# Economic Impact Statement

**Department Name:** Pesticide Regulation  
**Contact Person:** Eryn Shimizu  
**Email Address:** eryn.shimizu@cdpr.ca.gov  
**Telephone Number:** 916-445-7230  

## Descriptive Title from Notice Register or Form 400
Carbon Monoxide Pest Control Devices

### A. Estimated Private Sector Cost Impacts
Include calculations and assumptions in the rulemaking record.

1. Check the appropriate box(es) below to indicate whether this regulation:
   - [x] a. Impacts business and/or employees
   - [x] b. Impacts small businesses
   - [ ] c. Impacts jobs or occupations
   - [x] d. Impacts California competitiveness
   - [ ] e. Imposes reporting requirements
   - [ ] f. Imposes prescriptive instead of performance
   - [ ] g. Impacts individuals
   - [ ] h. None of the above (Explain below):

   *If any box in Items 1 a through g is checked, complete this Economic Impact Statement.
   *If box in Item 1.h. is checked, complete the Fiscal Impact Statement as appropriate.*

2. The Department of Pesticide Regulation estimates that the economic impact of this regulation (which includes the fiscal impact) is:
   - [x] Below $10 million
   - [ ] Between $10 and $25 million
   - [ ] Between $25 and $50 million
   - [ ] Over $50 million  
   *If the economic impact is over $50 million, agencies are required to submit a Standardized Regulatory Impact Assessment as specified in Government Code Section 11346.3(c).*

3. Enter the total number of businesses impacted: ~100

   Describe the types of businesses (include nonprofits): See attached.

   Enter the number or percentage of total businesses impacted that are small businesses: 50%

4. Enter the number of businesses that will be created: 0   eliminated: 0

   Explain: These devices are currently in use and the regulations should not significantly alter use patterns.

5. Indicate the geographic extent of impacts: [x] Statewide   [ ] Local or regional (List areas):

6. Enter the number of jobs created: 0   eliminated: 0

   Describe the types of jobs or occupations impacted: These devices are currently in use and the regulations should not significantly alter use patterns.

7. Will the regulation affect the ability of California businesses to compete with other states by making it more costly to produce goods or services here?  
   - [ ] YES
   - [x] NO

   If YES, explain briefly:

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*Note: The above text is a sample of the Economic Impact Statement form and does not reflect actual data or calculations.*
ECONOMIC IMPACT STATEMENT (CONTINUED)

B. ESTIMATED COSTS

Include calculations and assumptions in the rulemaking record.

1. What are the total statewide dollar costs that businesses and individuals may incur to comply with this regulation over its lifetime? $50,000
   a. Initial costs for a small business: $100
      Annual ongoing costs: $100
      Years: 5
   b. Initial costs for a typical business: $100
      Annual ongoing costs: $100
      Years: 5
   c. Initial costs for an individual: $0
      Annual ongoing costs: $0
      Years: 5
   d. Describe other economic costs that may occur:
      None.

2. If multiple industries are impacted, enter the share of total costs for each industry: N/A

3. If the regulation imposes reporting requirements, enter the annual costs a typical business may incur to comply with these requirements.
   Include the dollar costs to do programming, record keeping, reporting, and other paperwork, whether or not the paperwork must be submitted.
   $100

4. Will this regulation directly impact housing costs? □ YES □ NO
   If YES, enter the annual dollar cost per housing unit: 
   Number of units: 

5. Are there comparable Federal regulations? □ YES □ NO
   Explain the need for State regulation given the existence or absence of Federal regulations: Federally, there are regulations for the manufacturers of carbon monoxide pest control devices, but not for the proper, safe, and efficient use of the devices.
   Enter any additional costs to businesses and/or individuals that may be due to State - Federal differences: $0

C. ESTIMATED BENEFITS

Estimation of the dollar value of benefits is not specifically required by rulemaking law, but encouraged.

1. Briefly summarize the benefits of the regulation, which may include among others, the health and welfare of California residents, worker safety and the State’s environment:
   Regulations will specify the proper, safe, and efficient use of carbon monoxide pest control devices for the protection of operators, the public, and the environment.
   Regulations also provide a standard for enforcement.

2. Are the benefits the result of: □ specific statutory requirements, or □ goals developed by the agency based on broad statutory authority?
   Explain: The regulations specify proper, safe, and efficient use as required by Food and Agricultural Code section 14161.

3. What are the total statewide benefits from this regulation over its lifetime? $Unquantifiable

4. Briefly describe any expansion of businesses currently doing business within the State of California that would result from this regulation: No expansion of businesses are expected from these regulations as there should be no increase or decrease in use.

D. ALTERNATIVES TO THE REGULATION

Include calculations and assumptions in the rulemaking record. Estimation of the dollar value of benefits is not specifically required by rulemaking law, but encouraged.

1. List alternatives considered and describe them below. If no alternatives were considered, explain why not:
   There is no feasible alternative.
   State law directs DPR to develop regulations for the proper, safe, and efficient use of carbon monoxide pest control devices.
2. Summarize the total statewide costs and benefits from this regulation and each alternative considered:

<table>
<thead>
<tr>
<th>Regulation</th>
<th>Benefit: $</th>
<th>Cost: $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regulation</td>
<td>not quantified</td>
<td>0-50,000</td>
</tr>
<tr>
<td>Alternative 1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Alternative 2</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

3. Briefly discuss any quantification issues that are relevant to a comparison of estimated costs and benefits for this regulation or alternatives:

Number of affected businesses is estimated from a survey of counties. Because records are not currently kept or reported, the actual number could be higher or lower.

4. Rulemaking law requires agencies to consider performance standards as an alternative, if a regulation mandates the use of specific technologies or equipment, or prescribes specific actions or procedures. Were performance standards considered to lower compliance costs? YES NO

Explain: Performance standards were considered where applicable, but were not appropriate for all proposed requirements as specific requirements are necessary for enforcement.

E. MAJOR REGULATIONS Include calculations and assumptions in the rulemaking record.

California Environmental Protection Agency (Cal/EPA) boards, offices and departments are required to submit the following (per Health and Safety Code section 57005). Otherwise, skip to E4.

1. Will the estimated costs of this regulation to California business enterprises exceed $10 million? YES NO

   If YES, complete E2. and E3

   If NO, skip to E4

2. Briefly describe each alternative, or combination of alternatives, for which a cost-effectiveness analysis was performed:

   Alternative 1:
   Alternative 2:

   (Attach additional pages for other alternatives)

3. For the regulation, and each alternative just described, enter the estimated total cost and overall cost-effectiveness ratio:

   Regulation: Total Cost $  Cost-effectiveness ratio: $
   Alternative 1: Total Cost $  Cost-effectiveness ratio: $
   Alternative 2: Total Cost $  Cost-effectiveness ratio: $

4. Will the regulation subject to OAL review have an estimated economic impact to business enterprises and individuals located in or doing business in California exceeding $50 million in any 12-month period between the date the major regulation is estimated to be filed with the Secretary of State through 12 months after the major regulation is estimated to be fully implemented?

   YES NO

   If YES, agencies are required to submit a Standardized Regulatory Impact Assessment (SRIA) as specified in Government Code Section 11346.3(c) and to include the SRIA in the Initial Statement of Reasons.

5. Briefly describe the following:

   The increase or decrease of investment in the State:

   The incentive for innovation in products, materials or processes:

   The benefits of the regulations, including, but not limited to, benefits to the health, safety, and welfare of California residents, worker safety, and the state's environment and quality of life, among any other benefits identified by the agency:
FISCAL IMPACT STATEMENT

A. FISCAL EFFECT ON LOCAL GOVERNMENT

Indicate appropriate boxes 1 through 6 and attach calculations and assumptions of fiscal impact for the current year and two subsequent Fiscal Years.

☐ 1. Additional expenditures in the current State Fiscal Year which are reimbursable by the State. (Approximate)
   (Pursuant to Section 6 of Article XIII B of the California Constitution and Sections 17500 et seq. of the Government Code).
   
   $ __________________________

   a. Funding provided in

   Budget Act of ___________________ or Chapter ___________, Statutes of ________________

   b. Funding will be requested in the Governor's Budget Act of

   Fiscal Year: _______________________

☐ 2. Additional expenditures in the current State Fiscal Year which are NOT reimbursable by the State. (Approximate)
   (Pursuant to Section 6 of Article XIII B of the California Constitution and Sections 17500 et seq. of the Government Code).

   $ __________________________

   Check reason(s) this regulation is not reimbursable and provide the appropriate information:

   a. Implements the Federal mandate contained in

   b. Implements the court mandate set forth by the ___________________ Court.

      Case of: _____________________________ vs. ______________________________

   c. Implements a mandate of the people of this State expressed in their approval of Proposition No. ____________________

      Date of Election: ______________________________

   d. Issued only in response to a specific request from affected local entity(s).

      Local entity(s) affected: ____________________________

   e. Will be fully financed from the fees, revenue, etc. from:

   Authorized by Section: __________________ of the ____________________ Code;

   f. Provides for savings to each affected unit of local government which will, at a minimum, offset any additional costs to each;

   g. Creates, eliminates, or changes the penalty for a new crime or infraction contained in ______________________________

☐ 3. Annual Savings. (approximate)

   $ __________________________

☐ 4. No additional costs or savings. This regulation makes only technical, non-substantive or clarifying changes to current law regulations.

☐ 5. No fiscal impact exists. This regulation does not affect any local entity or program.

☒ 6. Other. Explain Use of carbon monoxide to control burrowing rodents by local jurisdictions is not mandated, if a local jurisdiction were to choose to use a carbon monoxide device they would incur minor recordkeeping costs.
FISCAL IMPACT STATEMENT (CONTINUED)

B. FISCAL EFFECT ON STATE GOVERNMENT  Indicate appropriate boxes 1 through 4 and attach calculations and assumptions of fiscal impact for the current year and two subsequent Fiscal Years.

☐ 1. Additional expenditures in the current State Fiscal Year. (Approximate)

$ ________________________________

It is anticipated that State agencies will:

☐ a. Absorb these additional costs within their existing budgets and resources.

☐ b. Increase the currently authorized budget level for the _________ Fiscal Year

☐ 2. Savings in the current State Fiscal Year. (Approximate)

$ ________________________________

☐ 3. No fiscal impact exists. This regulation does not affect any State agency or program.

☐ 4. Other. Explain ________________________________

C. FISCAL EFFECT ON FEDERAL FUNDING OF STATE PROGRAMS  Indicate appropriate boxes 1 through 4 and attach calculations and assumptions of fiscal impact for the current year and two subsequent Fiscal Years.

☐ 1. Additional expenditures in the current State Fiscal Year. (Approximate)

$ ________________________________

☐ 2. Savings in the current State Fiscal Year. (Approximate)

$ ________________________________

☐ 3. No fiscal impact exists. This regulation does not affect any federally funded State agency or program.

☐ 4. Other. Explain ________________________________

FISCAL OFFICER SIGNATURE

Leslie C. Ford

DATE

4.12.2021

The signature attests that the agency has completed the STD. 399 according to the instructions in SAM sections 6601-6616, and understands the impacts of the proposed rulemaking. State boards, offices, or departments not under an Agency Secretary must have the form signed by the highest ranking official in the organization.

AGENCY SECRETARY

DATE

7.2.21

Finance approval and signature is required when SAM sections 6601-6616 require completion of Fiscal Impact Statement in the STD. 399.

DEPARTMENT OF FINANCE PROGRAM BUDGET MANAGER

DATE

6.28.22
A3. Pest control businesses and local governments, including cities, counties, cities and counties, school districts, park districts, authorities, or any other political subdivisions of the state, operating carbon monoxide pest control devices.