State of California

California Natural Resources Agency

Memorandum

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Subject: Basis for Finding an Exemption under the California Environmental Quality Act

I
INTRODUCTION

The California Environmental Quality Act (CEQA) (Pub. Resources Code, § 21000 et seq.; see also CEQA Guidelines, Cal. Code Regs., tit. 14, § 15000 et seq.) requires that state agencies consider the environmental impact of their discretionary decisions. An activity is not subject to CEQA if, (1) the activity is not a "project" as defined in section 15378 of the regulations. (Cal. Code Regs., tit. 14, § 15060(c)), or (2) the activity will not result in a direct or reasonably foreseeable indirect physical change in the environment. (Cal. Code Regs., tit. 14, § 15061(b)(3).)

II
DISCUSSION

The development and adoption of the commission's process and procedure regulations would not be subject to CEQA for two reasons. First, the rulemaking activity is not a project. Section 15378(b) of the CEQA Guidelines state that a project does not include, *continuing administrative or maintenance activities, such as...general policy and procedure making.* Projects also do not include *organizational or administrative activities of governments that will not result in a potentially significant physical impact on the environment.* (Cal. Code Regs., tit. 14, § 15378(b)(2) and (5).) In this case, the regulations are procedural in nature related to the commission's administrative functions and the adoption of such regulations would not result in any impact on the environment.

Second, even if development and adoption of the regulations are considered a project under Section 15378, the development and adoption of the regulations are exempt from CEQA under the *common sense* exemption. CEQA only applies to projects that have the potential for causing a significant effect on the environment. (Cal. Codes Regs., tit. 14, § 15061(b)(3).) A significant effect on the environment is defined as a substantial, or a potentially substantial, adverse change in the environment, and does not include an economic change by itself. (Pub. Resources Code, § 21068; Cal. Code Regs., tit. 14, § 15382.)

The action in this case is to update and improve the commission's internal process and procedure regulations which include how hearings are managed, how documents are filed and served, how public comments are considered and responded to and how requests for investigations and complaints are processed. In this case, the action relates to purely procedural practices of the commission's administrative functions and would not result in a direct or indirect physical change to the environment. Because it can be seen with certainty that there is no possibility that the process and procedure regulations would have a significant effect on the environment, and nothing in the record suggests otherwise, adoption of the commission's process and procedure regulations would not be subject to CEQA under the *common sense* exemption of section 15061(b)(3).

III
CONCLUSION

Based on the above discussion, the development of the regulations and adoption of the proposed language would not be subject to CEQA and a Notice of Exemption may be filed with the Office of Planning and Research.