

# FINAL STATEMENT OF REASONS

## **UPDATE OF INITIAL STATEMENT OF REASONS**

The Notice of Proposed Regulations was published on September 18, 2020. The Notice of Regulations was mailed the same day in addition to being posted on the CALPIA website. A public hearing was not scheduled nor requested by any person. No comments were received during the 45-day comment period.

On June 25, 2020, the proposed text of regulations was unanimously approved by the Prison Industry Board (PIB). The record of vote of the board meeting pertaining to the PIB's vote on of the proposed regulations and the meeting agenda are included in the rulemaking file.

No changes to the rulemaking action occurred.

## **LOCAL MANDATE:**

The proposed regulations do not impose any mandate on local agencies or school districts.

## **ALTERNATIVES THAT WOULD LESSEN ADVERSE ECONOMIC IMPACT ON SMALL BUSINESS:**

No alternatives were proposed to CALPIA or Prison Industry Board that would lessen any adverse economic impact on small business.

## **ALTERNATIVES DETERMINATION:**

CALPIA has determined that no alternative it considered or that was otherwise identified and brought to its attention would be more effective in carrying out the purpose for which the action is proposed, would be as effective 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 provision of law.

No other alternatives have been proposed or otherwise brought to the attention of CALPIA or Prison Industry Board.

## **SPECIFIC AUTHORITY FOR ISSUANCE OF REGULATIONS:**

The PIB has authority to adopt regulations as an exercise of its administrative powers. A reviewing authority, the Office of Administrative Law (OAL) makes no judgment n whether the regulation at issue is the most practical or appropriate. Rather, the validity of a regulation requires judicial construction of the source of the agency's rulemaking authority, and deciding whether the agency reasonably interpreted the legislative mandate. *Credit Ins. Gen. Agents Assn. v. Payment* (1976) 16 Cal.3d 651, 657. As was explained in *California Beer & Wine Wholesalers Assn. v. Dept. of Alcoholic Beverage Control* (988) 201 Cal.App.3d 100, what deference should be accorded an administrative construction of a statute itself ...where the intelligibility of the statutory language depends upon the employment of administrative expertise, which it is the purpose of a statutory scheme to invoke, the judicial role is limited to determining whether the agency has reasonably interpreted the power which the Legislature granted it. *Id.* at p. 107.

Here the legislative purpose is to authorize the PIB to do all the things a board of directors would and could do in a private business, including issuance of safety and testing to ensure workplace performance and safety of all workers as is the thrust of the current regulatory proposal. Moreover, on judicial review, administrative regulations come shielded by presumption of regularity. *Kunec v. Brea Redevelopment Agency* (4<sup>th</sup> Dist. 1997) 64 Cal.Rptr.2d 143. Therefore, the proposed regulations are within the PIB's authority and reasonably interpret the power the Legislature granted to it.

### **SUMMARIES AND RESPONSES TO WRITTEN COMMENTS:**

No comments were received.

### **AVAILABILITY OF FINAL STATEMENT OF REASONS:**

The CALPIA will make copies of this rulemaking file, which contains all information on which the proposal is based, available to the public upon request directed to CALPIA's:

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Electronic copies of the rulemaking file wcan be requested via email: [PIAregs@calpia.ca.gov](mailto:PIAregs@calpia.ca.gov)