

STATE OF CALIFORNIA  
**ECONOMIC AND FISCAL IMPACT STATEMENT**  
 (REGULATIONS AND ORDERS)

STD. 399 (Rev. 2-98)

See SAM Sections 6600 - 6680 for Instructions and Code Citations

<b>DOCKET</b> 05-AAER-1
DATE <u>JUL 12 2005</u>
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DEPARTMENT NAME California Energy Commission	CONTACT PERSON Jim Holland	TELEPHONE NUMBER (916)654-4091
DESCRIPTIVE TITLE FROM NOTICE REGISTER OR FORM 400 Changes to CCR Title 20, Appliance Efficiency Regulations		NOTICE FILE NUMBER Z

**ECONOMIC IMPACT STATEMENT**

**A. ESTIMATED PRIVATE SECTOR COST IMPACTS** (Include calculations and assumptions in the rulemaking record.)

1. Check the appropriate box(es) below to indicate whether this regulation:

- |  |   |
|--|---|
| <input checked="" type="checkbox"/> a. Impacts businesses and/or employees | <input checked="" type="checkbox"/> e. Imposes reporting requirements   |
| <input type="checkbox"/> b. Impacts small businesses                       | <input type="checkbox"/> f. Imposes prescriptive instead of performance standards                                   |
| <input type="checkbox"/> c. Impacts jobs or occupations                    | <input type="checkbox"/> g. Impacts individuals   |
| <input type="checkbox"/> d. Impacts California competitiveness             | <input type="checkbox"/> h. None of the above (Explain below. Complete the Fiscal Impact Statement as appropriate.) |

h. (cont.) \_\_\_\_\_

(If any box in Items 1 a through g is checked, complete this Economic Impact Statement.)

2. Enter the total number of businesses impacted: unknown Describe the types of businesses (Include nonprofits): Mfrs of compact audio products, televisions, DVD players/recorders, digital television adapters, under-cabinet fluorescent fixtures, & torchieres

Enter the number or percentage of total businesses impacted that are small businesses: 10%

3. Enter the number of businesses that will be created: 0 eliminated: 0

Explain: \_\_\_\_\_

4. Indicate the geographic extent of impacts:  Statewide  Local or regional (list areas): \_\_\_\_\_

5. Enter the number of jobs created: 0 or eliminated: 0 Describe the types of jobs or occupations impacted: n/a

6. Will the regulation affect the ability of California businesses to compete with other states by making it more costly to produce goods or services here?

Yes  No If yes, explain briefly: \_\_\_\_\_

**B. ESTIMATED COSTS** (Include calculations and assumptions in the rulemaking record.)

1. What are the total statewide dollar costs that businesses and individuals may incur to comply with this regulation over its lifetime? \$ 0

- |  |                                   |                   |
|--|-----------------------------------|-------------------|
| a. Initial costs for a small business: \$ <u>0</u>   | Annual ongoing costs: \$ <u>0</u> | Years: <u>n/a</u> |
| b. Initial costs for a typical business: \$ <u>0</u> | Annual ongoing costs: \$ <u>0</u> | Years: <u>n/a</u> |
| c. Initial costs for an individual: \$ <u>0</u>      | Annual ongoing costs: \$ <u>0</u> | Years: <u>n/a</u> |

d. Describe other economic costs that may occur: \_\_\_\_\_

ECONOMIC AND FISCAL IMPACT STATEMENT cont. (STD. 399, Rev. 2-98)

2. If multiple industries are impacted, enter the share of total costs for each industry: not applicable

3. If the regulation imposes reporting requirements, enter the annual costs a typical business may incur to comply with these requirements. (Include the dollar costs to do programming, record keeping, reporting, and other paperwork, whether or not the paperwork must be submitted.): \$ \$360/Manuf. See Atch 'A'

4. Will this regulation directly impact housing costs?  Yes  No If yes, enter the annual dollar cost per housing unit: \$ \_\_\_\_\_ and the number of units: \_\_\_\_\_

5. Are there comparable Federal regulations?  Yes  No Explain the need for State regulation given the existence or absence of Federal regulations: The proposed amendments are to correct editorial errors and initiate data collection for non-fed. regulated appliances

Enter any additional costs to businesses and/or individuals that may be due to State - Federal differences: \$ (see B3)

C. ESTIMATED BENEFITS (Estimation of the dollar value of benefits is not specifically required by rulemaking law, but encouraged.)

1. Briefly summarize the benefits that may result from this regulation and who will benefit: not applicable

2. Are the benefits the result of:  specific statutory requirements, or  goals developed by the agency based on broad statutory authority? Explain: \_\_\_\_\_

3. What are the total statewide benefits from this regulation over its lifetime? \$ 0

D. ALTERNATIVES TO THE REGULATION (Include calculations and assumptions in the rulemaking record. Estimation of the dollar value of benefits is not specifically required by rulemaking law, but encouraged.)

1. List alternatives considered and describe them below. If no alternatives were considered, explain why not: The alternative to implementing the proposed amendments to the Appliance Efficiency Regulations would be to allow editorial mistakes to exist in the regulations and to omit the required collecting of data on already-regulated appliances.

2. Summarize the total statewide costs and benefits from this regulation and each alternative considered:

Regulation:	Benefit: \$ <u>see B3</u>	Cost: \$ <u>see B3</u>
Alternative 1:	Benefit: \$ <u>n/a</u>	Cost: \$ <u>n/a</u>
Alternative 2:	Benefit: \$ <u>n/a</u>	Cost: \$ <u>n/a</u>

3. Briefly discuss any quantification issues that are relevant to a comparison of estimated costs and benefits for this regulation or alternatives: The only estimated costs incurred by the proposed regulations are those shown in B3 above for data reporting.

4. Rulemaking law requires agencies to consider performance standards as an alternative, if a regulation mandates the use of specific technologies or equipment, or prescribes specific actions or procedures. Were performance standards considered to lower compliance costs?  Yes  No Explain: not applicable

E. MAJOR REGULATIONS (Include calculations and assumptions in the rulemaking record.) Cal/EPA boards, offices and departments are subject to the following additional requirements per Health and Safety Code section 57005.

ECONOMIC AND FISCAL IMPACT STATEMENT cont. (STD. 399, Rev. 2-98)

1. Will the estimated costs of this regulation to California business enterprises exceed \$10 million?  Yes  No (If No, skip the rest of this section)
2. Briefly describe each equally as effective alternative, or combination of alternatives, for which a cost-effectiveness analysis was performed:  
Alternative 1: n/a  
Alternative 2: n/a
3. For the regulation, and each alternative just described, enter the estimated total cost and overall cost-effectiveness ratio:  
Regulation: \$ n/a Cost-effectiveness ratio: \_\_\_\_\_  
Alternative 1: \$ n/a Cost-effectiveness ratio: \_\_\_\_\_  
Alternative 2: \$ n/a Cost-effectiveness ratio: \_\_\_\_\_

FISCAL IMPACT STATEMENT

A. FISCAL EFFECT ON LOCAL GOVERNMENT (Indicate appropriate boxes 1 through 6 and attach calculations and assumptions of fiscal impact for the current year and two subsequent Fiscal Years)

1. Additional expenditures of approximately \$ 0 in the current State Fiscal Year which are reimbursable by the State pursuant to Section 6 of Article XIII B of the California Constitution and Sections 17500 et seq. of the Government Code. Funding for this reimbursement:
- a. is provided in (Item \_\_\_\_\_, Budget Act of \_\_\_\_\_) or (Chapter \_\_\_\_\_, Statutes of \_\_\_\_\_)
  - b. will be requested in the \_\_\_\_\_ (FISCAL YEAR) Governor's Budget for appropriation in Budget Act of \_\_\_\_\_
2. Additional expenditures of approximately \$ 0 in the current State Fiscal Year which are not reimbursable by the State pursuant to Section 6 of Article XIII B of the California Constitution and Sections 17500 et seq. of the Government Code because this regulation:
- a. implements the Federal mandate contained in \_\_\_\_\_
  - b. implements the court mandate set forth by the \_\_\_\_\_ court in the case of \_\_\_\_\_ vs. \_\_\_\_\_
  - c. implements a mandate of the people of this State expressed in their approval of Proposition No. \_\_\_\_\_ at the \_\_\_\_\_ election; (DATE)
  - d. is issued only in response to a specific request from the \_\_\_\_\_, which is/are the only local entity(s) affected;
  - e. will be fully financed from the \_\_\_\_\_ (FEES, REVENUE, ETC.) authorized by Section \_\_\_\_\_ of the \_\_\_\_\_ Code;
  - f. provides for savings to each affected unit of local government which will, at a minimum, offset any additional costs to each such unit.
3. Savings of approximately \$ 0 annually.
4. No additional costs or savings because this regulation makes only technical, non-substantive or clarifying changes to current law and regulations.

**ECONOMIC AND FISCAL IMPACT STATEMENT cont. (STD. 399, Rev. 2-98)**

- 5. No fiscal impact exists because this regulation does not affect any local entity or program.
- 6. Other.

**B. FISCAL EFFECT ON STATE GOVERNMENT** *(Indicate appropriate boxes 1 through 4 and attach calculations and assumptions of fiscal impact for the current year and two subsequent Fiscal Years.)*

- 1. Additional expenditures of approximately \$ 0 in the current State Fiscal Year. It is anticipated that State agencies will:
  - a. be able to absorb these additional costs within their existing budgets and resources.
  - b. request an increase in the currently authorized budget level for the \_\_\_\_\_ fiscal year.
- 2. Savings of approximately \$ 0 in the current State Fiscal Year.
- 3. No fiscal impact exists because this regulation does not affect any State agency or program.
- 4. Other.

**C. FISCAL EFFECT ON FEDERAL FUNDING OF STATE PROGRAMS** *(Indicate appropriate boxes 1 through 4 and attach calculations and assumptions of fiscal impact for the current year and two subsequent Fiscal Years.)*

- 1. Additional expenditures of approximately \$ 0 in the current State Fiscal Year.
- 2. Savings of approximately \$ 0 in the current State Fiscal Year.
- 3. No fiscal impact exists because this regulation does not affect any federally funded State agency or program.
- 4. Other.

SIGNATURE

TITLE

AGENCY SECRETARY <sup>1</sup>

APPROVAL/CONCURRENCE

DEPARTMENT OF FINANCE <sup>2</sup>

APPROVAL/CONCURRENCE

PROGRAM BUDGET MANAGER

DATE

DATE

1. The signature attests that the agency has completed the STD. 399 according to the instructions in SAM sections 6600-6680, and understands the impacts of the proposed rulemaking. State boards, offices, or departments not under an Agency Secretary must have the form signed by the highest ranking official in the organization.

2. Finance approval and signature is required when SAM sections 6600-6670 require completion of the Fiscal Impact Statement in the STD. 399.

Attachment A to STD. Form 399  
Economic and Fiscal impact Statement  
For the Appliance Efficiency Regulations Amendments

*Economic Impact Statement, Item B, Estimated Costs, Paragraph 3, (Cont.)*

The proposed amendments to the Appliance Efficiency Regulations impose new data reporting requirements on manufacturers for four appliance types. These new reporting requirements will cost manufacturers an estimated \$360 per year to comply. This amount is based on an employee making \$15 per hour, taking two hours per month for each month of the year to accomplish the data submittal requirements.