

**INITIAL STATEMENT OF REASONS
FOR PROPOSED BUILDING STANDARDS
OF THE OFFICE OF STATEWIDE HEALTH PLANNING AND DEVELOPMENT
REGARDING THE 2022 CALIFORNIA ADMINISTRATIVE CODE
CALIFORNIA CODE OF REGULATIONS, TITLE 24, PART 1**

(OSHPD 03/21)

The Administrative Procedure Act (APA) requires that an Initial Statement of Reasons be available to the public upon request when rulemaking action is being undertaken. The following information required by the APA pertains to this particular rulemaking action:

STATEMENT OF SPECIFIC PURPOSE, PROBLEM, RATIONALE and BENEFITS

Government Code Section 11346.2(b)(1) requires a statement of specific purpose of each adoption, amendment, or repeal and the problem the agency intends to address and the rationale for the determination by the agency that each adoption, amendment, or repeal is reasonably necessary to carry out the purpose and address the problem for which it is proposed. The statement shall enumerate the benefits anticipated from the regulatory action, including the benefits or goals provided in the authorizing statute.

The Office of Statewide Health Planning and Development (OSHPD) proposes to adopt Chapter 6 and Chapter 7 of the 2022 edition of the California Administrative Code, carrying forward existing amendments from the 2019 California Administrative Code with the following modifications:

Item 1

**CHAPTER 7 - SAFETY STANDARDS FOR HEALTH FACILITIES
ARTICLE 2 DEFINITIONS**

7-111. Definitions.

Added clarification that the equipment referred to in the definition of “Actual Construction Cost” is for construction equipment. There was confusion that this meant medical equipment, but this is not in context with the definition.

Phased Plan Review and Collaborative Review and Construction are being combined into a single Integrated Review program for simplification. This being done provides options from both programs to be available in the Integrated Review. Phased Plan review is being renamed to Integrated Review so added the definition of “Integrated Review” to replace Phased Plan Review.

Amended the definition of “Managed Project” to remove phased plan review and replace it with integrated review.

Deleted the definition of “Phased Plan Review” as it is being replaced with Integrated Review.

Added the definition of “Start of Construction” to clarify that the start date of construction may include actual physical work as well as the preparation for construction such as manufacturing components offsite.

CAC Recommendation (if applicable):

Approve all OSHPD proposals for Article 2 except for definition of “Start of Construction” which was recommended for Further Study based on 9 Point Criteria #6.

Agency Response:

Accept. Editorial amendment made per CAC comment in definition of Integrated Review to align two (2) occurrences of the term “agreed-upon” by adding a hyphen to both occurrences. Further Study accepted for definition of Start of Construction. Upon review of the language, it was determined that the duplicative word “placement” was adding confusion and is being amended to delete the first occurrence of this word.

Item 2

**CHAPTER 7 - SAFETY STANDARDS FOR HEALTH FACILITIES
ARTICLE 3 APPROVAL OF CONSTRUCTION DOCUMENTS**

7-113. Application for plan, report or seismic compliance extension review.

Amended existing language to provide requirements for electronic submittals in addition to paper submittals.

CAC Recommendation (if applicable):

Approve as Amended based on 9 Point Criteria #6.

Agency Response:

Accept. Editorial amendment made to respond to CAC comment to 7-113(a)2A and C that the word “paper” should be added to differentiate from an electronic review. In addition, editorial amendment was made to 7-113(a)2B to clarify that “preliminary annotated” specifications shall be included with a preliminary review per CAC comment.

Item 3

**CHAPTER 7 - SAFETY STANDARDS FOR HEALTH FACILITIES
ARTICLE 3 APPROVAL OF CONSTRUCTION DOCUMENTS**

7-121. Presubmittal meeting.

Phased Review and Collaborative Review are being combined into a single process now called Integrated Review. This item amends existing language to replace Phased Plan Review with Integrated Review. Removed references to Collaborative Review and Construction as these requirements were merged into Integrated Review.

Amended existing language from Memorandum of Understanding (MOU) to Integrated Review Plan (IRP) as the document was renamed.

CAC Recommendation (if applicable):

Approve

Agency Response:

Accept

Item 4

**CHAPTER 7 - SAFETY STANDARDS FOR HEALTH FACILITIES
ARTICLE 3 APPROVAL OF CONSTRUCTION DOCUMENTS**

7-123. Preliminary plans and specifications.

Amended existing language to remove “outline” from the submittal requirements for specifications during a preliminary review as it has been proven an outline specification is insufficient for most preliminary reviews.

CAC Recommendation (if applicable):

Approve as Amended based on 9 Point Criteria #6.

Agency Response:

Accept. Editorial amendment made to respond to CAC comment to 7-123(a) that the words “preliminary annotated” be added preceding “specifications”.

Item 5

**CHAPTER 7 - SAFETY STANDARDS FOR HEALTH FACILITIES
ARTICLE 3 APPROVAL OF CONSTRUCTION DOCUMENTS**

7-128. Worked performed without a permit.

Amend existing language to remove the definition of Estimated Construction cost as it is already provided in Definitions. This occurs at 7-128(2) A and B.

CAC Recommendation (if applicable):

Approve

Agency Response:

Accept

Item 6

**CHAPTER 7 - SAFETY STANDARDS FOR HEALTH FACILITIES
ARTICLE 3 APPROVAL OF CONSTRUCTION DOCUMENTS**

7-129. Time limitations.

Amended paragraph (b) existing language to provide revised time limitations based on the cost of a project. Item 1 is the same language that was item 1 previously but provisions for projects under \$500,000 are being added which include a 45-day return time for responded documents. Item 2 is amended for projects greater than \$500,000 which will remain at a 90-day return time for responded documents. These revisions correlate to internal revisions OSHPD has made to expedite review times for smaller projects and to align them with Anticipated Plan Approval Dates (APAD). Item 3 deleted the words “prints of the” as they are not needed.

Paragraph (c) is amended to align with new statute Assembly Bill 2913 for start of construction and Building Standards Commissions language.

Paragraph (d) has been amended to include a description of when a project is considered abandoned.

The exception in paragraph (d) was amended to limit the exception to paragraphs (a) and (b) so they do not apply to managed projects. Manage project time limitations would not apply as the durations are negotiated. Phase review was also replaced with integrated review.

CAC Recommendation (if applicable):

Approve

Agency Response:

Accept. Editorial amendment made per CAC comment that text in 7-129 (b) should delete the word “either” and add options “1, 2 or 3 occurs.”

Item 7

**CHAPTER 7 - SAFETY STANDARDS FOR HEALTH FACILITIES
ARTICLE 3 APPROVAL OF CONSTRUCTION DOCUMENTS**

7-130. Integrated submittal, review and approval.

Amended existing language to replace Phased Review with Integrated Review both in the title of the section and the content.

CAC Recommendation (if applicable):

Approve

Agency Response:

Accept

Item 8

**CHAPTER 7 - SAFETY STANDARDS FOR HEALTH FACILITIES
ARTICLE 3 APPROVAL OF CONSTRUCTION DOCUMENTS**

7-133. Fees.

In paragraph (a), amend existing language to allow for projects with estimated construction cost of less than \$250,000 to be invoiced at the rate of 2.0 percent of the estimated construction cost due to the effort involved to review and approve smaller projects in relation to the fees provided. Smaller projects have proven to require more effort compared to fee typically generated with construction cost values. Proceeding item leaves rate at 1.64 percent for projects with an estimated cost of over \$250,000.

Amend existing language in Section 7-133(a)1 and 7-133(a)2 to remove the definition of Estimated Construction cost as it is already provided in Definitions.

In paragraph (e), added language to clarify that the fee is due on the first submittal of construction documents.

In paragraph (h), the existing language is being amended to remove collaborative review and replace phased review with integrated review. The fee of 1.95% will be applied to integrated review as it is a combination of what was phased and collaborative review.

Delete the exception for paragraph (q) as collaborative review is no longer an option.

CAC Recommendation (if applicable):

Approve

Agency Response:

Accept

Item 9

**CHAPTER 7 - SAFETY STANDARDS FOR HEALTH FACILITIES
ARTICLE 4 CONSTRUCTION**

7-144. Inspection.

Amend existing language to correct a typographical error changing inspectors to inspector.

CAC Recommendation (if applicable):

Approve

Agency Response:

Accept. Editorial amendment made per CAC comment for 7-144 to add “(s)” after the word Inspector.

Item 10

**CHAPTER 7 - SAFETY STANDARDS FOR HEALTH FACILITIES
ARTICLE 4 CONSTRUCTION**

7-145. Continuous inspection of work.

Amend paragraph 5 to clarify the IOR shall notify the office in writing when work is started. This is so the progress of work can be documented and tracked.

Amend paragraph 6 existing language to clarify the field record report shall include the time and date of all correspondence with the contractor regarding incomplete work, potential deficiencies or deviation which require the contractor’s attention.

Paragraph A was added to require these reports to include all copies of certificates, tags, marks or other evidence of material properties and/or manufactured components.

Paragraph E was added for these reports to include names and certificate numbers of all special inspectors who perform work both on and off site.

Paragraph 7 was amended to allow for electronic record keeping.

CAC Recommendation (if applicable):

Approve

Agency Response:

Accept

Item 11

**CHAPTER 7 - SAFETY STANDARDS FOR HEALTH FACILITIES
ARTICLE 4 CONSTRUCTION**

7-153. Changes to the approved work.

Amend existing language to allow for electronic submittal of changes.

CAC Recommendation (if applicable):

Approve as Amended based on 9 Point Criteria #6.

Agency Response:

Accept. Editorial amendment made in response to CAC comment for 7-153 to add the word "paper" prior to "copies."

Item 12

**CHAPTER 7 - SAFETY STANDARDS FOR HEALTH FACILITIES
ARTICLE 19 CERTIFICATION AND APPROVAL OF HOSPITAL INSPECTORS**

7-201. Contact with office.

Amend existing language to remove street address of OSHPD.

CAC Recommendation (if applicable):

Approve

Agency Response:

Accept

TECHNICAL, THEORETICAL, AND EMPIRICAL STUDY, REPORT, OR SIMILAR DOCUMENTS

Government Code Section 11346.2(b)(3) requires an identification of each technical, theoretical, and empirical study, report, or similar document, if any, upon which the agency relies in proposing the regulation(s).

There are no formal studies, reports or documents to be identified as the basis for the proposed amendments.

STATEMENT OF JUSTIFICATION FOR PRESCRIPTIVE STANDARDS

Government Code Section 11346.2(b)(1) requires a statement of the reasons why an agency believes any mandates for specific technologies or equipment or prescriptive standards are required.

The proposed changes do not mandate any specific technologies or equipment and do not require any prescriptive standards.

CONSIDERATION OF REASONABLE ALTERNATIVES

Government Code Section 11346.2(b)(4)(A) requires a description of reasonable alternatives to the regulation and the agency's reasons for rejecting those alternatives. In the case of a regulation that would mandate the use of specific technologies or equipment or prescribe specific action or procedures, the imposition of performance standards shall

be considered as an alternate. It is not the intent of this paragraph to require the agency to artificially construct alternatives or describe unreasonable alternatives.

There were no alternatives for consideration by the Office. Proposed amendments will provide clarification and consistency within the code and are in alignment with national standards.

REASONABLE ALTERNATIVES THE AGENCY HAS IDENTIFIED THAT WOULD LESSEN ANY ADVERSE IMPACT ON SMALL BUSINESS

Government Code Section 11346.2(b)(4)(B) requires a description of any reasonable alternatives that have been identified or that have otherwise been identified and brought to the attention of the agency that would lessen any adverse impact on small business.

Small businesses will not be adversely impacted by the proposed adoption, amendments or repeal of code requirements.

FACTS, EVIDENCE, DOCUMENTS, TESTIMONY, OR OTHER EVIDENCE OF NO SIGNIFICANT ADVERSE IMPACT ON BUSINESS

Government Code Section 11346.2(b)(5)(A) requires the facts, evidence, documents, testimony, or other evidence on which the agency relies to support an initial determination that the action will not have a significant adverse economic impact on business.

The Office identified that there will be no adverse economic impact on businesses on the basis that the provisions proposed are optional and are being proposed to allow facilities to provide services that better match their needs.

ASSESSMENT OF EFFECT OF REGULATIONS UPON JOBS AND BUSINESS EXPANSION, ELIMINATION OR CREATION

Government Code Sections 11346.3(b)(1) and 11346.5(a)(10) OSHPD has assessed whether or not and to what extent this proposal will affect the following:

- A.** The creation or elimination of jobs within the State of California.
The proposed regulations will not create or eliminate jobs within the State of California.
- B.** The creation of new businesses or the elimination of existing businesses within the State of California.
The proposed regulations will not create new businesses or eliminate existing businesses within the State of California.
- C.** The expansion of businesses currently doing business within the State of California.
The proposed regulations will not cause expansion of businesses currently doing business with the State of California.
- D.** The benefits of the regulation to the health and welfare of California residents, worker safety, and the state's environment.
OSHPD promulgates building standards regarding the design and construction of licensed health facilities to ensure the protection of the public's health and safety in the facilities. The proposed regulations are necessary for the continued preservation of the health, safety, and welfare of California residents through

updated amendments. The regulations will not affect worker safety, or the state's environment.

ESTIMATED COST OF COMPLIANCE, ESTIMATED POTENTIAL BENEFITS, AND RELATED ASSUMPTIONS USED FOR BUILDING STANDARDS

Government Code Section 11346.2(b)(5)(B)(i) states if a proposed regulation is a building standard, the initial statement of reasons shall include the estimated cost of compliance, the estimated potential benefits, and the related assumptions used to determine the estimates.

The amendments proposed may provide additional cost to a project. Phased Plan Review (1.64%) and Collaborative Review and Construction (1.95%) have been merged into a single program called Integrated Review. Fees for projects that choose to implement Integrated Review will be 1.95%. Added costs will only be for the projects that may have only been Phased Review and will now be Integrated Review. These projects will result in a .31% increase. Integrated Review should result in a faster review period thus showing a benefit to the owner that cannot be substantiated but would be much greater than the .31% increase in fee.

DUPLICATION OR CONFLICTS WITH FEDERAL REGULATIONS

Government Code Section 11346.2(b)(6) requires a department, board, or commission within the Environmental Protection Agency, the Resources Agency, or the Office of the State Fire Marshal to describe its efforts, in connection with a proposed rulemaking action, to avoid unnecessary duplication or conflicts with federal regulations contained in the Code of Federal Regulations addressing the same issues. These agencies may adopt regulations different from these federal regulations upon a finding of one or more of the following justifications: (A) The differing state regulations are authorized by law and/or (B) The cost of differing state regulations is justified by the benefit to human health, public safety, public welfare, or the environment.

The proposed regulations do not duplicate or conflict with Federal regulations.