FINAL STATEMENT OF REASONS

1) The Update to the Initial Statement of Reasons

There are no changes to the initial statement of reasons, which is hereby incorporated by reference with the exception of the following changes.

The original proposed text makes reference in numerous sections and subsections to the signature of a perjury statement in the Application for Instructor's License Traffic Violator School (TVS) and in the Application for Change: TVS Operator License forms. The original proposed text and the Initial Statement of Reasons do not accurately reflect the final amendments to the proposed text. The amendments were noticed in two 15-Day Notice of Modification of Proposed Regulations. The first 15-Day Notice was published August 27, 2007. The second 15-Day Notice was published December 4, 2007.

Section 345.06

Subsections 345.06(e)(1)(E) and (F)

In proposed subsections 345.06(e)(1)(E) and (e)(1)(F) had been amended to indicate the city and state where the form was signed was being deleted from the form. The newly revised form did not exclude the city and state where the form was signed. The modification was noticed in the first 15-Day Notice of Modification of Proposed Regulations. The subsection was amended a second time. The amendment was noticed in a second 15-Day Notice of Modification of Proposed Regulations indicating a perjury statement pursuant to Civil Code of Procedure section 2215.5 shall be dated and signed. These changes are necessary for clarity purposes.

Subsections 345.06(f)

Subsection 345.06(f) has been amended. Language has been adopted in (f) and the existing language has been added to (g). The second 15-Day Notice of Modification of Proposed Regulations published the formatting of the Express Terms erroneously. The Express Terms showed the adopted language with double underline. The new language should have been followed immediately by the existing language. The existing language should have been published with formatting changes showing the existing language as struck-through. The proposed language is necessary to inform the applicant of the process when an application is incomplete.

Subsection 345.06(g)

Existing Section 345.06(g) has been amended. The existing language previously listed under (f) has been added to (g) as proposed language. The existing language under (g) has been added to (h) as proposed language. The second 15-Day Notice of Modification of Proposed Regulations published the formatting of the Express Terms erroneously. Section 345.06(g) should have shown the adopted language as double underline. The adopted language should have been followed immediately by the existing language. The existing language should have been published with

formatting changes showing the existing language as struck-through. This change is necessary for clarity purposes.

Subsection 345.06(h)

Existing Section 345.06(h) has been amended. The existing language previously listed under (g) has been added to (h) as new language. The existing language under (h) has been added to new (i) as new language. The second 15-Day Notice of Modification of Proposed Regulations published the formatting of the Express Terms erroneously. Section 345.06(h) was erroneously published as 345.06(g). Section 345.06(h) should have shown the new language as double underline. The new language should have been followed immediately by the existing language. The existing language should have been published with formatting changes showing the existing language as struck-through. This change is necessary for clarity purposes.

Subsection 345.06(i)

Section 345.06(i) has been adopted. The existing language previously listed under (h) has been added to new (i). The second 15-Day Notice of Modification of Proposed Regulations published the formatting of the Express Terms erroneously. New Section 345.06(i) was erroneously published as 345.06(h). New Section 345.06(i) should have shown the new section number and language as double underline. This change is necessary for clarity purposes.

Notation section of Section 345.06

Vehicle Code section 1652 had been added in the original proposed text as an Authority in the Notation section of Section 345.06 and is now being deleted. This is necessary because Vehicle Code section 1652 is a Reference and not an Authority as used in Section 345.06.

Vehicle Code section 1652 has been cited as a Reference in the Notation section of Section 345.06 and is being adopted. This is necessary because Vehicle Code section 1652 is referenced in Section 345.06.

Code of Civil Procedure section 2015.5 is being adopted as a Reference in the Notation section of Section 345.06. This is necessary because Code of Civil Procedure section 2015.5 is referenced in Section 345.06.

Section 345.21

The title to the form cited in the introductory paragraph of Section 345.21 has been amended. The title to the form, Application for Change: TVS Operator License has been corrected. The titled published in the original proposed text is Application for Change: TVS Operator License Change. The correct title is Application for Change: TVS Operator License. The Initial Statement of Reasons erroneously excluded this amendment. The change is necessary for clarity purposes.

Subsection 345.21(h)

In the original proposed text and in the Initial Statement of Reason the perjury statement in subsection 345.21(h) had been expanded to include the words *under the laws of the State of California*. The proposed text in Subsection 345.21(h) was amended a second time and published in a second Notice of Modification of Proposed Regulations indicating a perjury statement pursuant to Civil Code of Procedure section 2215.5 shall be dated and signed by the applicant. The change is necessary to bring the regulatory language into compliance with Code of Civil Procedure section 2015.5.

The Initial Statement of Reason indicated in subsections 345.21(h), 345.22(a)(7), 345.22(b)(2)(G) and 345.22(c)(6) that the city and state where the form was signed were being deleted from the form. The revised form did not exclude the city and state where the form was signed. Therefore, the Initial Statement of Reasons was not accurate. As a result, a 15-Day Notice of Modification of Proposed Regulations was published adding the city and state where the form was signed to the proposed text. The amended proposed text reflected the addition of the city and state where the form was signed in Section 345.22(a)(7), but not in subsection 345.21(h).

Notation section of Section 345.21

Code of Civil Procedure section 2015.5 is being adopted as a Reference in the Notation section of Section 345.21. This is necessary because Code of Civil Procedure section 2015.5 is referenced in Section 345.21.

Section 345.22 Subsection 345.22(a)

Section 345.22(a) has been amended. The original proposed text makes reference to reporting traffic violator school and school operator license changes, citing specific changes and the form for reporting some changes. The Application for Change: TVS Operator License form is used, for among other things, to report school name change and school address on an operator license. The text makes reference to the business name of a traffic violator school. The text is being amended to delete reference to the term *business* name. The term *school* name has been adopted in some portions of the section. The text is also being amended to adopt the term *school address* and *address*. These changes are necessary because the school name and the business name can be used interchangeably and because the form is also used to report address changes.

Subsection 345.22(a)(7) has been amended to include a change of address. This is necessary to reflect the components of the form.

Subsection 345.22(a)(7)

The proposed amendments to subsection 345.22(a)(7) has been amended. In the original proposed text the perjury statement had been expanded to include the words *under the laws of the State of California*. The proposed text in subsection

345.22(a)(7) have been amended a second time and published in a second Notice of Modification of Proposed Regulations indicating a perjury statement pursuant to Civil Code of Procedure section 2215.5 shall be dated and signed. The change is necessary to bring the regulatory language into compliance with Code of Civil Procedure section 2015.5.

Subsection 345.22(b)(G)

The proposed amendments to subsections 345.22(b)(G) has been amended. In the original proposed text the perjury statement had been expanded to include the words under the laws of the State of California. The proposed text in subsection 345.22(b)(G) have been amended a second time and published in a second Notice of Modification of Proposed Regulations indicating a perjury statement pursuant to Civil Code of Procedure section 2215.5 shall be dated and signed. The change is necessary to bring the regulatory language into compliance with Code of Civil Procedure section 2015.5.

Subsection 345.22(b)(F)

Subsection 345.22(b)(F) has been amended. Existing language indicates a designated representative may sign an Application for Change: TVS Operator License form. The form does not reflect the same information. Therefore, the language has been amended to reflect the information on the form. This is necessary for clarity purposes.

Subsection 345.22(c)(5)

Subsection 345.22(c)(5) has been amended. In the original proposed text the perjury statement in subsection 345.22(c)(5) has been expanded to include the words *under the laws of the State of California*. The proposed text in subsection 345.22(c)(5) was amended a second time and published in a second Notice of Modification of Proposed Regulations indicating a perjury statement pursuant to Civil Code of Procedure section 2215.5 shall be dated and signed by the applicant. The change is necessary to bring the regulatory language into compliance with Code of Civil Procedure section 2015.5.

Notation section of Section 345.22

Code of Civil Procedure section 2015.5 is being added as a Reference in the Notation section of Section 345.22. This is necessary because Code of Civil Procedure section 2015.5 is referenced in Section 345.22.

The forms are in Tab 4 of the rulemaking record.

The Notice of Modification of Proposed Regulation dated August 27, 2007 incorrectly indicated that the originally proposed language was published February 15, 2007 in the California Regulatory Notice Register. The correction publication date was February 16, 2007.

2) Imposition of Mandate on Local Agencies or School Districts

The department's regulatory action amending Sections 345.02, 345.06, 345.21 and 345.22 in Article 4.7, Chapter 1, Division 1, of Title 13, California Code of Regulations, 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 nondiscretionary cost or savings to local agencies, and (4) no costs 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 original proposal was noticed on February 16, 2007, and made available to the public from February 16, 2007 through April 2, 2007. Amendments to the proposed text were noticed in two 15-Day Notice of Modification of Proposed Regulations. The first 15-Day Notice was published August 27, 2007. The second 15-Day Notice was published December 4, 2007. No comments were received on the regulatory proposals during any of the public comment periods.

4) Determination of Alternatives

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 these regulations are proposed or would be as effective and less burdensome to affected private persons than the proposed regulations. During the rulemaking process no alternative that would lessen the adverse economic impact on small business was submitted.

5) Determinations

The department has determined the proposed regulatory action will not have a significant statewide adverse economic impact directly affecting businesses, including the ability of California businesses to compete with businesses in other states because only form field changes are made to existing language.

6) Update to the Final Statement of Reasons

An inadvertent typographical error occurred in the language in the Express Terms made available during the second 15-day public comment period and the Final Statement of Reasons which referenced the state of California's standard perjury statement. The perjury statement reference was listed as Section 2215.5, Code of Civil Procedure and should be Section 2015.5, Code of Civil Procedure. The references at the bottom of each section include the correct section number. The Code of Civil Procedure does not have a Section 2215.5 in its statutes.