

Stage 1 Business Analysis

California Department of Technology, SIMM 19A.3 (Ver. 3.0.9, 02/01/2022)

1.1 General Information

1. Agency or State entity Name: 4265 - Public Health, Department of

If Agency/State entity is not in the list, enter here with the 4265.

N/A

- 2. Proposal Name and Acronym: Lead-Based Paint Renovation, Repair, and Painting (RRP) Certification Program (SB 1076)
- 3. Proposal Description: (Provide a brief description of your proposal in 500 characters or less.)

Create the ability for online submittal and payment of Renovation, Repair, and Painting (RRP) firm and individual application for certification. This will require new and updated functionality of the existing Lead Related Construction Certification (LRCC) program.

Proposed Project Execution Start Date: 7/1/2023

4. S1BA Version Number: Version 1

1.2 Submittal Information

1. Contact Information

Contact Name: Ligaya Perera

Contact Email: ligaya.perera@cdph.ca.gov

Contact Phone: (279)667-0114

2. Submission Type: New Submission

If Withdraw, select Reason: Choose an item.

If Other, specify reason here: N/A

Sections Changed, if this is a Submission Update: (List all sections changed.)

N/A

Summary of Changes: (Summarize updates made.)

N/A

- 3. Attach **Project Approval Executive Transmittal** to your email submission.
- 4. Attach <u>Stage 1 Project Reportability Assessment</u> to your email submission.

1.3 Business Sponsorship

1. Executive Champion (Sponsor)

Title: Branch Chief

Name: Shakoora Azimi-Gaylon

Business Program Area: Childhood Lead Poisoning Prevention Branch

2. Business Owner

Title: Section Chief

Name: Maximilian Weintraub

Business Program Area: Lead Hazard Reduction Section

3. Product Owner

Title: Section Chief

Name: Maximilian Weintraub

Business Program Area: Lead Hazard Reduction Section

TIP: Copy and paste or click the + button in the lower right corner on any section to add additional Executive Champions, Business Owners, or Product Owners with their related Business Program Areas as needed.

1.4 Stakeholder Assessment

The Stakeholder Assessment is designed to give the project team an overview of communication channels that the state entity needs to manage throughout the project. More stakeholders may result in increased complexity to a project.

1. Indicate which of the following are interested in this proposal and/or the outcome of the project. (Select 'Yes' or 'No' for each.)

State Entity Only: Yes Other Departments/State Entities: No Public: Yes Federal Entities: Yes Governor's Office: Yes Legislature: Yes Media: Yes Local Entities: No Special Interest Groups: Yes Other: Choose Yes or No.

2. Describe how each group marked 'Yes' will be involved in the planning process.

State Entities:

- CDPH Childhood Lead Poisoning Prevention Branch: CDPH Childhood Lead Poisoning Prevention Branch will participate in the planning process as subject matter experts in the project management lifecycle. Childhood Lead Poisoning Prevention Branch will participate in developing functional requirements, stakeholder identification and analysis, procurement planning, communication planning, risk identification, as well as, assisting with defining scope, schedule, and cost.
- CDPH Information Technology Services Division (ITSD): CDPH Childhood Lead Poisoning Prevention Branch will participate in the planning process as subject matter experts alongside CDPH's ITSD Enterprise Portfolio Management Office (ePMO). ePMO will provide project management support and a designated Project Manager (PM) and Project Director (PD). The designated PM and PD will initiate and complete the Project Approval Lifecycle (PAL) deliverables according to the California Department of Technology's (CDT) oversight standards through the end of the planning process. The CDPH Information Security Office (ISO) and the CDPH Enterprise Architecture Team will be engaged early for guidance and support in coordination and collaboration with the Childhood Lead Poisoning Prevention Branch, Technical Team, and Subject Matter Experts (SMEs). Designated staff will identify, clarify, and validate technical requirements, receive technical knowledge transfer and/or training, and participate in testing prior to solution implementation. Additionally, ITSD will provides input and support in the areas of IT governance, infrastructure, and application development, and provide consultation and technical guidance regarding all technical aspects of the project. ITSD will help address any technical challenges encountered during the project. The full scope of project

participation depends upon solution selection. CDT will be engaged as a collaborative partner to guide CDPH through the PAL process.

Public – The Public will not be involved in the planning process; however, they may be interested in and affected by the outcome of this project. The Lead Related Construction Certification program was developed after a sharp public outcry over the long processing periods associated with manual processing of lead related construction certification applications. A greater outcry is likely if the RRP certification program is not in place since the current US EPA RRP certification system is already in use, enable immediate generation of certificates after payment, and impacts a much larger number of individuals than the lead related construction certification process.

Federal – The US EPA will not be involved in the planning process; however, they may be interested in and affected by the outcome of this project. The electronic certification system will need to satisfy the requirements imposed by the US EPA under the Cross-Media Electronic Reporting Rule (CROMERR) for the US EPA to support the use of the system as part of the federal authorization of the state RRP program.

Governor's Office (GO) – The GO will not be involved in the planning process; however, they may be interested in and affected by the outcome of this project. The Governor's Office may be affected due to heightened awareness of the new program and its effects on the public.

Legislature - The Legislature will not be involved in the planning process; however, they may be interested in and affected by the outcome of this project since SB 1076 requires certification of renovation firms and individual renovators. Without this system, CDPH will be unable to perform such certification and satisfy the existing statutory requirement or the regulatory requirements under development.

Media – The media will not be involved in the planning process; however, they may be interested in and affected by the outcome of this project. CDPH CLPPB development of new databases may spark heightened public interest resulting in media involvement and reporting.

Special Interest Groups – Training providers, renovation firms, and individual renovators will not be involved in the planning process; however, they will be affected by, and use the RRP certification program.

1.5 Business Program

- 1. Business Program Name: 4045 Public & Environmental Health
- 2. Program Background and Context: (Provide a brief overview of the entity's business program(s) current operations.)

SB 1076 requires CDPH to review and amend its regulations to adopt and comply with the federal Environmental Protection Agency's (EPA) RRP Rule. This would advance efforts to reduce lead poisoning by providing clarity on the training and certification requirements for lead safe work practices, as well as by improving oversight and enforcement of those

requirements at the state level.

The RRP Rule helps prevent exposure to lead by regulating renovation of homes and childoccupied building constructed before the ban on the use of lead-based paint in 1978. Leadbased paint disturbed during renovation creates paint chips and dust. Ingestion of leadcontaminated house dust contributes almost 40 percent of the increase in blood lead levels in U.S. children and creates hazards for workers. In 2019, 6,913 children in California had such excessive levels of lead in their blood that it placed them in the top 2.5 percent of children nationwide. California has more homes built before 1978, and more residential remodeling contractors, than any other state.

Lead is a highly neurotoxic heavy metal, and it does not degrade or break down in the environment. Lead exposure causes a wide range of health problems and can result in lifelong damaging effects. At very high levels of exposure, lead can cause seizures, coma, and death. Lower levels of lead exposure affect the nervous system, decrease intelligence, and create learning deficits. The U.S. Centers for Disease Control (CDC) has determined there is no safe level of lead exposure.

Effective implementation of the RRP Rule in California is needed to help protect children from lead poisoning. The EPA, which currently administers the implementation of the RRP Rule in California, has less than ten staff assigned to administer the RRP Rule in Region 9, which encompasses Arizona, California, Hawaii, Nevada, the Pacific Islands, and 148 Tribal Nations. This has led to reduced ability by the EPA to adequately implement, enforce, and evaluate the success of the RRP Rule, according to the EPA's Office of the Inspector General. The majority of RRP contractors in California are not certified with EPA. Less than one tenth of one percent of the 40,000 – 60,000 residential renovation contractors in California are inspected by EPA each year and between five and ten enforcement cases a year are pursued by the EPA in California.

SB 1076 requires CDPH to review and amend its regulations to comply with the RRP Rule. To meet this requirement, CDPH will seek authorization from the EPA to take over administration of the RRP Rule in California. Fourteen states are already authorized to implement the RRP Rule and successfully perform a higher rate of RRP certification, inspections, and enforcement than the federal program. SB 1076 gives CDPH the ability to verify that those doing renovation and repair work on pre-1978 homes are certified in leadsafe work practices.

Implementation of SB 1076 requires CDPH to adopt regulations and establish a new system of fees to replace those of the EPA. The increased oversight of the regulated community will result in an increase in staffing needs for the CLPPB and the Occupational Health Branch (OHB). CDPH OHB contains the Occupational Lead Poisoning Prevention Program (OLPPP), which promotes safe and healthy workplaces for California by providing services to prevent and reduce lead poisoning in California workplaces.

The costs associated with the lead hazards created by renovating pre-1978 homes without RRP Rule lead-safe education and work practices are high. Studies estimate that for every dollar spent on controlling lead hazards, between \$17 to \$221 may be returned in health benefits. Other benefits of controlling lead hazards may include increased IQ, higher lifetime earnings, tax revenue, reduced spending on special education, and reduced criminal activity.

CDPH successfully implemented electronic submittal of applications for lead-related construction certification in 2019. That effort followed federal authorization of California to implement the abatement requirements of the Lead-Based Paint Hazard Reduction Act amendments to the federal Toxic Substances Control Act. CDPH now seeks to implement electronic submittal of applications for renovation certification in accordance with SB 1076. SB 1076 requires CDPH to seek federal authorization to implement the renovation requirements of the Lead-Based Paint Hazard Reduction Act amendments to the federal Toxic Substances Control Act.

3. How will this proposed project impact the product or services supported by the state entity?

This project will allow CDPH to fulfil its mandate under SB 1076 to train and certify individual renovators and renovation firms that perform RRP work within California.

TIP: Copy and paste or click the + button in the lower right corner to add Business Programs, with background and context and impact descriptions as needed.

1.6 Project Justification

1. Strategic Business Alignment

Enterprise Architect

Title: Chief Enterprise Architect

Name: Steven Leonardo

Strategic Plan Last Updated? CDPH Strategic Map 2019 to 2022

Strategic Business Goal: Protect the Public's Health

Alignment: The program requirements prescribed by SB 1076 will enable the Childhood Lead Poisoning Prevention Branch (CLPPB) to protect the public's health by decreasing the public's barriers to information access about individual and firm RRP certifications. An increase in data transparency and access will promote the use by the public of individual and firm renovators certified in lead-safe work practices.

Strategic Business Goal: Optimize Data and Technology

Alignment: The program requirements prescribed by SB 1076 will allow the CLPPB to leverage newer payment processing technologies to promote the fast and efficient processing and issuance of individual and firm RRP certifications. This in turn will strengthen the entire technology infrastructure needed to support the processing of certifications.

Strategic Business Goal: Increase Health Equity

Alignment: The program requirements prescribed by SB 1076 will create inclusive and equitable opportunities for individuals and firms seeking RRP certifications. This program will enhance partnerships with RRP individuals and firms through the Contractor State Licensing Board (CSLB), which will provide access and allow outreach to underserved populations.

TIP: Copy and paste or click the + button in the lower right corner to add Strategic Business Goals and Alignments as needed.

Mandate(s): State

Bill Number/Code, if applicable: SB 1076

Add the Bill language that includes system-relevant requirements:

Existing law requires the State Department of Public Health to implement and administer a residential lead-based paint hazard reduction program, as specified, including adopting regulations regarding accreditation of providers of health and safety training to employees who engage in or supervise lead-related construction work, as defined, and certification of employees who have successfully completed that training. Existing law requires the department to adopt regulations to establish and impose fees for those accreditations and certifications and for licensing entities engaged in lead-related occupations, as specified. Existing law requires those fees to be deposited into the Lead-Related Construction Fund, as specified, and to be available for specified uses upon appropriation by the Legislature. This bill would require the department to review and amend its regulations governing leadrelated construction work, including training and certification for workers and accreditation for trainers in lead-safe work practices, to comply with existing state regulations and the United States Environmental Protection Agency's Lead Renovation, Repair, and Painting Rule, as specified. The bill would require the adoption of those regulations to establish fee provisions for those certifications and accreditations. The bill would require the fees to be deposited into the Lead-Related Construction Fund. The bill would require the department to adopt emergency regulations to implement these provisions, as specified.

Existing law requires certain persons engaged in lead construction work to have a certificate. A violation of that provision is a crime.

This bill, on and after January 1, 2024, would further require a firm, as defined, and at least one person onsite and employed by a firm, doing renovation, repair, or painting work that will disturb lead-based paint or presumed lead-based paint, as defined, to have a certificate. The bill would also make a violation of these provisions punishable by a civil or criminal penalty, as specified. By creating a new crime, the bill would impose a state-mandated local program.

This bill, on or before July 1, 2023, would require the department to develop and implement an education and outreach program for every person and firm that is required to have a certificate, Page 7 of 15

to include information on who is required to have a certificate and the requirements and process to obtain a certificate. The bill would require the department to provide educational and outreach materials to the Contractors State License Board for the board to post on its internet website.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

The proposed new statute language does not list penalties to meet the listed implementation dates. However, the risks associated with not meeting the deadlines are significant. SB 1076 was passed in part based on the challenges encountered by the US EPA of implementing the RRP Rule. In the past seven years, the number of RRP trained and certified residential renovators in California has decreased from more than 60,000 to just over 20,000. Dust from renovation and deteriorated paint is the number one source of childhood lead exposure. The environmental health risk from a delay in implementation of a stronger RRP program operated by CDPH is significant. It is unclear how the bill author will respond to a delay. The delayed implementation may cause delay and frustration within the regulated community and the EPA.

TIP: Copy and paste or click the + button in the lower right corner to add Bill Numbers/Codes and relevant language as needed.

2. Business Driver(s)

Financial Benefit: No

Increased Revenue: No

Cost Savings: No

Cost Avoidance: No

Cost Recovery: No

Will the state incur a financial penalty or sanction if this proposal is not implemented? No

If the answer to the above question is "Yes," please explain:

Click or tap here to enter text.

Improvement

Better Services to the People of California: Yes

Efficiencies to Program Operations: Yes

Improved Equity, Diversity, and/or Inclusivity: Yes

Improved Health and/or Human Safety: No

Improved Information Security: No

Improved Business Continuity: No

Improved Technology Recovery: No

Technology Refresh: No

Technology End of Life: No

1.7 Business Outcomes Desired

Executive Summary of the Business Problem or Opportunity:

CDPH currently implements and administers a residential lead-based paint hazard reduction program, which includes the accreditation of providers of health and safety training to employees who engage in or supervise lead-related construction work, and certification of employees who have successfully completed that training.

As a result of SB 1076, CDPH will need to provide certifications for individuals and firms that perform RRP activities. Currently, Lead Related Construction Certification already enables CDPH to receive information like that required for individual RRP certification. Changes will be required to submit the individual RRP certification application and ensure payments are received and will also be applied to a new RRP firm certification. Bringing the management and administration of the RRP program within California will better serve the individuals seeking RRP firm certification and individual RRP certification and enable an ample workforce to apply lead-safe work practices to building renovation activities in California.

The EPA currently administers the implementation of the RRP program in California, certifying more than 25,000 RRP individuals and firms with less than 10 staff. This small number of staff also administer the RRP rule for the entire Region 9, which encompasses Arizona, California, Hawaii, Nevada, the Pacific Islands, and 148 Tribal Nations. Bringing the RRP program within California greatly benefits the health and safety of Californians.

Currently, individuals and firms seeking RRP certifications are experiencing delays in obtaining their certifications because of an inefficient electronic payment system. Individuals and firms submit payment to the EPA, which due to an inefficient electronic system and supporting processes, sometimes does not get authorized. Individuals and firms are not alerted that payment was not properly processed and as a result are in the dark of next steps to obtain their certification.

The RRP certification program and associated costs for implementing RRP activities required for US EPA authorization, are covered by the certification fees.

In regard to better services to the people of California - CDPH will be increasing data transparency and data distribution of RRP certifications. Currently, the EPA only allows the public to have access to approximately 20% of RRP certifications, creating an information barrier for individuals seeking support when renovating in lead-based environments. By transferring the RRP program to California, CDPH will be able to improve the management of data distribution and transparency of certifications by increasing access to the public. CDPH will be pursuing the authorization from RRP individuals to distribute certification information, creating a larger data pool into which Californians have visibility. In regard to efficiencies to program operations – CDPH will be able to increase the successful processing of payments by 8% compared to the EPA. The EPA currently holds a 90% success rate for processing certification payments. A delay in payment processing creates a delay in obtaining certifications. This in turn could lead to individuals or firms abandoning efforts to obtain certifications, putting the public at risk.

In regard to improved equity, diversity, and/or inclusivity - CDPH will be providing outreach through the Contractor State Licensing Board (CSLB) to provide information on how to become an RRP-certified individual or firm and list upcoming trainings. Outreach through the CSLB will remove barriers for reaching and engaging a broader, more inclusive and diverse contracting audience. One of CSLB's strategic goals includes studying and removing barriers to licensure for underserved populations and creating an outreach plan to community colleges, construction management programs, labor unions, and workforce development groups to increase licensee diversity and create a better understanding of applicants and licensees. An RRP program outreach effort through the CSLB platform will reach a more diverse audience.

Objective ID: 1

By increasing data transparency and access to the public for RRP certifications, CLPPB will be able to meet the Department's strategic goal of protecting the public's health. Currently, the EPA restricts access to and visibility into RRP certifications limiting access to the public of renovator individuals and firms. The EPA currently only provides information on approximately 20% of RRP certifications. Limited access and transparency of data may increase the engagement by the public of non-certified renovator individuals and firms, which in turn can increase risk of lead exposure to the public. CLPPB intends to provide enhanced access and transparency to RRP data by pursuing the authorization from RRP individuals to distribute certification information, creating a larger data pool into which Californians have visibility. CLPPB intends to increase access to 40% of RRP certifications with the first 12 months of implementation.

Objective: Provide a better service to Californians by improving access to RRP services through expanded information related to certified professionals. Increase the availability of RRP certification data, which helps the public find certified personnel and in turn reduces childhood lead poisoning. Having this data available assists program with reducing childhood lead poisoning by publicly identifying more certified personnel and support enforcement tips and complaints targeting uncertified RRP individuals.

Metric: Percentage of accessible RRP certifications.

Baseline: The public currently has access to 20% of EPA-approved RRP certifications.

Target Result: Increase access to 40% of RRP certifications with the first twelve months of implementation. Target will be measured quarterly through a RRP certification database audit.

Objective ID: 2

By leveraging newer payment technology, the CLPPB will be able to meet the Department's strategic goal of optimizing data and technology by providing the public with an on-line payment system that is efficient, effective and can deliver real-time RRP individual and firm certifications. Currently, the EPA has a 90% successful on-line payment rate. CLPPB intends to increase that

percentage by 8%. Within six months of implementation, individuals and firms will have the ability to electronically submit payments to allow instant RRP certification.

Objective: Increase the percentage of successful payment rates expanding the lead safe renovation work force.

Metric: Percentage of successful payments.

Baseline: EPA has an approximate 90% successful payment rate. Approximately 2,000 RRP certifications (10%) initially rejected due to payment difficulties.

Target Result: A minimum of 98% successful payments. Target is measured through real-time certification notifications following initial payment effort. Targets are measured quarterly through payment information audits. Target is 98% successful payments one year after implementation.

Objective ID: 3

Through a partnership with the CSLB, the CLPPB will be able to meet the Department's strategic goal of increasing health equity by enhancing outreach to an underserved population within California. The EPA currently holds a total of approximately 25,000 RRP certifications. CLPPB's goal is to, within twelve months of implementation, match the EPA's number of RRP certifications and double that number after twenty-four months of implementation.

Objective: Increase participation in RRP certification in order to increase the amount of RRP certified individuals and firms to protect the children of California and increase the inclusivity of Californians.

Metric: The number of RRP certified firms and individual renovators.

Baseline: US EPA currently has 5,000 RRP certified firms and 20,000 RRP certified individuals in California.

Target Result: Short-term goal is to match the EPA issuance of 5,000 RRP firm and 20,000 individual certifications within 12 months of implementation (targeting no later than January 1, 2025 to meet the state-mandated timeframe). Long-term goal is to increase certifications by 100%, doubling the short goal RRP certification numbers.

Enter any content that you want to repeat, including other content controls. You can also insert this control around table rows in order to repeat parts of a table.

TIP: Copy and paste or click the + button in the lower right corner to add Objectives as needed. Please number for reference.

TIP: Objectives should identify WHAT needs to be achieved or solved. Each objective should identify HOW the problem statement can be solved and must have a target result that is specific, measurable, attainable, realistic, and time-bound. Objective must cover the specific. Metric and Baseline must detail how the objective is measurable. Target Result needs to support the attainable, realistic, and time-bound requirements.

1.8 Project Management

1. Project Management Risk Score: 0.1

(Attach a completed <u>Statewide Information Management Manual (SIMM) Section 45 Appendix A</u> <u>Project Management Risk Assessment Template</u> to the email submission.)

2. Project Approval Lifecycle Completion and Project Execution Capacity Assessment

Does the proposal development or project execution anticipate sharing resources (state staff, vendors, consultants, or financial) with other priorities within the Agency/state entity (projects, PALs, or programmatic/technology workload)?

Answer: Yes

Does the Agency/state entity anticipate this proposal will result in the creation of new business processes or changes to existing business processes?

Answer (No, New, Existing, or Both): Both New and Existing Processes

1.9 Initial Complexity Assessment

1. Business Complexity Score: 1.2

(Attach a completed <u>SIMM Section 45 Appendix C</u> to the email submission.)

2. Noncompliance Issues: (Indicate if your current operations include noncompliance issues and provide a narrative explaining how the business process is noncompliant.)

Programmatic regulations: Yes

HIPAA/CIIS/FTI/PII/PCI: Yes

Security: No

ADA: No

Other: No

Not Applicable: No

Noncompliance Description:

The current operation is compliant.

SB 1076 requires new certification of renovation firms and individual renovators to also be compliant with all of the requirements checked above.

The electronic certification system will need to satisfy the requirements imposed by the US EPA under the Cross-Media Electronic Reporting Rule (CROMERR) in order for US EPA to support the use of the system as part of the federal authorization of the state RRP program. CROMERR sets performance-based, technology-neutral system standards and provides a

streamlined, uniform process for Agency review and approval of electronic reporting. The CROMERR program ensures the enforceability of regulatory information collected electronically by EPA state government partners.

3. Additional Assessment Criteria

If there is an existing Privacy Threshold Assessment/Privacy Information Assessment, include it as an attachment to your email submission.

How many locations and total users is the project anticipated to affect?

Number of locations:

5,000 locations for certified RRP firms and 40,000 certified RRP individuals

100 locations for fifty accredited training providers statewide

Estimated Number of Transactions/Business Events (per cycle): Within the first year of implementation, CLPPB anticipates issuing 5,000 RRP firm and 20,000 individual certifications. Within two years of implementation CLPPB anticipates doubling certifications by issuing 10,000 RRP firms and 40,000 individual certifications.

Approximate number of internal end-users: 20

Approximate number of external end-users:

The following are the external end users:

100 administrative staff at fifty training schools (i.e., two per training provider),

5,000 administrative staff for 5,000 RRP firms (i.e., one per RRP firm), and

40,000 certified RRP individuals.

1.10 Funding

Planning

1. Does the Agency/state entity anticipate requesting additional resources through a budget action to complete planning through the project approval lifecycle framework? Yes

If Yes, when will a budget action be submitted to your Agency/DOF for planning dollars?

7/1/2023

2. Please provide the Funding Source(s) and dates funds for planning will be made available:

General Fund, July 1, 2023

Project Implementation Funding

1. Has the funding source(s) been identified for project implementation? No

If known, please provide the Funding Source(s) and dates funds for implementation will be made available:

N/A

Will a budget action be submitted to your Agency/DOF? Choose Yes or No.

If "Yes" is selected, specify when this BCP will be submitted: Click or tap here to enter text.

2. Please provide a rough order of magnitude (ROM) estimate as to the total cost of the project: Less than \$10 Million

End of agency/state entity document.

Please ensure ADA compliance before submitting this document to CDT.

When ready, submit Stage 1 and all attachments in an email to ProjectOversight@state.ca.gov.

Department of Technology Use Only

Original "New Submission" Date: 3/24/2023

Form Received Date: 3/24/2023

Form Accepted Date: 3/24/2023

Form Status: Completed

Form Status Date: 3/24/2023

Form Disposition: Approved

If Other, specify: Click or tap here to enter text.

Form Disposition Date: 3/24/2023

Department of Technology Project Number (0000-000): 4265-086