

FINAL STATEMENT OF REASONS
FOR PROPOSED CALIFORNIA CODE OF REGULATIONS,
TITLE 18, SECTION 19032

The proposed amendments and adoption of California Code of Regulations, title 18, proposed section 19032 (hereinafter "Regulation 19032") do not impose any mandate on local agencies or school districts.

Update of Initial Statement of Reasons

The public notice required by section 11346.4 was mailed and published on June 7, 2002. The hearing was held, as scheduled, on August 19, 2002. During the hearing comments were received that required modification of the proposed text of the Regulation 19032. Staff presented the revised regulation to the Franchise Tax Board on November 26, 2002. The Franchise Tax Board approved the proposed changes but directed staff to make one additional modification to the proposed regulation.

Public notice as required by Government Code section 11346.8, subdivision (c), and California Code of Regulations, title 1, section 44, was mailed in order to provide notice of the changes made to proposed Regulation 19032.

The department received one comment. That comment was that subsection (b)(5)(h) is entitled "position letter" but the text discusses "position letter" and "closing letter." The suggestion was to use the term "position letter" throughout the text as the reader might be confused into believing they will receive two letters.

The use of the term "closing letter" was inadvertent. Staff internally uses the terms "position letter" and "closing letter" interchangeably. For consistency reasons, we are changing "closing letter" to "position letter" in our final submission. This is a non-substantive change that has no regulatory effect.

Alternatives Considered

The Franchise Tax Board has determined that no alternative would be more effective in carrying out the purpose for which the regulation is proposed or would be as effective and less burdensome to affected private persons than the proposed regulation.