

FINAL STATEMENT OF REASONS

UPDATE OF INITIAL STATEMENT OF REASONS

SECTIONS 550, 551.2, and 551.22: The entire text of the Initial Statement of Reasons pertaining to Sections 550, 551.2, and 551.22 is incorporated herein by reference.

SECTION 551.21: The proposed regulation as originally noticed to the public has been removed from the Final Rulemaking Packet; the Board is going forward with Section 551.21 in a separate rulemaking packet.

TECHNICAL, THEORETICAL, AND/OR EMPIRICAL STUDY, REPORTS, OR DOCUMENTS

In the Initial Statement of Reasons the Board relied on the following documents in drafting and proposing the adoption of the proposed regulations:

- (1) Memorandum dated December 19, 2013 from William Brennan and Robin Parker to the Policy and Procedure Committee regarding the Consideration of Proposed Regulations;
- (2) Memorandum dated November 7, 2014 from William Brennan and Robin Parker to the Policy and Procedure Committee regarding the Consideration of Revisions to Proposed Regulatory Amendments; and

Although there were two documents listed in the Initial Statement of Reasons, only the December 19, 2013, memorandum was relied upon for this Case Management rulemaking packet. The November 7, 2014, memorandum relates only to Section 551.21, which pertains to sanctions.

LOCAL MANDATE DETERMINATION

The proposed regulations do not impose any mandate on local agencies or school districts.

SUMMARY AND RESPONSE TO COMMENTS

The text was made available to the public from February 6, 2015, through March 23, 2015. The Board did not receive any comments on the text prior to the close of the comment period.

The Alliance of Automobile Manufacturers submitted a comment on July 2, 2015, pertaining to Section 551.22. However, it was received during a 15-day notice period in which Section 551.22 was not made available for comment.

ALTERNATIVES THAT WOULD LESSEN ADVERSE ECONOMIC IMPACT ON SMALL BUSINESS

No alternatives were proposed to the Board that would lessen any adverse economic impact on small business.

ALTERNATIVES DETERMINATION

The Board has determined that no alternative it considered or that was otherwise identified and brought to its attention would be more effective in carrying out the purpose for which the action is proposed, would be as effective and less burdensome to affected private persons than the proposed action, or would be more cost-effective to affected private persons and equally effective in implementing the statutory policy or other provision of law.

The amendments adopted by the Board are the only regulatory provisions identified by the Board that accomplish the goal of clarifying case management for franchised new motor vehicle dealers and their franchisors (new vehicle manufacturers or distributors) who choose to file a protest, petition or appeal with the Board. No other alternative has been proposed or otherwise brought to the Board's attention.