

## FINAL STATEMENT OF REASONS

### 1) The Update to the Initial Statement of Reasons

During the 45-day comment period, the department identified the applications identified in Section 156.00 and 156.01 could be submitted to the department electronically. Moving the application process to the online environment will allow the department to receive the applications quicker and issue the decals quicker and with more efficiency. The department conducted a 15-day comment period where it provided the modified regulatory text that removes references to the Application for Clean Air Vehicle Decals, form REG 1000, and the New Vehicle Dealer Application for Clean Air Vehicle Decals, form REG 1000D.

A detailed description of the modifications were provided in the Addendum to the Initial Statement of Reasons, which was provided to the public with the modified regulatory text. To summarize, the following modifications were made to the originally proposed text:

#### § 156.00. Clean Air Vehicle Decals.

- Subsection (d) identified the forms required when an application for Clean Air Vehicle Decals is being made. Subsection (d)(1) adopted the Application for Clean Air Vehicle Decals, form REG 1000, and subsection (d)(2) adopted the New Vehicle Dealer Application for Clean Air Vehicle Decals, form REG 1000D, for use by vehicle dealers who are applying for decals prior to the sale of the vehicle. The department will no longer accept the forms REG 1000 or the REG 1000D and will move the application process to its web portal.
- Subsection (d) is amended to make clear the applicant is required to apply for the decals through the department's internet portal.
- Subsection (d)(1) is amended to make clear that only the registered owner of the vehicle may apply for Clean Air Vehicle Decals.
- Subsection (d)(1) is amended to remove reference to the Application for Clean Air Vehicle Decals, form REG 1000, and establishes the information that will be required during the application process.
- Subsection (d)(1)(A) is adopted to require the applicant provide the registered owner's true full name, or business name, and the driver's license number or identification card number.
- Subsection (d)(1)(B) is adopted to require the applicant to provide their physical residence or business address and the mailing address, if the mailing address is different from the physical residence or business address.
- Subsection (d)(1)(C) is adopted to require the applicant to provide the vehicle purchase date.
- Subsection (d)(1)(D) is adopted to require the applicant to provide the vehicle year, make, and model.
- Subsection (d)(1)(E) is adopted to require the applicant to provide the vehicle identification number and the license plate number.

- Subsection (d)(1)(F) is adopted to require the applicant to provide an indication of the vehicle's motive power.
- Subsection (d)(1)(G) is adopted to require the applicant to provide an indication of whether the application is for the issuance of an original decal, to correct or update information, to transfer to a new owner, or a replacement.
- If the application is for replacement decals, subsection (d)(1)(G)1. requires the applicant to provide an indication of the previous decal number and whether the decals were stolen lost or damaged and, for clarity, states that replacement decals are available for vehicles that have been involved in an accident in which body work affected decal placement.
- If the application is for a replacement ID card, Subsection (d)(1)(G)2. requires the applicant to provide an indication of whether the transaction will update or correct information or to transfer to a new owner.
- Subsection (d)(1)(H) is adopted to place into regulation the matrix an applicant can reference to determine whether their vehicle type is one that qualifies for either a Clean Air Vehicle Decal or participation in the Clean Vehicle Rebate Project, or both, based on the applicant's gross annual income.
- Subsection (d)(1)(I) is adopted to require the applicant to provide their printed name, telephone number, and email address, and certify under penalty of perjury that they have read the important information provided in subsection (d)(1)(H).
- Subsection (d)(2) allows vehicle dealers to apply to the department for Clean Air Vehicle Decals that can be assigned to vehicles prior to sale. This subsection is amended to remove reference to the New Vehicle Dealer Application for Clean Air Vehicle Decals, form REG 1000D, and requires the applicant to provide information specified in subsections (d)(2)(A) through (F).
- Subsection (d)(2)(A) is amended to require the dealer to provide the vehicle purchaser with a form REG 1000 so they can transfer the Clean Air Vehicle Decal from the dealer to themselves. The department is removing both of those requirements and is amending subsection (d)(2)(A) to require the dealer applicant to provide the dealer's business name and dealer number.
- Subsection (d)(2)(B) is adopted to require the dealer applicant to provide the dealer's physical address.
- Subsection (d)(2)(C) is adopted to require the dealer applicant to provide the vehicle identification number.
- Subsection (d)(2)(D) is adopted to require the dealer applicant to provide the vehicle year, make, and model.
- Subsection (d)(2)(E) is adopted to require the dealer applicant to provide an indication of the vehicle's motive power.
- Subsection (d)(2)(F) is adopted to require the dealer applicant to sign the certification under penalty of perjury that the information provided during the application process is true and correct and to further agree to inform the purchaser of their duty to provide the department with updated information.
- The originally proposed amendment to adopt subsection (d)(2)(B), is renumbered (d)(2)(G). The text is unchanged.

- Subsection (d)(3) allows registered owners with fleets of like vehicles to submit one application that identifies each vehicle for which decals are being requested by providing specified information.
- The department is repealing subsections (d)(3), (d)(3)(A), and (d)(3)(A)1. through 5. Due to the new electronic application process, registered owners of fleet vehicles will be required to apply for vehicles individually as provided in subsection (d)(1). Due to the repeal of subsection (d)(3), subsection (d)(3)(B) is also repealed.
- Subsection (e) establishes the department will notify the applicant within 30 days if the application is incomplete or deficient.
- Subsection (e)(1) and (e)(1)(A) defines the term “deficient” and that the department will notify the applicant of specific reasons for which the application is deficient.
- Subsection (e)(2) and (e)(2)(A) explain when an application is considered complete and makes clear that the department will issue decals when the application is complete.
- Subsection (e) is repealed in its entirety. As the application process is moved to an electronic environment, the applicant will be prompted for information with several screens. Once all screens are complete, the application will be considered complete and the department will issue decals. The electronic application process makes the information contained in subsection (e) unnecessary.
- Originally proposed subsection (e)(1) is renumbered to (e). Subsection (e) makes clear the Clean Air Vehicle Decals will be issued with a Clean Air Vehicle Certificate that will be kept with the vehicle’s current registration and presented to a peace officer upon demand.
- Subsection (f) is amended to remove reference to subdivision (d)(3)(A) as that subsection is repealed. Subsection (f) is also amended to remove reference to the application being mailed to the department’s Special Processing Unit or to any field office, due to lack of necessity.

§ 156.01. Clean Air Vehicle Decals: Transfers and Replacements.

- Subsection (d) is amended to remove reference to the form REG 1000 and remove reference to the form being available at field offices or on the department’s website. The form REG 1000 will no longer be made available at field offices or through the website. Instead, subsection (d) is amended to include reference to the application process adopted in Section 156.00(d)(1)(A) through (d)(1)(H).
- Subsection (e) instructs the applicant how to complete a form REG 1000 when replacement decals are being requested and is being repealed for lack of necessity.
- Subsection (e)(1) instructs the applicant how to complete a REG 1000 when the applicant only wants a new Clean Air Certificate and is being repealed for lack of necessity.
- Subsection (g) is amended to remove reference to the application and the address to where applications are to be mailed or delivered.

§ 156.02. Participation in the Clean Air Vehicle Decal Program and/or CARB's Clean Vehicle Rebate Project.

- Subsection (b) is amended adopt the address to where unwanted decals are to be sent. The originally proposed text cites the address provided in Section 156.00, which is removed by this action.

Additional non-substantive amendments were made to the regulatory text after the 15-day comment period. Those amendments include the following:

§ 156.00. Clean Air Vehicle Decals.

- Subsection (a) is amended to ensure the subsection clearly states that vehicles must meet Federal Inherently Low Emission Vehicle standards *and* Super Ultra-Low Emission Vehicle standards. To meet the consistency standard, the regulatory text was amended to retain the word 'and' which was originally proposed to be removed, and strike the word 'or,' which was originally intended to be retained. This amendment will ensure the regulatory provision is consistent with a statute as the department has no discretion to adopt a change which differs in substance from the one in statute. The amendment will ensure consistency with Vehicle Code section 5205.5.
- Subsection (a) is also amended to remove the proposed adoption to reference Section 88.101-94 in Part 88 of Title 40 of the Code of Federal Regulations. The section referenced in the amended text no longer exists. This amendment is necessary to remove reference to a statute that has been repealed.

§ 156.02. Participation in the Clean Air Vehicle Decal Program and/or CARB's Clean Vehicle Rebate Project.

- Subsection (b) is amended to add "which is incorporated by reference" after reference to the Statement of Facts, form REG 256. This form, identified with a revision date of 8/2008, is referenced several times throughout other departmental regulations, including in Section 182.01, as it relates to disabled parking plates and placards, also located in Article 3.0 of Title 13.

The department has determined the most recent amendments to the regulatory text do not change the effect of the regulation and are consistent with the provisions of Section 100 in Title 1 of the California Code of Regulations. These changes do not materially alter any requirement, right, responsibility, condition, prescription or other regulatory element of any California Code of Regulations provision.

## **2) Imposition of Mandate on Local Agencies or School Districts**

The department's regulatory action amending Sections 156.00 and 156.01, and adopting Section 156.02 in Article 3.0, Chapter 1, Division 1, of Title 13, does not impose any mandate on local agencies or school districts and imposes (1) no cost or savings to any state agency, (2) no cost to any local agency or school district that is required to be reimbursed under Part 7 (commencing with Section 17500) of Division 4 of the Government Code, (3) no other discretionary cost or savings to local agencies, and (4) no cost or savings in federal funding to the state. No studies or data were relied upon to make this determination.

### **3) Summary of Comments Received and Department Response**

The proposal was noticed on February 9, 2024, and made available to the public from February 9, 2024 through March 25, 2024. The department received no comments during the 45-day comment period.

The department conducted a 15-day comment period to allow the public an opportunity to review and provide comment on the modified regulatory text. The comment period began on April 11, 2024 and ended on April 26, 2024 with the department having received no comments.

### **4) Determination of Alternatives**

The department has determined that no reasonable alternative considered by the department or that has otherwise been identified and brought to the attention of the department would be more effective in carrying out the purpose for which the action is proposed, or would be effective as and less burdensome to affected private persons than the proposed action, or would be more cost-effective to affected private persons and equally effective in implementing the statutory policy or other provisions of law.

### **5) Incorporation by Reference**

In its originally proposed text, the department incorporated two forms by reference the REG 1000 and REG 1000D. In the modified regulatory text, the department removed both the REG 1000 and the REG 1000D from the text as the department is moving the application to an online process. Neither form was requested during the 45-day comment period or the 15-day comment period.

The Statement of Facts, form REG 256, has been incorporated by reference. The REG 256 has also been incorporated by reference in other sections and was made available to the public during the notice periods. The department is not publishing the REG 256 in the regulation because it would be impractical and cumbersome to do so.