

DEPARTMENT OF INDUSTRIAL RELATIONS

NOTICE OF PROPOSED ACTION TO ADOPT AND AMEND

CALIFORNIA CODE OF REGULATIONS, TITLE 8, CHAPTER 8, SUBCHAPTER 4

SECTIONS 16421 through 16439.

Prepared by:

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## TITLE 8. DEPARTMENT OF INDUSTRIAL RELATIONS

### NOTICE OF PROPOSED RULEMAKING

The Director of the Department of Industrial Relations (“Director”) proposes to adopt and amend regulations governing the approval and operation of Labor Compliance Programs by state and local agencies involved with public works construction contracts. The existing regulations are found in Subchapter 4 of Chapter 8, commencing with Section 16425, of Title 8 of the California Code of Regulations. The proposals amendments will add and renumber certain regulations so that Subchapter 4 of Chapter 8 will commence with Section 16421 of Title 8 of the California Code of Regulations. The Director proposes to adopt these amendments and new regulations after considering all comments, objections, or recommendations regarding the proposed action.

#### PUBLIC HEARING, WRITTEN COMMENT PERIOD, AGENCY CONTACTS,

##### **Public Hearing:**

A public hearings will be held on the proposals as follows:

October 21, 2003 at 10:00 a.m.  
Hiram Johnson State Building  
Basement Hearing Room No. 9  
455 Golden Gate Avenue, San Francisco, California.

At the hearing, any person may present statements or arguments, orally or in writing, relevant to the proposed action described in the Informative Digest. The Director requests but does not require persons who make oral comments to submit a written copy of their testimony.

##### **Written Comment Period:**

Any person or authorized representative may submit written comments relevant to the proposed regulatory action to the contact person listed below. The written comment period closes on October 21, 2003, at 5:00 p.m., and the Director will only consider comments received by that deadline. Written comments may be submitted in person at one of the hearings or by letter, facsimile, or e-mail as follows:

Department of Industrial Relations  
Office of the Director – Legal Unit  
455 Golden Gate Avenue, Suite 9516  
San Francisco, CA 94102  
Facsimile: (415) 703-4277  
E-mail: LCPcomments@dir.ca.gov

**Agency Contacts:**

Inquiries concerning the proposed regulations may be directed to:

*Primary Contact:*

John Cumming  
Department of Industrial Relations  
Office of the Director – Legal Unit  
P.O. Box 420603  
San Francisco, CA 94142-0603  
(415) 703-4265

*Back-up Contact:*

John Rea  
Department of Industrial Relations  
Office of the Director – Legal Unit  
P.O. Box 420603  
San Francisco, CA 94142-0603  
(415) 703-4240

Questions about the substance of the proposed regulations may be directed to either Mr. Cumming or Mr. Rea.

**AUTHORITY AND REFERENCE**

**AUTHORITY:** Labor Code sections 54, 55, 1742(b), and 1773.5.

**REFERENCE:** Sections 1798 et seq., Civil Code; Sections 6250 et seq., 6500 et seq. and 87100 et seq., Government Code; Sections 96.7, 224, 226, 1729, 1742, 1771.5, 1771.5(b), 1771.6, 1771.7, 1771.8, 1773.2, 1773.3, 1775, 1776, 1777.1, 1777.5 through 1777.7, 1778, 1779, 1810, 1813, 1815, 1860, 1861, and 3077, Labor Code. Sections 100600, et seq. and proposed Sections 100800 et seq., Education Code; Sections 79500 et seq., Water Code. 2 Cal.Code Reg. Section 18701; and 8 Cal.Code Reg. Sections 16000, 16200(a)(3)(F), 16401, 16500, and 17201 - 17270.

**INFORMATIVE DIGEST / POLICY STATEMENT OVERVIEW**

**Overview:**

The laws regulating public works projects require among other things that workers employed on such projects be paid not less than the general prevailing wage rates, as determined under the Labor Code. Public agencies that award public works contracts (known as “Awarding Bodies”) generally are required to inform public works contractors of this requirement, to monitor compliance by obtaining certified payroll reports from contractors, and to withhold contract payments when the relevant enforcing agency determines that a contractor has violated prevailing wage requirements. Prevailing wage laws are enforced primarily by the State Labor Commissioner (also known as the Division of Labor Standards Enforcement). However, under certain circumstances awarding bodies may set up their own enforcement agencies, known as “Labor Compliance Programs,” to enforce prevailing wage requirements on public works contracts in which that awarding body participates.

Labor Compliance Programs were authorized with the adoption of Labor Code section 1771.5, that became effective in 1990. Subsection (b) of Labor Code section 1771.5 sets forth the general requirements for operating a Labor Compliance Program. Subsection (a) of section 1771.5 provides that when an awarding body elects to initiate and enforce a Labor Compliance Program for *all* of its public works projects, the threshold contract levels which trigger prevailing wage requirements are raised from \$1,000 (under Labor Code section 1771) to \$25,000 for construction projects and \$15,000 for alteration, demolition, maintenance or repair work. In other words, an awarding body that operates a Labor Compliance Program for all projects enjoys an exemption from requiring prevailing wages for certain low level projects.

In 1992 the Director of Industrial Relations adopted regulations governing the certification, monitoring, and enforcement responsibilities of Labor Compliance Programs. These regulations are found at Subchapter 4, Chapter 8, sections 16425 through 16439 of Title 8 of the California Code of Regulations. The existing regulations generally provide for (1) a process of applying to the Director of Industrial Relations for certification to operate a Labor Compliance Program; (2) ongoing reporting requirements; (3) conducting audits of payroll records as directed by the Labor Commissioner; and (4) enforcing prevailing wage requirements, including by initiating formal enforcement proceedings, under the supervision of and in accordance with the practices of the Labor Commissioner.

The Labor Compliance Program regulations have not been amended since their initial adoption in 1992. However, since that time there have significant changes in the law governing contractor and subcontractor rights, procedures for enforcing and appealing prevailing wage determinations, and circumstances under which awarding bodies are now required to operate a Labor Compliance Program. In particular, the adoption of AB 1646 (Stat. 2000 Chapter 954), effective July 1, 2001, revamped the system governing prevailing wage appeals, replacing the requirement that contractors sue to recover withheld contract payments with a comprehensive administrative hearing and review procedure, with due process guarantees and a further right of appeal to the superior court. In 2002, the Director of Industrial Relations adopted regulations governing this new review system, which are found at Subchapter 6 of Chapter 8 of Title 8 of the California Code of Regulations, sections 17201 through 17270.

In the latter part of 2002, the voters adopted certain bond measures for school and water bond construction, and the Legislature adopted corresponding legislation codified as new Labor Code sections 1771.7 and 1771.8, which among other things *requires* an awarding body to operate a Labor Compliance Program for projects funded by this bond money. These statutes also added two concepts that were not clearly contemplated in the original standards governing Labor Compliance Programs: (1) the operation of a limited Labor Compliance Program for bond money projects only that would not enjoy the exemption provided by subsection (a) of Labor Code §1771.5 above; and (2) contracting out with a third party to operate a Labor Compliance Program on behalf of the Awarding Body.

The Director of Industrial Relations is proposing to amend and reorganize the regulations governing Labor Compliance Programs to bring them into conformity with these legislative and other regulatory changes, to address new statutory concepts including the certification of third

party programs, and to put the regulations in a more logical and understandable order. These proposals do *not* propose to change or reinterpret laws governing Labor Compliance Programs.

### **Proposed Amendments to Existing Regulations and New Regulations:**

The Director proposes to amend the regulations found in Subchapter 4 of Chapter 8 (Office of the Director) of Division 1, sections 16425 through 16439, Title 8 of the California Code of Regulations. The Director proposes to renumber existing regulations, add two new regulations, and combine two others, so that Subchapter 4 will commence with section 16421 [text of current section 16430 with amendments] and conclude with section 16439. The proposals are a combination of substantive and non-substantive changes designed to bring the regulations into conformity with recent legislation, to put the regulations in a more logical order, and to make them more understandable and readable as a whole.

The Director did not consider any alternatives to amending the existing regulations. These regulations have been in place for over ten years, and amendments are necessary to bring them into conformity with significant legislative changes that have occurred since the regulations were first adopted.

The Title to Article 1 of Subchapter 4 would be changed, and the Article would start with section 16421, rather than 16425. Current section 16430 [Components of LCP] would be moved from Article 3 to the beginning of Article 1 as new section 16421.

*Section 16421* is an amended version of current section 16430 with an amended title. The current text of section 16430 is being amended to include specific references to “Design-Build” requests and contracts and to remove a sentence concerning self-created payroll forms. An additional subpart (b) is added to specify that when a private entities contract to operate Labor Compliance Programs on behalf of Awarding Bodies, they stand in the shoes of the Awarding Body, including having certain specified responsibilities as public officials. The Director in particular invites comment on whether or not Awarding Bodies have authority outside of the express language of Labor Code sections 1771.7 and 1771.8 to contract out for the operation of a Labor Compliance Program and whether a Joint Powers Authority might be formed to operate a Labor Compliance Program on behalf of more than one Awarding Body.

*Section 16422* is an amended version of current section 16425. The changes are non-substantive revisions to grammar and terminology (spelling out Labor Compliance Program and changing “DLSE” to “Labor Commissioner” to be consistent with statutory usage) only.

*Section 16423* is a new section stating that an Awarding Body will be unable to use specified bond funding unless it operates an approved Labor Compliance Program, and setting forth the Awarding Body’s duty to make a finding regarding its Labor Compliance Program. Subpart (c) also specifies that the limited exemption from prevailing wages provided by Labor Code section 1771.5(a) is not available unless the awarding body operates a Labor Compliance Program for all of its public works projects.

There is no section 16424, which is being reserved for possible later use.

*Section 16425* [replacing current section 16425 which is being renumbered as section 16422] is an amended version of current section 16426 governing initial approval of an Awarding Body's Labor Compliance Program. Subpart (a)(1) is amended to specify alternatives (to public agency work) for gaining experience with public works compliance issues. Subpart (a)(5) is amended by adding the word "competent" before legal counsel. The balance of the amendments simply spell out of the term Labor Compliance Program.

Proposed new *section 16426* [replacing current section 1 6426 which is being renumbered as section 16425] would govern approval of third party Labor Compliance Programs. Most of the factors are the same as those governing an Awarding Body's program under the preceding section, but there are specific variations pertaining to (1) the geographical area in which the program intends to operate; (2) potential conflicts of interest for third party program operators who may be sponsored by other parties with distinct interests in public works contracts; (3) the third party program operator's understanding of its role and responsibilities as a public agency; and (4) the extent to which the Director's approval of a third party program may extend automatically to any Awarding Body with which the program subsequently contracts. The Director in particular invites comment on this latter question.

*Section 16427* governs final approval of a Labor Compliance Program. The proposed amendments are non-substantive only, referring now in subpart (a) to either an Awarding Body or third party entity with initial approval under either of the two preceding sections, changing the term "Awarding Body" thereafter to "applicant" or "Labor Compliance Program," spelling out the term "Labor Compliance Program," and revising the wording of subpart (d) to make it more understandable without changing its meaning.

*Section 16428* sets forth the grounds and process for revoking final approval. The amendments add two additional grounds for revocation: (1) pattern of failure to establish violations or to comply with requirements imposed on enforcing agencies in prevailing wage appeal hearings, and (2) failure to comply with laws and reporting requirements pertaining to conflicts of interest and handling of payroll and personnel information. Subpart (c) is modified to specify that notice of revocation be given to the agencies that have contracted with a third party operator. The balance of the amendments are non-substantive, spelling out the term "Labor Compliance Program" and clarifying the language of subpart (b) without changing its meaning.

*Section 16429* governs the giving of Notice of Approval. The Director proposes to make this section part of Article 2 covering Approval and Revocation of Approval. The proposed amendments to the section are non-substantive, spelling out the term "Labor Compliance Program," and clarifying the language in subpart (b) without changing its meaning.

There would be no section 16430, although the number would be available for possible future use. Current section 16430 would be moved to section 16421, as discussed above.

The title of Article 3 would be changed to "Reports and Audits" to reflect the content of the two remaining sections.

*Section 16431* governs annual reporting requirements. Language is added to subpart (a)(1) to make it applicable to third party operators that do not award contracts. Subpart (a)(5) is added to require ongoing conflict of interest disclosure by third party operators. The balance of the amendments are non-substantive, including spelling out “Labor Compliance Program” and making the language of subpart (a) more understandable without changing its meaning.

*Section 16432* governs a Labor Compliance Program’s audit authority and responsibilities. The amendments are non-substantive, changing the term “awarding body” to “Labor Compliance Program” in subpart (a) and spelling out “Labor Compliance Program” in subpart (a)(1).

Article 4 and *Section 16433* pertain to the limited exemption from paying prevailing wages provided by Labor Code section 1771.5(a). Clarifying language is added to subpart (a) of the regulation to indicate that an Awarding Body must operate a Labor Compliance Program for all of its public works projects in order to qualify for the exemption. The word “installation” is added to the enumeration of types of projects in subpart (b).

*Section 16434* provides a general statement of the duty of a Labor Compliance Program. The title is amended by changing the term “Awarding Body” to “Labor Compliance Program,” and the reference to an awarding body in the first line of the regulation is deleted. The current language is clarified to generally state a duty to comply with law, the Director’s prevailing wage decisions, and the Labor Commissioner’s practice, while deleting broad references to the Labor Code and regulations which would already be encompassed within the foregoing. A new subpart (b) is added to set forth duties relating to apprenticeship standards.

*Section 16435* sets forth definitions and requirements for withholding public works contract payments when a contractor’s payroll records are delinquent or inadequate, and current section 16435.5 does the same with respect to underpayment of prevailing wages. The Director proposes to merge the two existing sections into a single section 16435, thereby eliminating some redundancy and confusing cross-referencing in current section 16435.5. The second sentence of subpart (a) is being deleted as unnecessary and obsolete under current law. The words “including a Design-Build contract” are being added to the enumeration of applicable contracts in subpart (b). In subpart (d)(3), the term “Labor Compliance Program” is being substituted for “awarding body” to remain consistent with other changes above and the words “or subcontractor” are added after the word “contractor” to conform to current law. New subpart (e) consists of the text currently found in subpart (c) of section 16435.5. The only proposed modification of that existing text is to eliminate the reference to Labor Code section 1777.7 on the last line (proposed subpart (e)(5) and current section 16435.5(c)(5)), as current law now gives the Chief of the Division of Apprenticeship Standards authority to enforce that section.

Section 16435.5 would be deleted, with the current provisions incorporated into section 16435 as indicated in the preceding paragraph.

*Section 16436* sets forth forfeitures of unpaid wages and penalties that must be approved by the Labor Commissioner prior to formal assessment by the Labor Compliance Program. In subpart (a), the term “awarding body” is changed to “Labor Compliance Program” and

unnecessary language is deleted without changing the substantive meaning. In subpart (b) the language is revised to refer directly to appeal rights under Labor Code section 1771.6. In subpart (b)(1), an additional reference is added to Labor Code section 1773.1, which sets forth a statutory definition of per diem wages.

*Section 16437* sets forth the requirements and procedures for having the Labor Commissioner determine the amount of a forfeiture. Subpart (a) is amended by spelling out “Labor Compliance Program” and deleting “of the awarding body.” Subpart (a)(1) is rewritten to require the program to provide the dates of specific past events rather than a calculated future date. Subparts (a)(5) through (a)(7) are revised to make the language regarding mitigation of penalties consistent with recent statutory amendments to Labor Code section 1775. “Subcontractor” is added wherever “contractor” appears to make the language consistent with current law. Subpart (b) is revised to clarify deadlines for submitting a proposed forfeiture and delete an obsolete reference to filing suit. Subpart (c) is revised by deleting a requirement to serve a Notice of Deadlines, which is now obsolete and unnecessary under current law. Subpart (e) is revised to clarify additional service requirements for notices where the Labor Compliance Program is distinct from the Awarding Body and where there is a contractor, and also to delete alternative deadlines for Labor Commissioner action.

*Section 16438* governs the handling of contract funds forfeited due to prevailing wage violations. Subpart (a) is revised to clarify that in cases of limited involvement by the Labor Commissioner, funds must be deposited with the Awarding Body. The last sentence pertaining to allocation between the Awarding Body and a third party agent is deleted as unnecessary. Subpart (b) is revised to refer to administrative proceedings as well as court proceedings and to give the Hearing Officer (*see* Labor Code section 1742(b)) authority to allocate fines, penalties, or forfeitures between the Labor Commissioner and the Awarding Body when both are parties to the administrative hearing. The language of subparts (c) and (d) is revised to make it consistent with current law and these proposals without changing the substantive effect.

*Section 16439* governs appeals from a determination made by a Labor Compliance Program that a contractor or subcontractor has violated prevailing wage requirements. The Director proposes to delete all of the existing language in the current regulation. Subpart (a) is completely rewritten to make express reference to and to bring the language into conformity with the current laws governing review found at Labor Code sections 1742 and 1771.6 and the hearing regulations at 8 California Code of Regulations sections 17201 – 17270. Subpart (b) is completely rewritten to specify that the Labor Commissioner has a right to intervene in any review proceeding from a Labor Compliance Program action. There would be no additional subparts as the subject matter of this regulation is now covered comprehensively in the prevailing wage hearing regulations at 8 California Code of Regulations sections 17201 – 17270.

### **Comparable Statutes and Regulations:**

Federal law requires the payment of prevailing wages and adherence to other minimum employment standards for work performed on federal public works projects through the Davis-Bacon Act, 40 U.S.C. sections 276a – 276a-7, the Contract Work Hours and Safety Standards Act, 40 U.S.C. sections 327 – 334, and related statutes that incorporate these requirements into

specific federal programs. (See 29 C.F.R. section 5.1 for a list of nearly 60 other such laws.) The regulations which implement these federal statutes are found at 29 C.F.R. Parts 1 through 8. Davis-Bacon and the provisions of Articles 1 and 2 of Division 2, Part 7, Chapter 1 (commencing with section 1720) of the Labor Code impose similar requirements in a similar manner. However, they are distinct in that Davis-Bacon applies only to contracts in which the federal government or the District of Columbia is a party, while the state statutes exclude from coverage projects that are funded, carried out, and controlled by the federal government, even when a state or local agency cosponsors the project. 8 Cal.Code Reg. section 16001(b); and ***Southern California Labor Management Operating Engineers Contract Compliance Committee v. Aubry***, 54 Cal.App.4th 873 (1997). The statutes also have different methods for determining prevailing wage rates, which sometimes result in a higher state rate. The scope of coverage of Davis-Bacon is also narrower than state law.

The regulations governing Davis-Bacon and related federal statutes provide for certain enforcement responsibilities to be performed by agencies administering federal contracts. The federal contracting agencies in turn may pass these responsibilities on to a state or local agency with which it contracts. See, for example, Federal Highway Administration [FHWA] Contract Administration Core Curriculum Manual Sections II.A.4 and II.A.5.<sup>1</sup> Monitoring and enforcement requirements are similar in many respects but also different in terms of scope of coverage, wage rates, and specific reporting requirements.

## DISCLOSURES REGARDING THE PROPOSED ACTION

The Director has made the following initial determinations with respect to these proposals. The Director notes that these proposals bring preexisting regulations governing Labor Compliance Programs into conformity with statutory changes, including the adoption of Labor Code sections 1741 - 1743 and 1771.6 – 1771.8. As such these proposals impose no significant mandates, costs, or savings that are different or distinct from what the Legislature has required by statute. The Director invites further comment on these specific impacts.

### **Mandates on Local Agencies or School Districts:**

The proposals do not impose mandates on local agencies or school districts distinct from those imposed by statute. The adoption of Labor Code sections 1771.7 and 1771.8 made it mandatory for local agencies and school districts to maintain and operate a Labor Compliance Program in order to obtain certain school and water project construction funds. Consistent with existing law, these programs must be certified by the Director of Industrial Relations, and over two hundred local agencies and school districts have sought and obtained such certification since these statutes became effective.

### **Costs or Savings to State Agencies; Reimbursable Costs Imposed on Local Agencies or School Districts; other nondiscretionary costs or savings imposed on local agencies; and costs or savings in federal funding to the state:**

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<sup>1</sup> <http://wwwcf.fhwa.dot.gov/programadmin/contracts/cor>

The *statutes* impose increased costs on the branch of the Division of Labor Standards Enforcement that oversees Labor Compliance Programs for purposes of (1) reviewing applications to become certified by the Director of Industrial Relations, (2) reviewing and approving forfeiture determinations proposed by Labor Compliance Programs, and (3) providing training and technical support and intervening in enforcement actions where appropriate. The Division has absorbed these costs thus far with existing staff by deferring other responsibilities, including its own direct enforcement responsibilities. Additional funding is being sought for the increased ongoing responsibilities caused by the bond measures.

The *statutes* also impose increased costs on the Office of the Director of the Department of Industrial Relations for certifying new and ongoing Labor Compliance Programs and on the Director's Legal Unit, which supplies hearing officers to hear and deciding contractor appeals from prevailing wage determinations. The Director also has absorbed these costs thus far with existing staff but is seeking additional funding, particularly for hearing officers and support staff, so that the anticipated rise in prevailing wage determinations and appeals from projects funded by these bonds will not result in an inability to hear and decide cases within the short statutorily prescribed deadlines.

Local agencies and school districts that choose to maintain and operate Labor Compliance Programs in to order obtain school and water bond project funding will incur costs to operate those programs. However, those costs should be part of the overall project expenses for which the bond funding is provided. By undertaking their own enforcement, awarding bodies will also be able to retain penalty assessments, resulting in increased revenues to local agencies and school districts.

The proposals do not involve any costs or savings in federal funding to the state.

**Initial Determination of Economic Impact on Business:**

The Director has made an initial determination that these proposals 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. The prevailing wage statutes impact only businesses that choose to enter into public works contracts, and they are neutral in their treatment of California businesses as compared to businesses from other states.

**Known Cost Impacts on Representative Private Person or Business:**

These proposals are directed primarily toward local agencies and school districts that maintain and operate Labor Compliance Programs. The Director is not aware of any cost impact that a representative private person or business would necessarily incur in reasonable compliance with these proposals.

**Creation, Elimination, or Expansion of Jobs or Businesses (Results of Assessment under Government Code section 11346.3(b)):**

The Director has made initial determinations that (1) these proposals will not affect the creation or elimination of jobs within the State of California; (2) these proposals will not affect the creation of new businesses or the elimination of existing businesses within the State of California; and (3) these proposals will not affect the expansion of businesses currently doing business within the State of California.

**Reporting Requirements (Finding under Government Code section 11346.3(c)):**

These proposals impose no reporting requirements on businesses.

**Effect on Housing Costs:**

These proposals have no effect on housing costs.

**Effect on Small Business:**

The Director has made an initial determination that these proposals will not affect small business. The reason for this determination is that the proposals consist of a series of amendments designed to bring existing regulations into conformity with recent statutory changes, and the proposals will have no effect on small business distinct from the statutes and existing regulations. The proposals and the regulations they would amend are directed toward public agencies that elect to enforce public works prevailing wage requirements. None of the proposals are regulations that small businesses legally would be required to comply with or that small businesses legally would be required to enforce. Small business will derive no new or distinct benefit nor will they incur any new or distinct detriment from the enforcement of these proposals.

CONSIDERATION OF ALTERNATIVES

In accordance with Government Code section 11346.5(a)(13), the Director must determine that no reasonable alternative considered by the Director or that otherwise has been identified and brought to the Director's attention would either be more effective in carrying out the purpose for which the action is proposed or be as effective as the proposed action and less burdensome to affected private persons. These proposals consist of a series of amendments to existing regulations governing Labor Compliance Programs, and the amendment of these existing regulations appears to be the most feasible approach for bringing them into conformity with recent statutory changes. The Director invites interested persons to present statements or arguments with respect to alternatives to the proposed regulations at the scheduled hearing or during the written comment period.

AVAILABILITY OF INFORMATION PERTAINING TO THE PROPOSED ACTION

The Director will have the rulemaking file available for inspection and copying throughout the rulemaking process. Initially the file will consist of this notice, the initial

statement of reasons, and the text of the proposed regulations. The text of the file will be available at:

Department of Industrial Relations  
Office of the Director – Legal Unit  
455 Golden Gate Avenue, Suite 9516  
San Francisco, CA 94102

or from the contact persons John Cumming or John Rea.

**Website:**

Rulemaking records, including the text of the proposed regulations may be accessed through the Department's Internet website at [www.dir.ca.gov](http://www.dir.ca.gov).

**Availability of Changed or Modified Text:**

After holding the hearings and considering all timely and relevant comments received, the Director may adopt the proposed regulations substantially as described in this notice. If the Director makes modifications which are sufficiently related to the originally proposed text, the modified text (with changes clearly indicated) will be made available to the public for at least 15 days before the Director adopts the regulations as revised. Any such modifications will also be posted on the Department's website. Please send requests for copies of any modified regulations to the attention of the contact persons listed above. The Director will accept written comments on the modified regulations for 15 days after the date on which they are made available.

**Availability of the Final Statement of Reasons and the Rulemaking File:**

Upon completion, the Final Statement of Reasons will be available and the entire rulemaking file may be obtained from contact persons named in this notice.