

NOTICE PUBLICATION/REGULATORY

SUBMISSION

(See instructions on reverse)

For use by Secretary of State only

STD. 400 (REV. 01-2013)

OAL FILE NUMBERS	NOTICE FILE NUMBER Z-2014-0318-14	REGULATORY ACTION NUMBER 2014-0618-01C	EMERGENCY NUMBER
------------------	--------------------------------------	---	------------------

For use by Office of Administrative Law (OAL) only

NOTICE AGENCY WITH RULEMAKING AUTHORITY California Health Benefit Exchange	REGULATIONS 2014 JUN 18 PM 1:14 OFFICE OF ADMINISTRATIVE LAW
--	--

ENDORSED FILED
IN THE OFFICE OF

2014 JUL 31 PM 2:11


 DERINA BOWEN
 SECRETARY OF STATE

AGENCY FILE NUMBER (if any)

A. PUBLICATION OF NOTICE (Complete for publication in Notice Register)

1. SUBJECT OF NOTICE	TITLE(S)	FIRST SECTION AFFECTED	2. REQUESTED PUBLICATION DATE
3. NOTICE TYPE <input type="checkbox"/> Notice re Proposed Regulatory Action <input type="checkbox"/> Other	4. AGENCY CONTACT PERSON	TELEPHONE NUMBER	FAX NUMBER (Optional)
OAL USE ONLY <input type="checkbox"/> Approved as Submitted <input type="checkbox"/> Approved as Modified <input type="checkbox"/> Disapproved/Withdrawn	ACTION ON PROPOSED NOTICE	NOTICE REGISTER NUMBER 2014/132	PUBLICATION DATE 3/28/14

B. SUBMISSION OF REGULATIONS (Complete when submitting regulations)

1a. SUBJECT OF REGULATION(S) Fingerprinting and Criminal Background Checks	1b. ALL PREVIOUS RELATED OAL REGULATORY ACTION NUMBER(S) 2013-0619-01E
---	---

2. SPECIFY CALIFORNIA CODE OF REGULATIONS TITLE(S) AND SECTION(S) (Including title 26, if toxics related)	
SECTION(S) AFFECTED (List all section number(s) individually. Attach additional sheet if needed.)	ADOPT 6456
	AMEND
TITLE(S) 10	REPEAL

3. TYPE OF FILING			
<input checked="" type="checkbox"/> Regular Rulemaking (Gov. Code §11346)	<input checked="" type="checkbox"/> Certificate of Compliance: The agency officer named below certifies that this agency complied with the provisions of Gov. Code §§11346.2-11347.3 either before the emergency regulation was adopted or within the time period required by statute.	<input type="checkbox"/> Emergency Readopt (Gov. Code, §11346.1(h))	<input type="checkbox"/> Changes Without Regulatory Effect (Cal. Code Regs., title 1, §100)
<input type="checkbox"/> Resubmittal of disapproved or withdrawn nonemergency filing (Gov. Code §§11349.3, 11349.4)	<input type="checkbox"/> Resubmittal of disapproved or withdrawn emergency filing (Gov. Code, §11346.1)	<input type="checkbox"/> File & Print	<input type="checkbox"/> Print Only
<input type="checkbox"/> Emergency (Gov. Code, §11346.1(b))		<input type="checkbox"/> Other (Specify) _____	

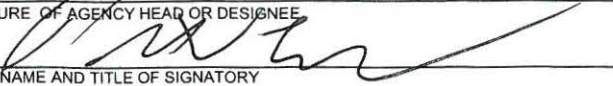
4. ALL BEGINNING AND ENDING DATES OF AVAILABILITY OF MODIFIED REGULATIONS AND/OR MATERIAL ADDED TO THE RULEMAKING FILE (Cal. Code Regs. title 1, §44 and Gov. Code §11347.1)

5. EFFECTIVE DATE OF CHANGES (Gov. Code, §§ 11343.4, 11346.1(d); Cal. Code Regs., title 1, §100)			
<input type="checkbox"/> Effective January 1, April 1, July 1, or October 1 (Gov. Code §11343.4(a))	<input checked="" type="checkbox"/> Effective on filing with Secretary of State	<input type="checkbox"/> \$100 Changes Without Regulatory Effect	<input type="checkbox"/> Effective other (Specify) _____

6. CHECK IF THESE REGULATIONS REQUIRE NOTICE TO, OR REVIEW, CONSULTATION, APPROVAL OR CONCURRENCE BY, ANOTHER AGENCY OR ENTITY		
<input checked="" type="checkbox"/> Department of Finance (Form STD. 399) (SAM §6660)	<input type="checkbox"/> Fair Political Practices Commission	<input type="checkbox"/> State Fire Marshal
<input type="checkbox"/> Other (Specify) _____		

7. CONTACT PERSON Gabriela Ventura Gonzales	TELEPHONE NUMBER 916-228-8477	FAX NUMBER (Optional)	E-MAIL ADDRESS (Optional) gabriela.ventura@covered.ca.gov
--	----------------------------------	-----------------------	--

8. I certify that the attached copy of the regulation(s) is a true and correct copy of the regulation(s) identified on this form, that the information specified on this form is true and correct, and that I am the head of the agency taking this action, or a designee of the head of the agency, and am authorized to make this certification.

SIGNATURE OF AGENCY HEAD OR DESIGNEE 	DATE 5/7/14
TYPED NAME AND TITLE OF SIGNATORY Peter V. Lee, Executive Director	

For use by Office of Administrative Law (OAL) only

ENDORSED APPROVED

JUL 31 2014

Office of Administrative Law

10 C.C.R. § 6456

Adopt § 6456. Fingerprinting and Criminal Record Checks.

(a) Definitions. For purposes of this section, the following terms shall have the following associated meanings:

(1) Federal Tax Information or FTI: return or return information as defined in 26 U.S.C. § 6103(b)(1)-(2).

(2) Personal Identifying Information or PII: information which can be used to distinguish or trace an individual's identity such as their name, social security number, biometric records, etc. alone, or when combined with other personal or identifying information which is linked or linkable to a specific individual, such as date and place of birth, mother's maiden name, etc., consistent with the definition in Office of Management and Budget, Memorandum for the Heads of Executive Departments and Agencies, M-07-16 (May 22, 2007).

(3) Personal Health Information or PHI: protected health information or individually identifiable health information as defined in 45 C.F.R. 160.103.

(b) The California Health Benefit Exchange (Exchange or Covered California) shall require fingerprint images and associated criminal history information from individuals described in Government Code 1043(a) whose duties include or would include any of the following:

(1) Access to Federal Tax Information.

(2) Access to Personal Identifying Information.

(3) Access to Personal Health Information.

(4) Access to confidential or sensitive information provided by a member of the public including, but not limited to, a credit card account number or social security number.

(5) Access to cash, checks, or other forms of payment and accountable items.

(6) Responsibility for the development or maintenance of the CalHEERS system and other critical automated systems of the Exchange.

(7) Access to information technology systems of the Exchange.

(c) Individuals whose duties require fingerprinting under paragraph (b) shall submit fingerprint images and all related information to the Department of Justice for the purpose of obtaining criminal history information as to the existence and content of a record of state or federal convictions; criminal history information as to the existence and content of a record of state or federal arrests for which the

Final Statement of Reasons

June 18, 2014

Revised July 30, 2014

California Health Benefit Exchange
“Fingerprinting and Background Checks”
Section 6456 of the California Code of Regulations
Title 10, Article 4, “General Provisions”

The information contained in the Initial Statement of Reasons (ISOR) at the time of the Public Notice on March 28, 2014, remains unchanged. The ISOR is hereby incorporated by reference in this Final Statement of Reasons.

SUMMARY AND RESPONSE TO NO COMMENTS RECEIVED DURING THE INITIAL NOTICE PERIOD OF March 28, 2014, THROUGH May 12, 2014.

This regulation, proposed Section 6456 in Title 10 of the California Code of Regulations, was made available to the public from March 28, 2014 through May 12, 2014, ending at 5 p.m. There was no public hearing requested by any member of the public. The public comment period produced no comments from any member of the public.

List of Commenters during Initial 45-day Comment Period: None.

Summary of Comments and Responses: None.

No Additional Comment Periods: The text as initially noticed to the public was not modified; therefore, the Exchange did not observe an additional comment period.

No Incorporation by Reference: No documents have been incorporated by reference into this rulemaking.

Alternatives Determination: There were no additional alternatives presented to the Board or considered for this final rulemaking other than those that were discussed in the ISOR. In accordance with Government Code § 11346.9(a)(4), the Department has determined and for the same reasons specified in the ISOR (see “Reasonable Alternatives to the Regulations and the Agency’s Reasons for Rejecting those Alternatives”), that no alternative would be more effective in carrying out the purpose for which the regulation is proposed, would be as effective as and less burdensome to affected private persons than the adopted regulation, or would be more cost effective to affected private persons and equally effective in implanting the statutory policy or other provision of law.

No Imposition of Local Mandate: The Exchange has determined that the regulation would not impose a mandate on local agencies or school districts, nor are there any costs for which reimbursement is required by Part 7 (commencing with Section 17500) of Division 4 of the Government Code, nor are there any other nondiscretionary costs imposed.

No Impact on Business: The Exchange has determined that the regulations would not have a significant statewide adverse economic impact directly affecting business, including the ability of California businesses to compete with businesses in other states.