

**ECONOMIC AND FISCAL IMPACT STATEMENT  
(REGULATIONS AND ORDERS)**

STD. 399 (REV. 12/2013)

**ECONOMIC IMPACT STATEMENT**

DEPARTMENT NAME <b>Pesticide Regulation</b>	CONTACT PERSON <b>Emily Bryson</b>	EMAIL ADDRESS <b>Emily.Bryson@cdpr.ca.gov</b>	TELEPHONE NUMBER <b>(916) 324-6344</b>
DESCRIPTIVE TITLE FROM NOTICE REGISTER OR FORM 400 <b>Pesticide Decontamination Sites</b>			NOTICE FILE NUMBER <b>Z</b>

**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:

- |  |   |
|--|---|
| <input checked="" type="checkbox"/> a. Impacts business and/or employees | <input type="checkbox"/> e. Imposes reporting requirements              |
| <input checked="" type="checkbox"/> b. Impacts small businesses          | <input type="checkbox"/> f. Imposes prescriptive instead of performance |
| <input type="checkbox"/> c. Impacts jobs or occupations                  | <input type="checkbox"/> g. Impacts individuals                         |
| <input type="checkbox"/> d. Impacts California competitiveness           | <input type="checkbox"/> 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:  
(Agency/Department)

- 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: 14,848Describe the types of businesses (Include nonprofits): See attachment.Enter the number or percentage of total businesses impacted that are small businesses: 90-96%4. Enter the number of businesses that will be created: 0 eliminated: 0Explain: N/A5. Indicate the geographic extent of impacts:  Statewide  
 Local or regional (List areas): \_\_\_\_\_6. Enter the number of jobs created: 0 and eliminated: 0Describe the types of jobs or occupations impacted: N/A7. 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  NO

If YES, explain briefly: \_\_\_\_\_

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**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? \$ See attachment.

- a. Initial costs for a small business: \$ 55-\$900 Annual ongoing costs: \$ 0-\$170 Years: 5
- b. Initial costs for a typical business: \$ 55-\$3,000 Annual ongoing costs: \$ 0-\$500 Years: 5
- c. Initial costs for an individual: \$ N/A Annual ongoing costs: \$ N/A Years: N/A
- 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.* \$ N/A

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: See attachment.

Enter any additional costs to businesses and/or individuals that may be due to State - Federal differences: \$ \_\_\_\_\_

**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: \_\_\_\_\_

This proposal will result in more worker protection from potential exposure to pesticides.

2. Are the benefits the result of:  specific statutory requirements, or  goals developed by the agency based on broad statutory authority?

Explain: DPR has broad authority to adopt regulations to provide a safe work environment for pesticide workers.

3. What are the total statewide benefits from this regulation over its lifetime? \$ Not quantified

4. Briefly describe any expansion of businesses currently doing business within the State of California that would result from this regulation: None expected

**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: See attachment.

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**ECONOMIC IMPACT STATEMENT (CONTINUED)**

2. Summarize the total statewide costs and benefits from this regulation and each alternative considered:

Regulation: Benefit: \$ not quantified Cost: \$ See attachment.

Alternative 1: Benefit: \$ not quantified Cost: \$ \_\_\_\_\_

Alternative 2: Benefit: \$ \_\_\_\_\_ Cost: \$ \_\_\_\_\_

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

None.

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: This regulation includes a performance standard that brings the current regulations into compliance with other performance standards seen in other similar industries.

**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: See attachment.

Alternative 2: N/A

*(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 \$ See attachment. Cost-effectiveness ratio: \$ unknown

Alternative 1: Total Cost \$ unknown Cost-effectiveness ratio: \$ unknown

Alternative 2: Total Cost \$ N/A Cost-effectiveness ratio: \$ N/A

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: \_\_\_\_\_

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**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 [See attachment.](#)

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**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 [See attachment.](#)

**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

*6-28-22*

*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

*[Signature]*

DATE

*2/27/23*

*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

**Attachment to Economic and Fiscal Impact Statement – STD. 399  
Proposed Regulations for Pesticide Decontamination Sites**

The following estimates are based on calculations from the memorandum, “ECONOMIC ANALYSIS OF AMENDING 3CCR 6720 (SAFETY OF EMPLOYED PERSONS), 6732 (CHANGE AREA), 6734 (HANDLER DECONTAMINATION FACILITIES), 6738.4 (PERSONAL PROTECTIVE EQUIPMENT EXEMPTIONS), 6771 (REQUIREMENTS FOR EARLY ENTRY WORKERS), AND 6793 (MINIMAL EXPOSURE PESTICIDE SAFETY USE REQUIREMENTS),” dated December 23, 2021. This memorandum is listed as a document relied upon in the Initial Statement of Reasons.

**ECONOMIC IMPACT STATEMENT**

**A. ESTIMATED PRIVATE SECTOR COST IMPACTS**

A.3. Enter the total number of businesses impacted: The total number of businesses impacted by the proposed regulations is 14,848 businesses. An estimated 11,237 businesses will be affected by the eyewash station regulation change and an estimated 3,611 businesses will be affected by the decontamination station requirement.

Describe the types of businesses (Include nonprofits): Farms, agricultural businesses, and non-agricultural businesses employing workers that handle pesticides.

Enter the number or percentage of total businesses impacted that are small businesses: DPR estimates that 90 to 96 percent of the businesses impacted are small businesses, as defined in Government Code section 11346.3(b)(4)(B) and Government Code section 11342.610, based on information provided the United States Department of Agriculture’s 2017 *Census of Agriculture* ([https://www.nass.usda.gov/Publications/AgCensus/2017/Full\\_Report/Volume\\_1,\\_Chapter\\_1\\_State\\_Level/California/cav1.pdf](https://www.nass.usda.gov/Publications/AgCensus/2017/Full_Report/Volume_1,_Chapter_1_State_Level/California/cav1.pdf)) and the Department of Pesticide Regulation’s licensing database.

**B. ESTIMATED COSTS**

B.1. What are the total statewide dollar costs that businesses and individuals may incur to comply with this regulation over its lifetime?

Lifetime cost for eyewash stations	\$7,875,000–\$15,750,000
Lifetime cost for decontamination sites	\$4,946,760
<b>Total lifetime (5-year) costs</b>	<b>\$12,821,760-\$20,750,000</b>

B.1.a. Initial/annual costs for a small business

*Eyewash stations:*

The initial and annual costs for a small business will depend on the number of eyewash stations required and whether the business chooses to use potable water or purchase eyewash preservative. For each small business, initial costs are estimated to be between \$250–\$900 and annual costs are estimated to be between \$0–\$150. The table below further breaks down the average cost for a small business based on the number of eyewash stations required.

<b>Number of eyewash stations</b>	<b>Initial costs</b>	<b>Annual costs</b>
1	\$250–\$300	\$0–\$50
3	\$750–\$900	\$0–\$150

*Decontamination sites:*

The initial and annual costs for a small business will depend on the number of decontamination sites required. Initial costs are estimated to be between \$55–\$275 and annual costs are estimated to be between \$35–\$170. The table below further breaks down the average cost for a small business based on the number of decontamination sites required.

<b>Number of decontamination sites</b>	<b>Initial costs</b>	<b>Annual costs</b>
1	\$55	\$35
5	\$275	\$170

B.1.b. Initial/annual costs for a typical business

*Eyewash stations:*

The initial and annual costs for a typical business will depend on the number of eyewash stations required and whether the business chooses to use potable water or purchase eyewash preservative. Initial costs are estimated to be between \$250–\$3,000, and annual costs are estimated to be between \$0–\$500. The table below further breaks down the average cost for a typical business based on the number of eyewash stations required.

<b>Number of eyewash stations</b>	<b>Initial costs</b>	<b>Annual costs</b>
1	\$250–\$300	\$0–\$50
3	\$750–\$900	\$0–\$150
10	\$2,500–\$3,000	\$0–\$500

*Decontamination sites:*

The initial and annual costs for a typical business will depend on the number of decontamination sites required. Initial costs are estimated to be between \$55–\$275, and annual costs are estimated to be between \$35–\$170. The table below further breaks down the average cost for a typical business based on the number of decontamination sites required.

<b>Number of decontamination sites</b>	<b>Initial costs</b>	<b>Annual costs</b>
1	\$55	\$35
5	\$275	\$170

B.5. Explain the need for State regulation given the existence or absence of Federal regulations:

U.S. EPA has granted California the authority to implement state regulations that are equivalent to the federal worker protection standard. In order to maintain equivalency with federal regulations, California regulations must be at least as protective as the federal standards. In 2017, California regulations were updated to reflect the changes in the federal worker protection standard. The new proposed changes will supplement the worker protection regulations that are already in place in California and will result in more worker protection from potential exposure to pesticides.

This proposal is likely to result in more worker protection from potential exposure to pesticides, including pesticides that could cause eye injury. The 2017 federal WPS requirements for eye decontamination that were incorporated into 3 CCR in 2017 will be enhanced by requiring equipment that meets the ANSI Z358.1-2014 standard. This equipment provides additional worker protection measures including continuous performance of the equipment with no further worker activity. Additionally, standardizing eyewash equipment will help enforce the safety and welfare of pesticide workers.

Employees who mix and load pesticides labeled with the signal word “CAUTION” or with no signal word for uses other than the commercial or research production of an agricultural plant commodity will benefit from this regulation by having access to a decontamination site. The ability to routinely decontaminate and change clothes after handling pesticides serves to minimize potential exposure. Additionally, the ability to decontaminate in the event of an emergency or accidental exposure should decrease the severity of injuries and illnesses for these workers.

D. ALTERNATIVES TO THE REGULATION

D.1. List alternatives considered and describe them below. If no alternatives were considered, explain why not:

No other alternatives were considered since adopting the American National Standards Institute (ANSI) Z358.1-2014 standard for eyewash is standard practice across all similar industries. The current prescriptive standards for the eyewash decontamination sites are difficult to comply with and enforce. Additionally, expanding the decontamination site requirements for non-agricultural businesses will result in safer workplaces for employees by improving the health and safety of those employees and minimizing the risks associated with exposure in handling pesticide products. The goals of these regulations are to improve decontamination site equipment requirements to better protect employees handling pesticides in all work environments, clarify existing regulations for ease of compliance and enforceability, and provide consistent language in other code sections that require employees to use eyewash or decontamination equipment.



D.2. Summarize the total statewide costs and benefits from this regulation and each alternative considered:

Regulation Cost: Over a lifetime of 5 years, the total costs range from \$12,821,760–\$20,750,000. The cost of the regulation change for eyewash stations is \$7,875,000–\$15,750,000. For the decontamination site change, the cost is approximately \$4,946,760.

DPR identified a number of areas that should be amended to improve the usefulness and efficacy of decontamination sites for employees who handle pesticides and better align DPR’s pesticide worker safety regulations with the decontamination requirements in Title 8 of the California Code of Regulations. By modifying current decontamination site requirements, DPR can ensure that employees with an increased risk of exposure to pesticides will have access to decontamination sites and eyewash stations that are effective, nearby, and well-maintained, which will improve the health and safety of those employees and minimize the risks associated with exposure in handling pesticide products.

E. MAJOR REGULATIONS

E.1. Will the estimated costs of this regulation to California business enterprises exceed \$10 million?

Under the proposed regulations, ANSI-compliant eyewash stations must be filled with eyewash fluid, which includes potable water, preserved buffered saline solution, or other medically acceptable solution. Decontamination sites will also be required for all employees handling pesticides for uses other than the commercial or research production of an agricultural plant commodity, regardless of the signal word. DPR determined that the estimated cost of the proposed regulations will exceed \$10 million in a single year if all impacted businesses choose to purchase eyewash preservative to comply with the eyewash fluid requirement, in addition to the purchase of an ANSI-compliant eyewash station and decontamination site equipment. This cost is estimated to be \$10,818,240. However, other less costly alternatives like potable water are permitted under the proposed regulations. Potable water may be used in lieu of eyewash preservative, which would have a negligible cost compared to the cost of the preserved buffered saline solution and be equally as effective in achieving the goals of these regulations. For the purposes of summarizing the total statewide costs of the proposed regulatory changes and to ensure that the total cost was not underestimated, DPR assumed that all impacted businesses would choose to use preserved buffered saline solution as an upper bound. However, it is unlikely that all businesses affected by the proposed regulatory changes will choose to use the costlier option of preserved buffered saline solution. If DPR assumed that all businesses chose to use potable water in lieu of preserved buffered saline solution, the total single-year cost would be \$9,243,240.

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

There are no equally effective alternatives identified. No other alternatives were considered since adopting the ANSI Z358.1-2014 standard for eyewash stations is standard practice across all similar industries. The current prescriptive standards for the eyewash decontamination sites are difficult to comply with and enforce. Additionally, expanding the decontamination site requirements for non-agricultural businesses will result in safer workplaces for employees by improving the health and safety of those employees and minimizing the risks associated with exposure when handling pesticide products. The goals of these regulations are to improve decontamination site equipment requirements to better protect employees handling pesticides in all work environments, clarify existing regulations for ease of compliance and enforceability, and provide consistent language in other code sections that require employees to use eyewash or decontamination equipment.

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

Regulation: Total Cost: Over a lifetime of 5 years, the total cost ranges from \$12,821,760–\$20,750,000.

**FISCAL IMPACT STATEMENT**

A. FISCAL EFFECT ON LOCAL GOVERNMENT

A.6. Other.

Fiscal impacts to local government are analyzed for the fiscal year the proposed regulatory amendments will become effective and the two subsequent fiscal years. The proposed regulations may impact school districts and other local agencies, such as cities and counties, who apply pesticides that would necessitate the availability of an eyewash station or decontamination site. For schools and local agencies combined, initial costs are estimated to be \$55–\$1,500 and annual costs are estimated to be \$0–\$250.

<b>Fiscal Year (FY)</b>	<b>Total Costs to Local Government</b>
FY 1	\$1,063,980–\$1,216,430
FY 2	\$192,010–\$344,460
FY 3	\$192,010–\$344,460
Total for 3 FY	\$1,448,000–\$1,905,350

*Schools.* For each school, initial costs are estimated to be \$55–\$300 and annual costs are estimated to be \$0–\$50.

<b>Fiscal Year (FY)</b>	<b>Costs to Schools</b>
FY 1	\$374,105–\$410,305
FY 2	\$122,885–\$159,085
FY 3	\$122,885–\$159,085
Total for 3 FY	\$619,875–\$728,475

*Local agencies.* For each local agency, initial costs are estimated

to be \$275–\$1,500 and annual costs are estimated to be \$0–\$250.

<b>Fiscal Year (FY)</b>	<b>Costs to Other Local Agencies</b>
FY 1	\$689,875–\$806,125
FY 2	\$69,125–\$185,375
FY 3	\$69,125–\$185,375
Total for 3 FY	\$828,125–\$1,176,875

## B. FISCAL EFFECT ON STATE GOVERNMENT

### B.4. Other.

Fiscal impacts to state government are analyzed for the fiscal year the proposed regulatory amendments will become effective and the two subsequent fiscal years. The proposed regulations may impact state agencies who apply pesticides that would necessitate the availability of an eyewash station or decontamination site. For each state agency, initial costs are estimated to be \$1,100–\$6,000 and annual costs are estimated to be \$0–\$1,000.

<b>Fiscal Year (FY)</b>	<b>Costs to State Agencies</b>
FY 1	\$414,500–\$476,500
FY 2	\$66,500–\$128,500
FY 3	\$66,500–\$128,500
Total for 3 FY	\$828,125–\$1,176,875