



# Town of Paradise Town Council Special Meeting Agenda 2:00 PM – March 24, 2021

## Town of Paradise Council Chamber – 5555 Skyway, Paradise, CA

Mayor, Steve Crowder  
Vice Mayor, Jody Jones  
Council Member, Greg Bolin  
Council Member, Steve “Woody” Culleton  
Council Member, Rose Tryon

Town Manager, Kevin Phillips  
Town Attorney, Mark A. Habib  
Town Clerk, Dina Volenski  
Community Development Director, Susan Hartman  
Community Development Director, Tony Lindsey  
Administrative Services Director/Town Treasurer – Vacant  
Public Works Director/Town Engineer, Marc Mattox  
Division Chief, CAL FIRE/Paradise Fire, Garrett Sjolund  
Chief of Police, Eric Reinbold  
Disaster Recovery Director, Katie Simmons

### Meeting Procedures

- I. The Mayor is the Presiding Chair and is responsible for maintaining an orderly meeting. The Mayor calls the meeting to order and introduces each item on the agenda.
- II. The Town staff then provides a report to Council and answers questions from the Council.
- III. Citizens are encouraged to participate in the meeting process and are provided several opportunities to address Council. Any speaker addressing the Council is limited to three minutes per speaker - fifteen minutes per agenda item

The meeting will be open to the public on a limited basis. This means there will be reduced seating capacity, social distancing will be practiced and face masks are required. (please note, our limited capacity is 20 people and when that is reached, the doors will be closed) Attendees may need to rotate seating positions to allow participation from those in attendance. Public speakers will be asked to complete speaker cards and may need to wait outside until they are called to speak.

Observers choosing not to attend in person may view the meeting livestreamed via the town’s website at <https://www.youtube.com/channel/UCpo2Gy0EGJwcFvDU2xnjgbw>

Comments may be submitted via e-mail to [dvolenski@townofparadise.com](mailto:dvolenski@townofparadise.com) prior to 12:00 p.m. the day of the meeting. Comments will not be accepted via livestream.

- A. If you wish to address the Council regarding a specific agenda item, please complete a “Request to Address Council” card and give it to the Town Clerk prior to the beginning of the meeting. This process is voluntary and allows for citizens to be called to the speaker podium in alphabetical order. Comments and questions from the public must be directed to the Presiding Chair and Town Council Members (please do not address staff.) Town staff is available to address citizen concerns Monday through Thursday at Town Hall between the hours of 8am and 5pm.
- B. If you wish to address Council regarding an item not on the agenda, you may do so under Item 4, “Public Communication.” Again, please fill out a card and give it to the Town Clerk before the meeting. State Law prohibits Council action on items not listed on a public agenda.

In compliance with the Americans with Disabilities Act (ADA) Compliance, persons who need special accommodations to participate in the Town Council meeting may contact the Town Clerk at least three business days prior to the date of the meeting to provide time for any such accommodation.

## 1. OPENING

- 1a. Call to Order
- 1b. Pledge of Allegiance to the Flag of the United States of America
- 1c. Roll Call

## 2. CONSIDERATION

- 2a. p3 Adopt the agreement with Broad and Gusman to provide state advocacy/lobbying services at the cost of \$4,000 per month and authorize the Town Manager to execute the agreement on behalf of the Town. (ROLL CALL VOTE)
- 2b. p6 Consider discussion and writing a letter of opposition to the California Department of Public Health regarding the proposed change to the Syringe Exchange Program. (ROLL CALL VOTE)

## 3. CLOSED SESSION

- 3a. Pursuant to Government Code section 54956.9(d)(1) The Town Council will hold a closed session with Attorney Dwight L. Moore and Town Manager Kevin Phillips relating to the following pending litigation: Town of Paradise vs. Comcast Phone of California and Comcast Digital Phone and AT&T Corp. – Case No. 20-08-018 before the Public Utilities Commission of the State of California.

## 4. ADJOURNMENT

STATE OF CALIFORNIA ) COUNTY OF BUTTE )	SS.
I declare under penalty of perjury that I am employed by the Town of Paradise in the Town Clerk's Department and that I posted this Agenda on the bulletin Board both inside and outside of Town Hall on the following date:	
_____	
TOWN/ASSISTANT TOWN CLERK SIGNATURE	



**Town of Paradise  
Council Agenda Summary  
Date: March 24, 2021**

**Agenda Item: 2(a)**

**Originated by:** Kevin Phillips, Town Manager  
**Reviewed by:** Kevin Phillips, Town Manager  
**Subject:** Approval of agreement with Broad and Gusman for Lobbying Services

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**Council Action Requested:**

1. Adopt the attached agreement with Broad and Gusman to provide state advocacy/lobbying services at the cost of \$4,000 per month and authorize the Town Manager to execute the agreement on behalf of the Town.

**Alternatives:**

Refer the matter back to staff for further development and clarification

**Background:**

Since the Camp Fire, the Town has contracted with The Ferguson Group to provide federal advocacy/lobbyist services. During this time, lobbying and advocacy services were provided at no cost to the Town. Currently, the Town does not have a State advocacy/lobbyist firm.

**Discussion:**

The Town reached out to Broad and Gusman to ask for a proposal to represent the Town at the State Capital. Broad and Gusman have extensive knowledge of the issues associated with the rebuild of Paradise with their current relationship with PID. They provided comprehensive support to PID to receive two years of backfill funding from the 2019 State budget. Staff believes this relationship is critical to our continued success within elected and appointed officials around the State of California, both in terms of playing active "defense" on a myriad of legislative issues that would impact Paradise's rebuild and promoting Paradise and growing its positive reputation. Much of the state legislative process and lobbying is conducted outside of public meetings and prior to formal legislative hearings; the importance of having a voice at the table in early drafting or interim committees cannot be understated. This year alone, the ability to utilize lobbying services to assist Paradise will be critical in several pieces of legislation and regulations. This includes passing AB36, obtaining COVID-19 funding, Department of Forestry building code changes, and a host of other legislation covering local funding, grants, and disaster recovery support. As you can see, these services are essential for our work with a myriad of State governmental agencies beyond just the Legislature, such as the executive branch and other intergovernmental boards and commissions. Broad and Gusman have built an excellent reputation with both sides of the political aisle and have a great working relationship with the Town's State representatives.

**Conclusion/Fiscal Analysis:**

The cost for State lobbying services is \$4,000 per month. The contract is a month-to-month contract with a 30-day cancellation clause.

# PROFESSIONAL SERVICES AGREEMENT

THIS AGREEMENT is between the Town of Paradise (Client) and the Broad & Gusman (Contractor). Client and Contractor agree as follows:

1. Services. During the term of this Agreement, Contractor shall perform professional services for the Client which shall consist of legislative representation before the California State Legislature, the Governor's Office, and other administrative agencies of the State of California as may be deemed necessary by the parties. Such duties shall consist of reviewing legislation as introduced and amended, bill tracking, communication with members of the Legislature and staff including testimony at public hearings, preparation of such reports, newsletters, and other forms of communication as may be required by Client, attendance at meetings with members and officers of Client, and other such duties as Client may deem necessary.
2. Compensation. Client agrees to pay Contractor a fee of \$4,000 per month, plus necessary expenses. Necessary expenses shall include, but shall not be limited to, reimbursement at the cost incurred by the Contractor for any cellular or long-distance telephone charges made on behalf of Client, postage, reproduction of materials at \$.05 per page, reimbursement for automobile travel outside of Sacramento at the IRS approved rate, and any travel, lodging or meal expenses incurred on behalf of Client. Travel, lodging and meal expenses shall not be incurred without the advanced approval of Client. No expenses shall be charged above \$200 without prior approval of Client.
3. Term. The term of this agreement shall commence on March 15, 2021 and shall continue on a month-to-month basis until the agreement is terminated. Either party may terminate the agreement with thirty days written notice. The parties may modify the terms of the agreement by mutual consent.
4. Contract Not Contingent. In accordance with the laws of the State of California, it is understood by the parties that neither the services described herein nor the payment for those services is contingent on the defeat or enactment of any legislation or administrative regulation.
5. Independent Contractor. Contractor, in performing services under this Agreement, shall act as an independent contractor and not as an employee of Client. Nothing in this Agreement shall be construed to create a partnership, agency, joint venture, or employer-employee relationship. Contractor understands that Client has no federal or state obligations regarding employment tax liability and Client's total commitment and liability under this Agreement is limited to the payments set forth herein.
6. Entire Agreement. This Agreement constitutes the entire agreement between the parties with respect to its subject matter. All prior negotiations, proposals, and agreements between the parties are included in this agreement.

7. Governing Law. This Agreement shall be interpreted under the laws of the State of California.

By: Broad & Gusman

By: Town of Paradise

Shane Gusman  
Owner

Kevin Phillips  
Town Manager

Date \_\_\_\_\_

Date: \_\_\_\_\_



TOMÁS J. ARAGÓN, M.D., Dr.P.H.  
Director and State Public Health Officer

State of California—Health and Human Services Agency  
California Department of Public Health



GAVIN NEWSOM  
Governor

**NOTICE OF PROPOSED RULEMAKING**  
**Title 17, California Code of Regulations**

**DPH-18-015 Syringe Exchange Program Regulatory Consistency**  
**Published: February 19, 2021**

**Public Proceedings**

The California Department of Public Health (Department) is conducting a 45-day written public proceeding during which time any interested person or such person's duly authorized representative may present statements, arguments or contentions (all of which are hereinafter referred to as comments) relevant to the action described in the Informative Digest/Policy Statement overview section of this notice.

**Written Comment Period**

Any written comments pertaining to these regulations, regardless of the method of transmittal, must be received by the Office of Regulations by April 5, 2021, which is hereby designated as the close of the written comment period. Comments received after this date will not be considered timely. Persons wishing to use the California Relay Service may do so at no cost by dialing 711.

Written comments may be submitted as follows:

1. By email: [regulations@cdph.ca.gov](mailto:regulations@cdph.ca.gov). It is requested that email transmission of comments, particularly those with attachments, contain the regulation package identifier "**Syringe Exchange Program Regulatory Consistency**" in the subject line to facilitate timely identification and review of the comment;
2. By fax transmission: (916) 636-6220;
3. By Postal Service: California Department of Public Health, Office of Regulations, 1415 L Street, Suite 500, Sacramento, CA 95814;
4. Hand-delivered: California Department of Public Health, Office of Regulations, 1415 L Street, Suite 500, Sacramento, CA 95814.



All submitted comments should include the regulation package identifier, “**DPH-18-015 Syringe Exchange Program Regulatory Consistency**” author’s name and mailing address.

## **INFORMATIVE DIGEST**

The California Department of Public Health (Department) proposes to make minor amendments to California Code of Regulations (CCR), Title 17, Sections 7000, 7002 and 7014. First, Assembly Bill (AB) 1810 (Ting, Chapter 34, Statutes of 2018) shortened the public comment period for state-authorized syringe exchange program (SEP) applications in Health and Safety Code (HSC) from 90 days to 45 days; the Department proposes to make the corresponding change in regulations. Second, the Department proposes to remove the words “local ordinances” from CCR Title 17, Section 7002(a)(13)(A) and Section 7014 to be in compliance with HSC 121349(c).

## **BACKGROUND AND SUMMARY OF EXISTING LAWS AND REGULATIONS**

### **Authority and Reference**

HSC Section 131200 authorizes the Department to adopt and enforce regulations for the execution of its duties. Per HSC Section 131019, the Office of AIDS is the lead agency within the state responsible for coordinating HIV/AIDS-related programs. HSC Section 121349 gives the Department the authority to authorize SEPs. AB 1810 removed all sunset provisions from the SEP authorization program and extended the operation of these provisions indefinitely.

### **Background and Existing Laws**

The practice of sharing needles and syringes, which is common among people who inject drugs (PWID), poses a substantial risk for the spread of bloodborne diseases, including HIV and viral hepatitis. Paraphernalia possession laws in many states, including California, have in the past made it difficult or illegal for PWID to obtain and possess sterile syringes and difficult or illegal for agencies that serve them to provide them with sterile syringes. Such statutory barriers have consistently been found to be associated with increased sharing of syringes and increased prevalence of HIV. Removing those barriers is a key HIV prevention strategy endorsed by the California Legislature and the federal Centers for Disease Control and Prevention (CDC), which funds the prevention efforts of the Office of AIDS. Supporting syringe exchange programs is one of the strategies of the federal government’s current “Ending the HIV Epidemic” plan.

SEPs have been operating in California since the late 1980s, providing sterile injection equipment, disposing of used syringes and providing linkages to health care and social services. Since the passage of AB 136 (Mazzoni, Chapter 762, Statutes of 1999), organizations in California that provide syringe exchange services have been permitted to apply for authorization to local (city or county) governments. AB 604 (Skinner, Chapter 744, Statutes of 2011) amended California code to allow the Department to also authorize SEP providers. According to the bill’s author, Assemblymember Skinner introduced the bill after the Fresno SEP lost its authorization due to a change in office holders on the Fresno County Board of Supervisors in 2011. A similar change to the San Diego City Council had previously resulted in the shutdown of an SEP run by a local

federally-qualified health center. The bill's author cited concern about lack of syringe exchange services in jurisdictions highly impacted by HIV, hepatitis C virus (HCV), and injection drug use, as well as concern that the Department lacked the authority "to fully respond to urgent public health concerns from HIV, hepatitis, and other blood-borne infections." AB 604 granted new authority to the Department to authorize SEPs, but did not impact the ability of local governments to continue to authorize SEPs if they chose.

HSC 121349 and Business and Professions Code Section 4145 outline the mechanisms by which an SEP may be authorized to operate. Regulations approved in 2014 allow the Department to authorize SEPs in locations where the Department determines that the conditions exist for rapid spread of HIV or viral hepatitis. Organizations that want to add syringe exchange services may apply directly to the Department's Office of AIDS for authorization, rather than to their local county or city government. Applications must meet minimal requirements outlined by the law to be considered. CCR, Title 17, Sections 7000-7016 define the application process, as well as the reauthorization process for state-authorized entities. All state-authorized SEPs are required to submit a yearly progress report. They may apply for reauthorization prior to the end of the two-year authorization period.

#### *Effectiveness of Syringe Exchange Programs*

The first SEP was established in California in 1988; there are currently 62 SEPs in the state. SEPs have been rigorously studied since they were first introduced in the mid-1980s in response to injection-related HIV transmission. As CDC has summarized, this evidence has shown that SEPs:

- Reduce HIV and viral hepatitis transmission;
- Reduce overdose mortality;
- Increase entry into substance use disorder treatment;
- Reduce needle-stick injuries;
- Save money; and
- Do not increase drug use or crime.

The impact of SEPs has been most notable in terms of controlling the HIV epidemic: between 2008 and 2014, the annual HIV diagnoses among PWID in the U.S. fell by half. In jurisdictions where SEPs were adopted early and publicly funded, injection-related HIV transmission has been steeply reduced, such as in San Francisco where the number of infections decreased by two-thirds<sup>1</sup>, or New York City where HIV prevalence among PWID fell from 54% in 1990 to 3% in 2012.

SEPs also play an important role in preventing the transmission of HCV, in linking individuals to substance use disorder treatment, and in safe disposal of used syringes.

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<sup>1</sup> San Francisco Department of Public Health, Population Health Division. *Syringe Access and Disposal Services*. (May 2018), <https://www.sfdph.org/dph/hc/HCCommPubHlth/Agendas/2018/May%2015/syringeprez.pdf>.



Studies have found, for example, that cities with SEPs have less syringe litter than those that don't have SEPs, and that syringes obtained from SEPs are more likely to be safely disposed than those acquired from other sources.

### *Unintended Conflict Between Law and Regulation*

Some local governments that do not support the establishment of authorized SEPs within their jurisdictions are taking steps to circumvent the intent of HSC 121349 by blocking SEPs from operating through issuing restrictive local ordinances. However, the law is designed such that the state can authorize an SEP specifically because not all jurisdictions, even those who have a high need, support the operation of SEPs within their boundaries.

The law specifically provides preemption language to make clear that a state authorization under HSC 121349 overrides any other laws. The law provides:

“In order to reduce the spread of HIV infection, viral hepatitis, and other potentially deadly bloodborne infections, the State Department of Public Health may, *notwithstanding any other law*, authorize entities that provide services set forth in paragraph (1) of subdivision (d), and that have sufficient staff and capacity to provide the services described in Section 121349.1, as determined by the department, to apply for authorization under this chapter to provide hypodermic needle and syringe exchange services consistent with state standards in any location where the department determines that the conditions exist for the rapid spread of HIV, viral hepatitis, or any other potentially deadly or disabling infections that are spread through the sharing of used hypodermic needles and syringes [emphasis added].”

The improper inclusion of reference to local ordinances in CCR Title 17, Section 7002(a)(13)(A) and Section 7014 in the 2014 regulations has created a direct conflict with the law and had the effect of subverting the Legislature's stated intent of the preemption language in HSC Section 121349. This error in the regulations opened an opportunity for local ordinances to improperly shut down an SEP<sup>2</sup> that was otherwise approved through the legal mechanism in HSC 121349, could cause many communities deemed to be in need of SEP services to be denied access.

### **Policy Statement Overview**

#### ***Problem Statement:***

In 2018, AB 1810 was signed into law, amending HSC 121349(e). This changed the public comment period for state-authorized SEP applications from 90 days to 45 days. It is required that CCR, Title 17, Sections 7000 and 7002 be updated to reflect that change.

CCR, Title 17, Section 7002(a)(13)(A) defines one of the steps for state-authorized applicants. It states that SEP applicants must provide a signed statement attesting to “compliance with state laws, regulations and local ordinances.” Section 7014 states “the

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<sup>2</sup> County of Orange, Orange County Flood Control District, City of Costa Mesa, City of Orange and City of Anaheim v. California Department of Public Health and Orange County Needle Exchange Program Case No. 37-2018-00039176-CU-MC-CTL Consolidated with 37-2018-00042617-CU-TT-CLT Superior Court of the State of California, County of San Diego.

program and its staff shall operate and furnish services in compliance with all applicable state laws, regulations and local ordinances.” CCR, Title 17, Section 7002(a)(13)(A) and Section 7014 should not have included “local ordinances” as part of the regulations. This has caused numerous issues. First, it has given some local governments the impression that they have authority over the approval and oversight of state-authorized SEPs. This occurred when the City of Santa Ana moved to close Orange County Needle Exchange Program (OCNEP), a state-authorized SEP. The Department then followed all requirements in HSC 121349 and authorized OCNEP to operate a mobile outreach program. The County of Orange along with several local jurisdictions subsequently filed suit against OCNEP and the Department to void the authorization. A second issue is that some community groups applying for authorization with the state are under the mistaken impression they must be approved by local government as well as the Department in order to be authorized. As a result, community groups may be hesitant to apply for authorization if their local government has indicated that they are not interested in approving an SEP. This misunderstanding is being communicated to the public and creating false expectations for community members opposed to SEPs, who may believe that local government can halt Department authorization of syringe services in their jurisdictions.

***Objectives (Goals):***

The objectives of this regulatory proposal are to:

- Create consistency between HSC and CCR in defining the public comment period; and
- Correct the current regulations by removing “local ordinances” from the regulations to be in compliance with AB 604.

**Benefits**

Regulations are required to clarify and implement statute: these changes will improve both clarity and implementation. Additional benefits of this proposal are as follows:

- Amended regulations will be in compliance with changes to HSC 121349 made by AB 1810; and
- Will remove ambiguity and clearly define the authority of the Department to authorize and oversee state-authorized SEPs notwithstanding any other law.

**Evaluation as to Whether the Regulations are Inconsistent or Incompatible with Existing State Regulations**

The Department has made a determination that these regulations are neither inconsistent nor incompatible with other state regulations.

**Substantial Difference from Federal Regulation or Statute**

State regulations are required, as there are no federal regulations governing the authorization of SEPs.

**Incorporation by Reference**

None.

## **Documents Relied Upon**

1. Assembly Bill 1810 (Ting, Chapter 34, Statutes of 2018), [http://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill\\_id=201720180AB1810](http://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=201720180AB1810).
2. Assembly Bill 604 (Skinner, Chapter 744, Statutes of 2011), [http://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill\\_id=201120120AB604](http://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201120120AB604)
3. California Health and Safety Code Section 121349, [http://leginfo.legislature.ca.gov/faces/codes\\_displaySection.xhtml?sectionNum=121349.&lawCode=HSC](http://leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?sectionNum=121349.&lawCode=HSC).
4. California Code of Regulations, Title 17, Section 7000, [https://govt.westlaw.com/calregs/Document/IACE1B100F70711E2A418DBA4AAEF658?viewType=FullText&originationContext=documenttoc&transitionType=CategoryPageItem&contextData=\(sc.Default\)](https://govt.westlaw.com/calregs/Document/IACE1B100F70711E2A418DBA4AAEF658?viewType=FullText&originationContext=documenttoc&transitionType=CategoryPageItem&contextData=(sc.Default)).
5. California Code of Regulations, Title 17, Section 7002, [https://govt.westlaw.com/calregs/Document/IAD1CE540F70711E2A418DBA4AAEF658?viewType=FullText&originationContext=documenttoc&transitionType=CategoryPageItem&contextData=\(sc.Default\)](https://govt.westlaw.com/calregs/Document/IAD1CE540F70711E2A418DBA4AAEF658?viewType=FullText&originationContext=documenttoc&transitionType=CategoryPageItem&contextData=(sc.Default)).
6. U.S. Department of Health and Human Services. Federal Response – Ending the HIV Epidemic: A Plan for America, <https://www.hhs.gov/blog/2019/02/05/ending-the-hiv-epidemic-a-plan-for-america.html>, (as of October 2019).
7. Centers for Disease Control and Prevention. Summary of Information on the Safety and Effectiveness of Syringe Services Programs, (July, 2019), <https://www.cdc.gov/ssp/docs/SSP-Summary.pdf> (as of October 2019).
8. Centers for Disease Control and Prevention. Reducing Harms from Injection Drug Use & Opioid Use Disorder with Syringe Services Programs, (August, 2017), <https://www.cdc.gov/hiv/pdf/risk/cdchiv-fs-syringe-services.pdf> (as of October 2019).
9. California Department of Public Health (CDPH). [Issue Brief: Syringe Access Policies for California Syringe Exchange Programs](https://www.cdph.ca.gov/Programs/CID/DOA/CDPH%20Document%20Library/CDPH%20SEP%20Distribution%20Policy%20Issue%20Brief%20(Aproved%20w%20Logos).pdf), April 2017, [https://www.cdph.ca.gov/Programs/CID/DOA/CDPH%20Document%20Library/CDPH%20SEP%20Distribution%20Policy%20Issue%20Brief%20\(Aproved%20w%20Logos\).pdf](https://www.cdph.ca.gov/Programs/CID/DOA/CDPH%20Document%20Library/CDPH%20SEP%20Distribution%20Policy%20Issue%20Brief%20(Aproved%20w%20Logos).pdf) (as of October 2019).
10. San Francisco Department of Public Health, Population Health Division. Syringe Access and Disposal Services, (May 2018), <https://www.sfdph.org/dph/hc/HCCommPubHlth/Agendas/2018/May%2015/syringeprez.pdf> (as of October 2019).
11. County of Orange, Orange County Flood Control District, City of Costa Mesa, City of Orange and City of Anaheim v. CDPH and Orange County Needle Exchange Program Case No. 37-2018-00039176-CU-MC-CTL Consolidated with 37-2018-00042617-CU-TT-CLT Superior Court of the State of California, County of San Diego.
12. Doherty MC, Junge B, Rathouz P, Garfein RS, Riley E, Vlahov D. The effect of a needle exchange program on numbers of discarded needles: a 2-year follow-up. *Am J Public Health*. 2000;90(6):936–939.
13. Belani HK, Muennig PA. Cost-effectiveness of needle and syringe exchange for the prevention of HIV in New York City. *Journal of HIV/AIDS Social Services*. 2008;7:229–40.

14. Kong D, et al. Patient Costs, Characteristics, and Outcomes Associated with Hepatitis B and Hepatitis C Hospitalizations – California – 2011. Poster presentation at Conference of State and Territorial Epidemiologists Conference, Pasadena, California, June 2013.

**Business reporting requirements**

None.

**Authority and Reference**

HSC Section 131200 authorizes the Department to adopt and enforce regulations for the execution of its duties. Per HSC Section 131019, the Office of AIDS is the lead agency within the state responsible for coordinating HIV/AIDS-related programs. HSC Section 121349 gives the Department the authority to authorize SEPs. AB 1810 removed all sunset provisions from the SEP authorization program and extended the operation of these provisions indefinitely.

**Mandated by Federal Law or Regulations**

State regulations are required, as there are no federal regulations governing the authorization of SEPs.

**Other Statutory Requirements**

Health and Safety Code 121349, California Code of Regulations (CCR) Title 17, Sections 7000-7016, Business & Professions Code Section 4145.

**Local Mandate**

The Department has determined that this regulatory action would not impose a mandate on local agencies or school districts, nor are there any costs for which reimbursement is required by part 7 (commencing with Section 17500) of Division 4 of the Government Code.

**Fiscal Impact Statement**

- The estimated cost to any local agency or school district requiring reimbursement: no costs.
- The estimated cost or savings to any state agency: If the Department certifies 5 additional SEPs, each of which averts an average of 6 HIV infections (for a statewide total of 30 infections averted) then SEP certification results in a yearly benefit to the state of \$596,074 per year (\$19,870 cost per year x 5 SEP x 6 averted infections). Subtract the estimated overall operating cost of an SEP per year (\$250,003) and the overall savings is \$346,071. More savings will be realized if additional programs are certified each year and if already-certified programs are re-certified and continue to operate.
- An estimate of any other non-discretionary cost or savings imposed upon local agencies: none.
- An estimate of any cost or savings in federal funding to the state: none.

**Cost Impacts on Representative Person or Business**

The agency is not aware of any cost impacts that a representative private person or







