

**INITIAL STATEMENT OF REASONS
FOR PROPOSED BUILDING STANDARDS OF THE
CALIFORNIA DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
REGARDING THE 2022 CALIFORNIA ELECTRICAL CODE
CALIFORNIA CODE OF REGULATIONS, TITLE 24, PART 3**

(HCD 01/20)

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.

Specific Purpose

The California Building Standards Commission (CBSC) selected the 2020 National Electrical Code (NEC) as the model code to be referenced in the California Code of Regulations (CCR), title 24, part 3, for the 2021 Triennial Code Adoption Cycle.

The specific purpose of these regulations is to adopt by reference the 2020 edition of the NEC, with California amendments, into the 2022 California Electrical Code (CEC), CCR, title 24, part 3, for the following programs:

- a) **State Housing Law:** relative to residential occupancies, buildings or structures accessory thereto.
- b) **Employee Housing Act:** relative to the use of electrical equipment and systems in or on any building or structure or outdoors on premises or property in accordance with Health and Safety Code (HSC) section 17040.
- c) **Mobilehome Parks and Special Occupancy Parks:** relative to the use of electrical equipment and systems in or on any permanent buildings, accessory buildings, and structures under the ownership and control of the park operator, within the park, in accordance with HSC section 18300 for mobilehome parks, and HSC section 18865 for special occupancy parks.
- d) **Factory-Built Housing Law:** relative to residential buildings, dwellings or portions thereof, or building components, or manufactured assemblies in accordance with HSC section 19990.

The Public Problem, Administrative Requirement, or Other Circumstance Addressed

Administrative Requirement: HSC section 17921 directs the Department of Housing and Community Development (HCD) to adopt the most recent edition of the model code, which, in this case, is the NEC published by the National Fire Protection Association (NFPA).

Rationale for Necessity

The NFPA acted on the 2020 NEC at its Association Technical Meeting held June 17- 20, 2019. The 2020 edition of the NEC was issued by the Standards Council on August 5, 2019, with an effective date of August 25, 2019, and supersedes all previous editions. The NEC will automatically become adopted, in its entirety, pursuant to HSC section 17922(b), one year from its date of publication, if not adopted or proposed for adoption by HCD to the CBSC prior to that date.

If the 2020 NEC becomes adopted in its entirety without being amended by the CBSC, such automatic adoption would cause considerable confusion because California amendments, also known as “State Amendments,” are necessary modifications to the model code language to ensure that the 2022 CEC is consistent with state law.

It is necessary to propose the adoption of some sections of the 2020 NEC with amendments to the model code language to incorporate state law provisions and to accommodate unique California conditions.

It is necessary to not propose the adoption of some sections of the 2020 NEC as they would conflict with existing state law provisions and not accommodate unique California conditions.

It is necessary to bring forward previously existing California amendments. Some existing amendments will be brought forward without any changes and will represent no change in regulatory effect from the 2019 CEC. Other previously existing California amendments will be changed as explained below.

SPECIFIC PROPOSED REGULATORY ACTIONS

HCD proposes to adopt the 2020 NEC by reference into the 2022 CEC with modification. The rationale for each modification is listed below.

Item 1

ARTICLE 89, GENERAL CODE PROVISIONS

Note: Upon review of the 2019 CEC, HCD found there were inconsistencies between the CEC and other parts of title 24. In order to make the 2022 CEC consistent with other parts of title 24, HCD is proposing editorial and format changes to several sections. These types of proposed amendments have no fiscal impact pursuant to CCR, title 1, section 100, “Changes Without Regulatory Effect.”

Section 89.101 GENERAL

Section 89.101.1 Title.

Rationale: HCD proposes to continue adoption of the above referenced section with modification. The proposed modification updates the reference to the NEC from the 2017 NEC to the 2020 NEC. This proposed modification incorporates the latest model code and therefore supports Nine-Point Criteria (7).

Section 89.101.2 Purpose.

Rationale: HCD proposes to continue adoption of the above referenced section with modification. The proposed modification (section number and title to be bold) is editorial and for format consistency within this code. The proposed modification is for format consistency with standards adopted by the CBSC and therefore supports Nine-Point Criteria (8).

Section 89.101.3 Scope.

Rationale: HCD proposes to continue adoption of the above referenced section with modifications. The modifications (section number and title to be bold; other word changes) are editorial and for format consistency within this code and with other parts of title 24. The proposed modifications are for format consistency with standards adopted by the CBSC, therefore the proposals support Nine-Point Criteria (8).

Section 89.101.7.3 Conflicts. (Exception)

Rationale: HCD proposes to repeal the above referenced exception because HCD is proposing a new section which incorporates the language from this exception for format consistency with other parts of title 24. The proposed modification is for format consistency with standards adopted by the CBSC and therefore supports Nine-Point Criteria (8).

Section 89.101.7.3.1 Detached One- and Two-Family Dwellings.

Rationale: HCD proposes to adopt the above referenced new California amendment (section). The proposed new section incorporates language from the exception in section 89.101.7.3 for format consistency with other parts of title 24. The proposed modification does not conflict with, overlap, or duplicate other building standards and is for format consistency with standards adopted by the CBSC and therefore supports Nine-Point Criteria (1) and (8) There is no intended change in regulatory effect for the existing exception.

Section 89.101.8 City, County, or City and County Amendments, Additions or Deletions.

Rationale: HCD proposes to continue adoption of the above referenced section with modification. The proposed modification is editorial and for format consistency with other parts of title 24. The proposed modification adds the word “a” in front of the second instance of “city, county, or city and county.” The proposed modification is for format consistency with standards adopted by the CBSC and therefore supports Nine-Point Criteria (8).

Section 89.101.8.1 Findings and Filings.

Rationale: HCD proposes to continue adoption of the above referenced section with modification. The proposed modification is editorial and adds the complete zip code for HCD’s business address. There is no intended change in regulatory effect.

Section 89.101.9 Effective Date of this Code. (Exceptions)

Rationale: HCD proposes to continue adoption of the above referenced exceptions with modifications. The proposed modifications changed the text in the HCD banner and for format consistency with other parts of title 24. The proposed modification is for format consistency with standards adopted by the CBSC and therefore supports Nine-Point Criteria (8). The proposal also modifies reference to CCR, title 25, section 3048 which is scheduled to be renumbered as section 3037 in a pending rulemaking. This would correct

an incorrect reference in the published code and maintain consistency between codes.

Section 89.108.2 Authority and Abbreviations.

Rationale: HCD proposes to continue adoption of the above referenced section with modification. The proposed modification is editorial and for format consistency within this code. The proposed modification is for format consistency with standards adopted by the CBSC and therefore supports Nine-Point Criteria (8).

Section 89.108.2.1.1 Housing and Construction.

Rationale: HCD proposes to continue adoption of the above referenced section with modification. The proposed modification is for format consistency with other parts of title 24, updates authority and references used for “HCD 1” and also adds a period after “HCD 1.” The proposed modification does not conflict with, overlap, or duplicate other building standards and is for format consistency with standards adopted by the CBSC and therefore supports Nine-Point Criteria (1) and (8).

Section 89.108.2.1.2 Housing Accessibility.

Rationale: HCD proposes to continue adoption of the above referenced section with modifications. The proposed modifications to item (4) are for format consistency with title 24 and adds the word “new” in two places clarifying application to new common use areas serving new covered multifamily dwellings. Other proposed modifications in the two paragraphs following item (5) are editorial, also for format consistency with other parts of title 24 and to update authority and references used for “HCD 1-AC.” The first paragraph following item (5) proposes modifications by adding the words “in Chapter 11B,” and corrects a section number reference to 89.109.1. The second paragraph following item (5) proposes modification to correct “multifamily dwellings” into two words. The proposed modifications do not conflict with, overlap, or duplicate other building standards and is for format consistency with standards adopted by the CBSC and therefore supports Nine-Point Criteria (1) and (8).

Section 89.108.2.1.3 Permanent Buildings in Mobilehome Parks and Special Occupancy Parks.

Rationale: HCD proposes to continue adoption of the above referenced section with modifications. These proposed modifications are consistent with proposed amendments in other parts of title 24 and update authority and references used for “HCD 2.” The proposed modifications are within the parameters established by enabling legislation, consistent with standards adopted by the CBSC and therefore supports Nine-Point Criteria (2).

Section 89.108.3.1 Duties and Powers.

Rationale: HCD proposes to continue adoption of the above referenced section with modifications. The proposed modification adds an additional paragraph for format consistency with other parts of title 24. The proposed editorial modification corrects the spelling of the word “condominiums.” The proposed modifications are for format consistency with standards adopted by the CBSC and therefore supports Nine-Point Criteria (8).

Section 89.108.3.2.1 State Housing Law.

Rationale: HCD proposes to continue adoption of the above referenced section with modification. The proposed modification is editorial and corrects the spelling of “condominiums.” The proposed modifications are for format consistency with standards adopted by the CBSC and therefore supports Nine-Point Criteria (8).

Section 89.108.4.1 Permits.

Rationale: HCD proposes to continue adoption of the above referenced section with modifications. The proposed modification of subsection (b)(2) removes an extraneous word from the sentence. The proposed modifications in subsection (c) are for format consistency with other parts of title 24. The proposed modification does not conflict with, overlap, or duplicate other building standards and is for format consistency with standards adopted by the CBSC and therefore supports Nine-Point Criteria (1) and (8). There is no intended change in regulatory effect from other parts of title 24.

Section 89.108.4.2 Fees.

Rationale: HCD proposes to continue adoption of the above referenced section with modification. The proposed modification is for format consistency with other parts of title 24. The proposed modification does not conflict with, overlap, or duplicate other building standards and is for format consistency with standards adopted by the CBSC and therefore supports Nine-Point Criteria (1) and (8). There is no intended change in regulatory effect for other parts of title 24.

Section 89.108.4.3 Plan Review and Time Limitations.

Rationale: HCD proposes to continue adoption of the above referenced section with modification. The proposed modification is for consistency with other parts of title 24. The proposed modification is for format consistency with standards adopted by the CBSC and therefore supports Nine-Point Criteria (8).

Section 89.108.4.3.1 Retention of Plans. (Exceptions)

Rationale: HCD proposes to continue adoption of the above referenced section with modifications. The proposed modifications are editorial and for correct number formatting for consistency with other parts of title 24. The proposed modification is for format consistency with standards adopted by the CBSC and therefore supports Nine-Point Criteria (8).

Section 89.108.5.1 General. Item 4

Rationale: HCD proposes to continue adoption of the above referenced section with modification. The proposed modification is editorial and for consistency with other parts of this code. The proposed modification is for format consistency with standards adopted by the CBSC and therefore supports Nine-Point Criteria (8).

Section 89.108.7.2 Local Building Departments.

Rationale: HCD proposes to continue adoption of the above referenced section with modifications. The proposed editorial modification corrects the spelling of the word “condominiums.” The proposed modification is for format consistency with standards adopted by the CBSC and therefore supports Nine-Point Criteria (8).

Section 89.108.7.2.1 Approval of Alternates.

Rationale: HCD proposes to continue adoption of the above referenced section with modification to item 4. The proposed editorial medication corrects the spelling of the word “equivalent.” The proposed modification is for format consistency with standards adopted by the CBSC and therefore supports Nine-Point Criteria (8).

Section 89.108.8.3 Appeals.

Rationale: HCD proposes to continue adoption of the above referenced section with modification. The proposed modification is for format consistency with other parts of title 24. The proposed modification is for format consistency with standards adopted by the CBSC and therefore supports Nine-Point Criteria (8).

Section 89.108.9.1 Authority to Enforce.

Rationale: HCD proposes to continue adoption of the above referenced section with modification. The proposed modification is for format consistency with other parts of title 24. The proposed modification is for format consistency with standards adopted by the CBSC and therefore supports Nine-Point Criteria (8).

Section 89.108.9.2 Actions and Proceedings.

Rationale: HCD proposes to continue adoption of the above referenced section with modification. The proposed modification is for format consistency with other parts of title 24. The proposed modification is for format consistency with standards adopted by the CBSC and therefore supports Nine-Point Criteria (8).

The remaining sections from Article 89 are being brought forward from the 2019 CEC without modification.

CAC Recommendation (if applicable):

TBD

Agency Response

TBD

Item 2

ARTICLE 90, INTRODUCTION

HCD proposes to adopt Article 90 from the 2020 NEC into the 2022 CEC with modification as follows.

Section 90.2 Scope.

Rationale: HCD proposes to continue adoption of the above referenced section by adding a new California amendment to section 90.2(B)(1). The proposed amendment reflects provisions of section 89.101.3.3 as related to structures under the jurisdiction of HCD. The proposed modification adds a banner for “HCD 1 and HCD 2,” modifies model code text to avoid conflict with text in section 89.101.3.3, and supports Nine- Point Criteria (1) and (7).

CAC Recommendation (if applicable):

TBD

Agency Response:

TBD

Item 3 CHAPTER 1, GENERAL

Rationale: HCD proposes to adopt Chapter 1, Articles 100 and 110 from the 2020 NEC into the 2022 CEC with new and existing amendments as follows.

Article 100 Definitions

Accessory Dwelling Unit.

Rationale: HCD proposes to bring forward the above referenced California amendment (definition) from the 2019 CEC for adoption into the 2022 CEC without modification.

Ballasted Solar Photovoltaic System.

Rationale: HCD proposes to bring forward the above referenced California amendment (definition) from the 2019 CEC for adoption into the 2022 CEC with modification. The proposed modification corrects the HCD banner for consistency with other parts of this code. The proposed modification is for format consistency with standards adopted by the CBSC and therefore supports Nine-Point Criteria (8).

Building.

Rationale: HCD proposes to adopt the above referenced definition from the 2020 NEC with existing California amendment for adoption into the 2022 CEC without modification.

Article 110 Requirements for Electrical Installations.

Section 110.13 Mounting and Cooling of Equipment.

Rationale: HCD proposes to continue adoption of the above referenced section with an existing California amendment. The existing amendment allows the use of ballasted solar photovoltaic systems provided that the wiring and interconnections are designed to accommodate for maximum system displacement. HCD proposes to change the text in the HCD banner from “(HCD 1 & 2)” to “(HCD 1 & HCD 2)” for format consistency within this code. The proposed modification is for format consistency with standards adopted by the CBSC and therefore supports Nine-Point Criteria (8).

CAC Recommendation (if applicable):

TBD

Agency Response:

TBD

Item 4 CHAPTER 2, WIRING AND PROTECTION

Articles 200, 210, 215, 220, 225, 230, 240, 242 (new, formerly 280 and 285), and 250

Rationale: HCD proposes to adopt the above referenced Articles from the 2020 NEC into the 2022 CEC with a new California amendment as follows.

Note: Article 242 “Overvoltage Protection” is new in the 2020 NEC. Articles 280 “Surge Arrestors, over 1000 Volts” and 285 “Surge-Protective Devices (SPDS) 1000 Volts or Less” have been removed in the 2020 NEC. Article 242 carries some relocated text from the old Articles 280 and 285.

Article 230 Services

Section 230.67 Surge Protection

Rationale: HCD proposes to adopt the above referenced section with a new California amendment. Subsection D requires that when service equipment, as defined, is replaced, dwelling units are required to have surge protective devices. This is a new requirement in the 2020 NEC which would be adopted for the 2022 CEC applicable to buildings permitted after January 1, 2023. The model code would apply the requirements retroactively to structures with building permits submitted prior to January 1, 2023, and would conflict with statutory provisions in HSC sections 17912, 17922(d), 17922.3, 17958.8, and 17958.9 for existing and moved residential structures. In addition, the model code provisions would conflict with sections 89.108.10.1 and 89.108.10.2 in this code and also with provisions in section 302.5 in the 2019 California Existing Building Code. However, it should be recognized that the proposed California amendments would not prohibit surge protective devices installed on a voluntary basis in or for existing dwelling units. This amendment is proposed to avoid conflict within this code and other parts of title 24 and with existing statute (Nine-Point Criteria (1)).

CAC Recommendation (if applicable):

TBD

Agency Response:

TBD

Item 5

CHAPTER 3, WIRING METHODS AND MATERIALS

Articles 300, 310, 311 (new, formerly 328), 312, 314, 320, 322, 324, 326, 330, 332, 334, 336, 337 (new, includes portions of former 310 and 328), 338, 340, 342, 344, 348, 350, 352, 353, 354, 355, 356, 358, 360, 362, 366, 368, 370, 372, 374, 376, 378, 380, 382, 384, 386, 388, 390, 392, 393, 394, 396, 398, and 399

Rationale: HCD proposes to adopt the above referenced Articles from the 2020 NEC into the 2022 CEC with existing California amendments as follows.

Note: Article 311 “Medium Voltage Conductors and Cable” is new in the 2020 NEC. Article 328 “Medium Voltage Cable: Type MV” has been removed from the 2020 NEC. Some requirements that were in Articles 328 and 310 have been relocated into the new Article 311. Article 337 “Type P Cable” is new in the 2020 NEC for covering the use, installation and specifications for 600-volt Type P cable in hazardous locations.

Article 334 Nonmetallic-Sheathed Cable: Types NM and NMC

Section 334.10 Uses Permitted.

Rationale: HCD proposes to adopt the above referenced section with existing California amendment with modification. The existing amendment “Note” provides the user with a specific reference to the California Building Code (CBC) for Types I, II, III, IV, and V construction as used in section 334.10 Items (2), (3), (4) and (5). The proposed modification is editorial and for format consistency with other parts of this code and with standards adopted by the CBSC and therefore supports Nine-Point Criteria (8).

Article 394 Concealed Knob-and- Tube Wiring

Section 394.12 Uses Not Permitted.

Rationale: HCD proposes to continue adoption of the above referenced section with an existing California amendment. The existing amendment provides specificity to the code user as it relates to the use of knob-and-tube wiring in California. The existing amendment allows for areas with existing knob-and-tube wiring to be insulated as long as certain requirements are met for fire safety. One of the requirements is that the wiring shall be surveyed by an electrical contractor and a certification shall be provided stating that the wiring is in good condition with no evidence of deterioration, improper over-current protection, or improper connections or splices.

CAC Recommendation (if applicable):

TBD

Agency Response:

TBD

Item 6

CHAPTER 4, EQUIPMENT FOR GENERAL USE

Articles 400, 402, 404, 406, 408, 409, 410, 411, 422, 424, 426, 427, 430, 440, 445, 450, 455, 460, 470, 480, and 490

Rationale: HCD proposes to adopt the above referenced Articles from the 2020 NEC into the 2022 CEC with existing California amendments as follows:

Article 450 Transformers and Transformer Vaults (Including Secondary Ties)

Section 450.23 Less-Flammable Liquid-Insulated Transformers.

Rationale: HCD proposes to adopt the above referenced section with existing California amendment with modifications. The existing amendment is a “Note”, which provides the user with a specific reference to the CBC for Types I and II construction as used in section 450.23. The proposed modifications are for format consistency with other parts of this code. The proposed modifications are for format consistency with standards adopted by the CBSC and therefore supports Nine-Point Criteria (8).

CAC Recommendation (if applicable):

TBD

Agency Response:

TBD

Item 7

CHAPTER 4, EQUIPMENT FOR GENERAL USE

Article 425 Fixed Resistance and Electrode Industrial Process Heating Equipment.

Rationale: HCD proposes to not adopt the above referenced Article from the 2020 NEC into the 2022 CEC. The code provisions covered by this Article do not fall within the occupancies regulated by HCD.

CAC Recommendation (if applicable):

TBD

Agency Response:

TBD

Item 8

CHAPTER 5, SPECIAL OCCUPANCIES

Articles 518, 545 and 590

Rationale: HCD proposes to adopt the above referenced Articles from the 2020 NEC into the 2022 CEC without amendment.

CAC Recommendation (if applicable):

TBD

Agency Response:

TBD

Item 9

CHAPTER 5, SPECIAL OCCUPANCIES

Articles 500, 501, 502, 503, 504, 505, 506, 510, 511, 513, 514, 515, 516, 517, 520, 522, 525, 530, 540 547, 550, 551, 552, and 555 (555 includes former 553)

Rationale: HCD proposes to not adopt the above referenced Articles from the 2020 NEC into the 2022 CEC.

CAC Recommendation (if applicable):

TBD

Agency Response:

TBD

Item 10

CHAPTER 6, SPECIAL EQUIPMENT

Articles 600, 620, 625, 626, 646, 680, 682, 690, 691, 692 and 694

Rationale: HCD proposes to adopt the above referenced Articles from the 2020 NEC into the 2022 CEC with existing California amendments as follows.

Article 625 Electric Power Transfer System

Section 625.1.1 (HCD 1) Electric Vehicle (EV) Charging for New Construction.

Rationale: HCD proposes to continue adoption of the above referenced existing California amendment. The existing amendment is a pointer to the California Green Building Standards Code (CALGreen). During the 2012 Triennial Code Adoption Cycle, pointers to mandatory CALGreen requirements were proposed for inclusion into other parts of title 24 to enhance user convenience.

CAC Recommendation (if applicable):

TBD

Agency Response:

TBD

Item 11

CHAPTER 6, SPECIAL EQUIPMENT

Articles 604, 605, 610, 630, 640, 645, 647, 650, 660, 665, 668, 669, 670, 675, 685 and 695

Rationale: HCD proposes to not adopt the above referenced Articles from the 2020 NEC. The code provisions covered by these Articles do not fall within the occupancies regulated by HCD.

CAC Recommendation (if applicable):

TBD

Agency Response:

TBD

Item 12

CHAPTER 7, SPECIAL CONDITIONS

Articles 700, 702, 705, 706, 708, 710, 712, 720, 725, 727, 728, 750 and 770

Rationale: HCD proposes to adopt the above referenced Articles from the 2020 NEC into the 2022 CEC without amendment.

CAC Recommendation (if applicable):

TBD

Agency Response:

TBD

Item 13

CHAPTER 7, SPECIAL CONDITIONS

Articles 701 and 760

Rationale: HCD proposes to not adopt the above referenced Articles from the 2020 NEC into the 2022 CEC. The code provisions covered by these Articles do not fall within the occupancies regulated by HCD.

CAC Recommendation (if applicable):

TBD

Agency Response:

TBD

Item 14

CHAPTER 8, COMMUNICATIONS SYSTEMS

Articles 800, 805 (new; includes portions of former 800, 820, 830, and 840), 810, 820, 830 and 840

Rationale: HCD proposes to adopt the above referenced Articles from the 2020 NEC into the 2022 CEC without amendment.

Note: Article 805 “Communications Circuits” is a new Article in the 2020 NEC Article 805 combined redundant comment general requirements from Articles 800, 820, 830, and 840 to put them into one Article.

CAC Recommendation (if applicable):

TBD

Agency Response:

TBD

Item 15

CHAPTER 9, TABLES

Tables 1, 2, 4, 5, 5A, 8, 9, 10, 11(A), 11(B), 12(A) and 12(B)

Rationale: HCD proposes to adopt the above referenced chapter and tables from the 2020 NEC into the 2022 CEC without amendment.

CAC Recommendation (if applicable):

TBD

Agency Response:

TBD

Item 16

ANNEXES

Annexes A, B, C, D, E, F, G, H, I and J

Rationale: HCD propose to not adopt Annexes A, B, C, D, E, F, G, H, I and J from the 2020 NEC into the 2022 CEC. The Annexes are available for local enforcement agencies to adopt by ordinance.

CAC Recommendation (if applicable):

TBD

Agency Response:

TBD

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).

- 2020 NEC, NFPA 70 2020. Published by the NFPA.
- Senate Bill 1226 (Chapter 1010, Statutes of 2018), operative January 1, 2019, which added HSC section 17958.12 to the State Housing Law.
- Senate Bill 13 (Chapter 653, Statutes of 2019), operative until January 1, 2035, added HSC section 17980.12 to the State Housing Law.

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.

HSC section 17922 requires HCD to adopt by reference model building codes, e.g., NEC, which contains prescriptive standards. Prescriptive standards provide the following: explicit guidance for certain mandated requirements; consistent application and enforcement of building standards while also establishing clear design parameters; and ensure compliance with minimum health, safety and welfare standards for owners, occupants and guests.

Performance standards are permitted by state law; however, they must be demonstrated to the satisfaction of the proper enforcing agency.

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.

None. There were no alternatives available to HCD. HCD is required by statute to adopt this model code by reference. The proposed amendments are the only reasonable alternative for clarifying the 2022 CEC.

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.

HCD is required by statute to adopt this model code by reference, however, HCD also has authority to propose additions and deletions to the model per HSC section 17922. HCD provided a public comment opportunity ending on December 31, 2020, to solicit comments on new requirements in the 2020 NEC. HCD has proposed amendments to reduce economic impacts specifically for existing residential dwellings and small businesses related to surge protective devices. As such, the proposed amendments should have no negative impact on small business.

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.

HCD has determined that this regulatory action would have no significant adverse economic impact on California business enterprises and individuals, including the ability of California businesses to compete with businesses in other states. HCD provided a public comment period ending December 31, 2020, to provide an opportunity for stakeholders to comment on major issues of concern related to the 2020 NEC

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)

HCD 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.

These regulations will not affect the creation, or cause the elimination, of jobs within the State of California.

B. The creation of new businesses or the elimination of existing businesses within the State of California.

These regulations will not affect the creation or the elimination of existing business within the State of California.

C. The expansion of businesses currently doing business within the State of California.

These regulations will not affect the expansion of businesses currently doing business within 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.

The adoption of the 2020 NEC by reference with California amendments will provide stakeholders with safe and efficient electrical installations while allowing for innovation, new technologies, and accommodation of specialized requirements for the State of California. These regulations will also update and improve minimum existing building standards, which will provide increased protection of public health and safety, worker safety and the 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.

- No increased cost of compliance for those regulations that make only technical and nonsubstantive changes.

- Government Code section 11346.2(b)(5)(B)(ii) provides that the model codes adopted pursuant to section 18928 of the HSC shall be exempt from the requirements of section 11346.2(b)(5)(B) unless upon request as specified. The purpose of this rulemaking is to adopt the 2020 NEC which is a model code setting forth requirements for electrical systems in structures.
- The potential benefits provide recognition and appropriate use of new technologies and materials, clarity for the code users and local enforcement agencies, and may increase business due to the adoption of new building standards.
- As noted in section D (“Benefits of the Regulation”) protection of public health and safety, worker safety and the environment.

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 regulations do not duplicate nor conflict with federal regulations. The State of California has preemptive authority to adopt more restrictive mandatory standards for the construction methods and materials addressed in these regulations.