Instructions and Code Citations: [SAM Section 6601-6616]

STATE OF CALIFORNIA — DEPARTMENT OF FINANCE

ECONOMIC AND FISCAL IMPACT STATEMENT (REGULATIONS AND ORDERS)

STD. 399 (Rev. 10/2019)

ECONOMIC IMPACT STATEMENT

DEPARTMENT NAME	CONTACT PERSON	EMAIL ADDRESS	TELEPHONE NUMBER
Board of Forestry and Fire Protection	Jane Van Susteren	jane.vansusteren@bof.ca.gov	(916)619-9795
DESCRIPTIVE TITLE FROM NOTICE REGISTER OR FORM 400			NOTICE FILE NUMBER
Exam Fee Amendments 2026			Z

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:

- ☐ a. Impacts business and/or employees
- ☐ b. Impacts small businesses
- ☐ c. Impacts jobs or occupations
- ☐ 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 Board of Forestry and Fire Protection (Agency/Department) estimates that the economic impact of this regulation (which includes the fiscal impact) is:

- ☒ 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: 0

Describe the types of businesses (Include nonprofits):

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

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

Explain: The rulemaking is a change in licensing exam fees, it is not expected to impact business viability.

5. Indicate the geographic extent of impacts: ☒ Statewide

☐ Local or regional (List areas):

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

Describe the types of jobs or occupations impacted: This will impact forestry professionals working to become Registered Professional Foresters.

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 ☒ NO

If YES, explain briefly:

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? $ $222,500

   a. Initial costs for a small business: $0 Annual ongoing costs: $ 0 Years: 10

   b. Initial costs for a typical business: $0 Annual ongoing costs: $ 0 Years: 10

   c. Initial costs for an individual: $250 Annual ongoing costs: $ 0 Years: 10

   d. Describe other economic costs that may occur: __________

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

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.* $ __________

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: The rulemaking is a change in licensing exam fees. There are no federal exams for professional foresters.

   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 rule update will keep the professional foresters exam program solvent.

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

   Explain: Changes to PRC 782 allow exam fees that are equivalent to the cost of administering the exam.

3. What are the total statewide benefits from this regulation over its lifetime? $ 0

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 supplement

ECONOMIC IMPACT STATEMENT (CONTINUED)

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

Regulation: Benefit: $ 22,500 Cost: $ ____

Alternative 1: Benefit: $ 0 Cost: $ ____

Alternative 2: Benefit: $ 22,500 Cost: $ ____

3. Briefly discuss any quantification issues that are relevant to a comparison of estimated costs and benefits for this regulation or alternatives: none known

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, but they would not impact the costs of exam administration.

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 through12 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: No change is anticipated.

The incentive for innovation in products, materials or processes: No change is anticipated.

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: The proposed action will benefit the the environment by maintaining a program of licensed professionals to manage the forests of the state.

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 ____________

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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 supplement

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	DATE
Jane Van Susteren — Digitally signed by Jane Van Susteren Date: 2026.06.18 14:48:08 -07'00'	June 18, 2026

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
Bryan Cash	6/19/2026

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

<u>Supplement to Economic and Fiscal Impact Statement (STD 399)</u>
"Exam Fee Amendments 2026"

Economic Impact Statement

B1: Based on the following parameters, the **upper bound** of the costs of the proposed action were quantified:

- The current cost of an exam is $200.
- The proposed amended exam price is $450.
- The average number of people taking the exam per year is 89. (Ranging from 86-98 over the last three years.)

Therefore, the total added cost for an individual applicant is:
Difference in per-applicant cost per test: $450-$200 = $ 250
Average total cost to individuals from the exam: $250*89= $ 22,250

The economic impact is $22,250 dollars annually**.** The lifetime cost of this regulation is estimated to be $222,500 between 2026 and 2036.

D1 & D2: **Alternative #1: No Action Alternative**

The Board considered taking no action, but this alternative was rejected because it would not address the problem: the cost of administering the exam significantly exceeds the exam fee.

Cost of administering exam: $463 per applicant

Current exam fee: $200 per applicant

Shortfall: $263 per applicant

Alternative #2: Make regulation less prescriptive

This action would replace the prescriptive standards for registration qualification with performance-based regulations. This action could include simplifying the requirements for qualified applicants, reducing the cost of reviewing applications. However, this alternative may reduce clarity and consistency for foresters who are not yet registered and are planning their career path. This alternative would not impact the costs of exam administration.

Fiscal Impact Statement

B4: The changes to exam fees are expected to result in additional income to the Professional Foresters' Registration Program, amounting to $22,250 per year.

This is to offset the cost of administering the exam, which are currently running an annual deficit of $23,407. Additional program changes, such as using computers for testing to streamline grading and use of free facilities for testing, are expected to make up the $1,157 shortfall.

The goal is that the increased revenues will be sufficient to support the operating costs of the Professional Foresters Registration Program Exams. The Board of Forestry and Fire Protection will continue to track and evaluate fee revenues and program expenditures, with the goal of making the Professional Foresters Registration Program self-sustaining over time.