rationale below related to new question #24.
- **35.** <u>Proposed Change:</u> Move and renumber question #13 to question #23 and amend the language to "Excluding actions based upon any criminal conviction history, have you received notice of any pending disciplinary action(s) against you regarding any professional or vocational license or certificate issued by any other governmental authority in this state or any other state, U.S. federal jurisdiction, or foreign country?"

**Rationale:** This is restructuring questions to improve the logical flow.

Changes to the language of question #23 improve the **clarity**, **consistency**, and **completeness** of the instructions, specifically:

- Including "Excluding actions based upon any criminal conviction history" provides applicants clarity regarding licensure application disclosure requirements and aligns the application with BPC section 480 following the passing of AB 2138. The procedures boards and bureaus under the DCA must follow in requesting or acting on an applicant's criminal history is set forth in BPC section 480(f), which was amended by AB 2138.
- Changing "Do you have" to "have you received notice of" increases clarity and
  is more concise because the Board is concerned with any pending or
  potentially pending disciplinary actions an applicant has notice of, regardless
  of which stage the disciplinary process is in.
- Adding "or certificate" provides a more comprehensive list because some state or governmental agencies may issue certificates rather than licenses.
- Adding "issued by any other governmental authority in this state or any other state, U.S. federal jurisdiction, or foreign country" provides clarity and is more comprehensive as the question is interested in domestic or foreign governmental action on a state or federal level.

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- Specifically requesting a signed detailed statement is deleted from this
  question because it is duplicative, as such request is now incorporated in a
  new question #24. See rationale below related to new question #24.
- **36.** <u>Proposed Change:</u> Move and renumber question #14 to question #22 and amend the language to "Within the preceding seven (7) years from the date of the application and excluding actions based upon any criminal conviction history, have you ever, acting as a partner, officer, managing employee, or qualifying manager of a firm, partnership, or corporation, had knowledge of and participated in the commission of any act resulting in the suspension or revocation of a license or company registration?"

**Rationale:** This is restructuring questions to improve the logical flow.

Changes to the language of question #22 improve the **clarity**, **consistency**, and **completeness** of the instructions, specifically:

- Including "Within the preceding seven (7) years from the date of the application and excluding actions based upon any criminal conviction history" provides applicants clarity regarding licensure application disclosure requirements. This language is also necessary, to make the question targeted and not overly broad consistent with BPC section 480(a)(2) and Assembly Bill (AB) 2138 (Low, Chapter 186, Statutes of 2020), effective July 1, 2020. The look back period on prior acts is limited to the past seven years per BPC section 480(a)(2). The procedures boards and bureaus under the DCA must follow in requesting or acting on an applicant's criminal history is set forth in BPC section 480(f), which was amended by AB 2138.
- Adding "or certificate" after "professional or vocational license" provides a
  more comprehensive list because some state or governmental agencies may
  issue certificates rather than licenses.
- Specifically requesting a signed detailed statement is deleted from this question because it is duplicative, as such request is now incorporated in a new question #24. See rationale below related to new question #24.
- **37.** <u>Proposed Change:</u> Move, combine, and renumber questions #15 and #16 to question #25.

**Rationale:** Restructuring and combining these existing questions into one question helps improve the logical flow and format. Additionally, merging the language of old questions #15 and #16 more aligns with the language of BPC section 114.5(a), which states: (a) Each board shall inquire in every application for licensure if the individual

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applying for licensure is serving in, or has previously served in, the military.

**38.** <u>**Proposed Change:**</u> Delete question #18.

**Rationale:** This question is duplicative, and the substance of the question is already asked in questions #21 and #23.

**39. Proposed Change:** Move and renumber question #19 to question #18.

**<u>Rationale:</u>** This is restructuring questions to improve the logical flow.

**40.** <u>Proposed Change:</u> Move and renumber question #20 to question #19, and change "Such activities can include but are not limited to military service, structural pest control related occupations or any other related activity" to "Such activities can include military service <u>or</u> structural pest control related occupations."

**Rationale:** This is restructuring questions to improve the logical flow.

The language "include but not limited to" is unclear. The question was simplified to focus on the most relevant activities, removing vague references to "any other related activity" to provide clearer, more direct guidance. This enhances clarity while still covering the necessary scope.

**41.** Proposed Change: Move and renumber question #21 to #20.

**<u>Rationale:</u>** This is restructuring questions to improve the logical flow.

- **42.** Proposed Change: Add question "24. If you answered YES to questions 21, 22, or 23, attach copies of the disciplinary decision taken by the licensing board, agency, or other governmental organization ("board") that contains the following information:
  - (A) the type of disciplinary action taken (e.g., revocation, suspension, probation),
  - (B) the effective date of the disciplinary action,
  - (C) the license type,
  - (D) the license number,
  - (E) the name and location of the licensing board, and
  - (F) an explanation of the violations found by the licensing board.
  - (G) In addition, you may submit a statement or documents showing your rehabilitation efforts or any mitigating information that you would like the SPCB to consider."

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Also add corresponding yes and no boxes.

Rationale: This additional requirement ensures that the Board has complete and accurate information regarding any prior disciplinary actions. The Board can make informed decisions by requesting specific details about the disciplinary action and allowing applicants to provide evidence of rehabilitation or mitigating circumstances. Rather than asking applicants separately in questions #21, #22, and #23 to include a signed detailed statement if they answered yes, the Board consolidated the requirement into one separate question that specifically enumerates the additional information the Board requests, which increases clarity and helps improve the logical flow and format. This also reduces the need for applicants to submit possibly repetitive or duplicative responses.

**43.** Proposed Change: Add question "26. Have you served as an active-duty member of the US Armed Forces and were you honorably discharged per BPC section 115.4(a)? If YES, attach a copy of your previous military service (DD214 – Certificate of Release or Discharge from Active Duty, or current military orders) for expedited review of your application."

Also add corresponding yes and no boxes.

Rationale: This proposal adopts language related to expedited initial licensure pursuant to BPC section 115.4(a). The question is designed to identify whether the applicant is in the class of individuals who are eligible for expedite of the initial licensure process and the documentary evidence the Board requires to support qualification for expedite. BPC section 115.4(a) requires the Board to expedite the initial licensing process for applicants who provide to the Board satisfactory evidence they served in the US Armed Forces and were honorably discharged. Board's may adopt regulations and administer this section (BPC §. 115.4(c)).

**44.** <u>Proposed Change:</u> Add question "27. Do you already hold a current, active license, or comparable authority, to act as an operator in another U.S. state or territory, and your spouse or domestic partner is an active-duty member of the Armed Forces of the United States and was assigned to a duty station in California under official orders?

If YES, your application will receive an expedited review and a waiver of the license fee. Note: if you meet the military spouse or domestic partner requirement please attach copies of the following documentation to this application:

(A) certificate of marriage or certified declaration/registration of domestic partnership filed with the Secretary of State or other documentary evidence of

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- legal union with an active-duty member of the U.S. Armed Forces,
- (B) a copy of your current license in another state, district, or territory of the United States, and
- (C) a copy of the military orders establishing your spouse or partner's duty station in California.

Also add corresponding yes and no boxes.

Rationale: This proposal adopts language related to expedited initial licensure and waiver of the initial licensure application fee pursuant to BPC section 115.5. The question is designed to identify whether the applicant is in the class of individuals who are eligible for expedite of the initial licensure process and waiver of the licensure application fee, in addition to the documentary evidence the Board requires to support qualification for such expedite/waiver. The Board shall expedite the initial licensure process and waive the initial licensure application fee for an applicant who supplies evidence satisfactory to the board that they are married to or in a domestic partnership or other legal union with an active duty member of the U.S. Armed Forces who is assigned to a duty station in California under official active duty military orders, and if the applicant holds a current license in another state, district, or territory of the U.S. in the profession for which the applicant is seeking licensure (BPC §115.5).

**45.** Proposed Change: Add question "28. Are you an active-duty member of a regular component of the United States Armed Forces and enrolled in the United States Department of Defense's SkillBridge program as authorized under section 1143(e) of title 10 of the United States Code and requesting expedited processing of your application pursuant to BPC section 115.4, subdivision (b)?

If YES, please provide the following with your application: a written approval document or letter from your respective United States Armed Forces Service branch (Army, Navy, Air Force, Marine Corps, Space Force, or Coast Guard), signed by your first field grade commanding officer that specifies your name, the approved SkillBridge opportunity, and the specified duration of your participation (i.e., start and end dates)."

Also add corresponding yes and no boxes.

**Rationale:** This proposal adopts language related to expedited initial licensure pursuant to BPC 115.4(b). The question is designed to identify whether the applicant is in the class of individuals who are eligible for expedite of the initial licensure process and the documentary evidence the Board requires to support qualification

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for such expedite. Pursuant to BPC section 115.4(b), beginning July 1, 2024, the Board shall expedite the initial licensure process for an applicant who supplies evidence satisfactory to the board that they are an active duty member of the US Armed Forces and enrolled in the US Department of Defense Skill Bridge program as authorized under section 1143(e) of Title 10 of the United States Code.

- **46.** <u>Proposed Change:</u> Add question "29. REFUGEE, ASYLEE, OR SPECIAL IMMIGRANT: BPC section 135.4 provides that the California Structural Pest Control Board shall expedite, and may assist, the initial licensure process for certain applicants described below. Do any of the following apply to you?
  - You were admitted to the United States as a refugee pursuant to section 1157 of title 8 of the United States Code; or
  - You were granted asylum by the Secretary of Homeland Security or the United States Attorney General pursuant to section 1158 of title 8 of the United States Code; or
  - You have a special immigrant visa and were granted a status pursuant to section 1244 of Public Law 110-181, Public Law 109-163, or section 602(b) of title VI of division F of Public Law 111-8, relating to Iraqi and Afghan translators/interpreters or those who worked for or on behalf of the United States government.

If YES, attach evidence of your status as a refugee, asylee, or special immigrant visa holder as follows:

- Form I-94, arrival/departure record, with an admission class code such as "re" (refugee) or "ay" (asylee) or other information designating the person a refugee or asylee; or
- Special immigrant visa that includes the classification codes of "SI" or "SQ"; or
- Permanent resident card (Form I-551), commonly known as a "green card," with a category designation indicating that the person was admitted as a refugee or asylee; or
- An order from a court of competent jurisdiction or other documentary evidence that provides reasonable assurances to the SPCB that you qualify for expedited licensure per BPC section 135.4."

Also add corresponding yes and no boxes.

Rationale: This proposal adopts language related to expedited initial licensure pursuant to BPC section 135.4. The question is designed to identify whether the applicant is in the class of individuals who are eligible for expedite of the initial licensure process and the documentary evidence the Board requires to support qualification for such expedite. AB 2113 (Low, Chapter 186, Statutes of 2020), effective January 1, 2021, added BPC section 135.4, which requires boards and

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bureaus under the DCA to expedite, and may assist, the initial licensure process for the following applicants who supply evidence satisfactory to the board:

- 1. Refugees pursuant to section 1157 of Title 8 of the United States Code;
- 2. Those granted asylum by the Secretary of Homeland Security or the Attorney General of the United States pursuant to Section 1158 of Title 8 of the United States Code; or
- 3. Those with a special immigrant visa that has been granted a status under Section 1244 of Public Law 110-181, under Public Law 109-163, or under Section 602(b) of Title VI of Division F of Public Law 111-8.
- **47.** <u>**Proposed Change:**</u> Delete the paragraph above the Certified True Statement.

**Rationale:** This paragraph is deleted because it is duplicative, as its substance is found in the Important information section and the Notice on Collection of Personal Information section. Information required per Civil Code section 1798.17 has been moved to the Notice on Collection of Personal Information section, which is why the Certified True Statement tells the applicant to certify they read and received the Notice on Collection of Personal Information section before signing the application, also discussed below in paragraph V.A.48. Removing duplicative information makes the application cleaner, less cluttered, and easier to follow.

**48.** <u>Proposed Change:</u> Amend the Certified True Statement to "I certify under penalty of perjury under the laws of the State of California that all statements and representations, including any attachments in support of this application, made and furnished in connection with this application are true and correct. I certify that I am the applicant whose signature appears below and have read and received the "Notice on Collection of Personal Information" section on the last page of this application form."

Rationale: The Board amended the language of the Certified True Statement to be comprehensive and concise. Attestations must comply with CCP section 2015.5 to be admissible, which does not allow attestations as to state of mind or "understandings." Further, it is necessary to require an applicant to attest to the truth and correctness of each of the statements made to the Board on any official application plus any related attachments. It is no longer necessary for the Certified True Statement to include language in which applicants certify they are eighteen years of age or older because this regulatory action proposes adding a separate question as to whether applicants are over eighteen years old. See rationale above related to new question #13. Having applicants certify that they read and received, and directing them where to find, the Notice on Collection of Personal Information section reduces confusion and clarifies a potential ambiguity by ensuring applicants

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have relevant information before agreeing to sign the application and are made aware they waive some privacy, as detailed in the Notice on Collection of Personal Information section, by submitting the application. It also gives applicants an opportunity to read the Notice on Collection of Personal Information section before signing the application.

**49.** Proposed Change: Delete the word "original" from the signature block.

**Rationale:** The Board is moving toward accepting electronic or online applications, where information is entered digitally; therefore, instructions that signatures must be original becomes redundant. Removing unnecessary instructions makes the application cleaner and less cluttered. This improves user experience and reduces confusion, especially if applicants are completing forms electronically.

**50. Proposed Change:** Amend the Notice on Collection of Personal Information by adding "Disclosure of your Social Security Number (SSN) or Individual Taxpayer Identification Number (ITIN) is mandatory. Sections 30, 31, and 494.5 of the BPC and Public Law 94-455 (42 U.S.C.A. 405(c)(2)(C)) authorize collection of your SSN or ITIN. Your SSN or ITIN shall be used exclusively for tax enforcement purposes, for purposes of compliance with any judgment or order for family support in accordance with Family Code section 17520, or for verification of licensure or examination status by a licensing or examination entity which utilizes a national examination and where licensure is reciprocal with the requesting state. If you fail to disclose your SSN or ITIN, your application for initial license shall not be processed AND you shall be reported to the Franchise Tax Board, which may assess a \$100 penalty against you."

**Rationale:** The language regarding disclosure and collection of SSN/ITIN is almost identical substantively to what was moved from former question #5, discussed above, except with the addition of citation to sections 31 and 494.5 of the BPC. Citation to those statutes were added for completeness of the notice on disclosure of SSN or ITIN.

**51.** <u>Proposed Change:</u> In the Notice on Collection of Personal Information section, under Collection and Use of Personal Information, change the word "Section" to "section" throughout, change "Business and Professions Code" to "BPC", add "and Title 16", and delete "and the Information Practices Act."

**Rationale:** The format and citation to the BPC and CCR are amended to maintain consistency with the writing style used in the application.

Reference to the Information Practices Act is deleted to make the application cleaner

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and less cluttered by removing unnecessary information because citation to it with respect to the Board's collection and use of personal information is not legally required and it is cited to under Possible Disclosure of Personal Information.

**52.** <u>Proposed Change:</u> In the Notice on Collection of Personal Information section, under, Mandatory Submission, delete the words "or renewal."

**Rationale:** This application is only to be completed for initial licensure, so citation to renewal is unnecessary and is removed to avoid confusion.

**53.** <u>Proposed Change:</u> In the Notice on Collection of Personal Information section, under Possible Disclosure of Personal Information, change the word "Section" to "section" throughout, and change citation from "6250" to "7920.00."

**Rationale:** The citation to the Government Code and Civil Code are amended to maintain consistency with the writing style used in the application.

Citation to the Public Records Act is updated to reflect renumbering as of 2023.

**54.** <u>Proposed Change:</u> In the Notice on Collection of Personal Information section, under Contact Information, add "[Board]'s Executive Officer," and edit formatting and punctuation of the paragraphs.

**Rationale:** Specific reference to the "Executive Officer" is added under Contact Information because Civil Code section 1798.17(b) requires the Board to identify an agency official who is responsible for the system of records:<sup>4</sup> Changes are made to the paragraphs' formatting and punctuation to increase readability and to maintain consistency with the writing style throughout the application.

(b) The title, business address, and telephone number of the agency official who is responsible for the system of records and who shall, upon request, inform an individual regarding the location of his or her records and the categories of any persons who use the information in those records.

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<sup>&</sup>lt;sup>4</sup> Civil Code §1798.17(b): Each agency shall provide on or with any form used to collect personal information from individuals the notice specified in this section. When contact with the individual is of a regularly recurring nature, an initial notice followed by a periodic notice of not more than one-year intervals shall satisfy this requirement. This requirement is also satisfied by notification to individuals of the availability of the notice in annual tax-related pamphlets or booklets provided for them. The notice shall include all of the following:

B. Amend Application For Field Representative's License Form 43L-14 (Rev. 7/20) and Application for Applicator's License Form 43L-21 (Rev. 7/20)

**Purpose:** The proposed changes to the field representative and applicator applications mirror almost all of the modifications outlined in the operator application, with only differences based on the license type, such as name of the license, application fee amount, the form number, and citation to the BPC regarding the minimum age of applicants being eighteen (see, BPC §8563 for field representatives and BPC §8564.5(a) for applicators). Further, the applicator application does not include the first two questions found in the operator and field representative applications, to indicate which branch is being applied for or the type of license being issued, because those questions are inapplicable to the applicator license. Since the proposed operator form includes all the relevant questions and adjustments, the rationale discussed above in section V.A.. "Amend Application for Operator's License Form 43L-1 (Rev. 7/20)" serves to cover the changes made to the field representative and applicator applications as well. To avoid redundancy and duplication, the Board did not individually set forth each change to the field representative or applicator applications. Instead, the Board provided a detailed rationale for each proposed change to the operator application, which encompasses the shared updates in the field representative and applicator applications, except for the deviation from the operator application as follows:

**1.** <u>Proposed Change:</u> Strike question #8, Previous Employer information from the field representative application.

**Rationale:** The current employer and experience are already asked on the application. Requesting previous employer contact information does not serve any purpose and is not required.

#### **UNDERLYING DATA**

- 1. August 26, 2024, Board Meeting Minutes, Agenda, and Meeting Materials.
- 2. Structural Pest Control Board Fund Analysis of Condition Status Quo, Prepared 8/26/2024.
- 3. Structural Pest Control Board Fund Analysis of Condition with fee increase effective 7/1/25, Prepared 8/26/2024.
- 4. Workload Costs Analysis for Examinations, Initial Licenses, and License Renewals.

#### **BUSINESS IMPACT**

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This regulation may have an economic impact on businesses and individuals, specifically the Board's licensees and applicants. The regulation would increase fees for examination, initial licensure, triennial license renewal, and WDO Activity Reporting. To the extent these applicants apply for licensure or licensees opt to renew their licenses, the proposed regulations will impact them as described below:

Table 3: Cost Impact – Exam, Initial, and Renewal Populations and WDO Activity Reporting

Application Type	<b>Estimated</b>	Increase	<b>Projected Costs</b>
Application Type	Total	Amount	Increase
Applicator examination	3,400	\$5	\$17,000
Field representative examination	6,100	\$25	\$152,500
Operator examination	630	\$35	\$22,050
Applicator License	1,530	\$25	\$38,250
Field representative license	2,225	\$15	\$33,375
Operator license	240	\$30	\$7,200
Applicator triennial renewal license	825	\$25	\$20,625
Field representative triennial renewal license	3,000	\$15	\$45,000
Operator triennial renewal license	1,200	\$30	\$36,000
WDO Activity Reporting	1,100,000	\$1	\$1,100,000
		Total:	\$1,472,000

## **ECONOMIC IMPACT ASSESSMENT**

This regulatory proposal is needed to increase the fees it collects. The Board has determined that this regulatory proposal will have the following effects:

• It will not result in the creation of new jobs or elimination of jobs within the State of California because the proposed fees are anticipated to have minimal impact on businesses since the incremental fee increase is negligible compared to the revenue businesses generate by performing WDO inspections.

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- It will not result in the creation of new businesses or elimination of businesses
  within the state of California because the proposed fees are anticipated to have
  minimal impact on businesses since the incremental fee increase is negligible
  compared to the revenue businesses generate by performing WDO inspections.
- It will not affect the expansion of businesses currently doing business within the State of California because the proposed fees are anticipated to have minimal impact on businesses since the incremental fee increase is negligible compared to the revenue businesses generate by performing WDO inspections.
- It will benefit the health and welfare of California residents because the proposal will increase the Board's revenue and funding available to continue the Board's enforcement, investigative, licensing, examination, and public outreach operations without interruption.
- This regulatory proposal does not affect worker safety or the environment because the proposed regulations are not relative to workers' safety or the environment. This regulatory proposal focuses on an increase in fee schedules to help reduce the Board's current structural imbalance and does not affect worker safety or the state's environment.

### **SPECIFIC TECHNOLOGIES OR EQUIPMENT**

The proposed regulation does not mandate the use of any specific technologies or equipment.

#### **CONSIDERATION OF ALTERNATIVES**

No reasonable alternative to the regulatory proposal would be either more effective in carrying out the purpose for which the action is proposed or would be as effective or less burdensome to affected private persons and equally effective in achieving the purposes of the regulation in a manner that ensures full compliance with the law being implemented or made specific.

No such alternatives have been proposed; however, the Board welcomes comments from the public.

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# Description of reasonable alternatives to the regulation that would lessen any adverse impact on small business:

No such alternatives have been proposed; however, the Board welcomes comments from the public.

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