



Welcome USA North and DigAlert Members

May 22, 2018

Tony Marino, Executive Officer,
Dig Safe Board



CALIFORNIA DIG SAFE BOARD





Dig Safe Act of 2016

4216.12. (a) The California Underground Facilities Safe Excavation Board is hereby created under, and shall be assisted by the staff of, the Office of the State Fire Marshal.

(b) The board shall perform the following tasks:

- 1) Coordinate education and outreach activities that encourage safe excavation practices, as described in Section 4216.17.
- 2) Develop standards, as described in Section 4216.18.
- 3) Investigate possible violations of this article, as described in Section 4216.19.
- 4) Enforce this article to the extent authorized by subdivision (e) of Section 4216.6.

(c) Notwithstanding any other law, on and after January 1, 2020, the board shall be subject to review by the appropriate policy committees of the Legislature.



CALIFORNIA DIG SAFE BOARD



**Marshall
Johnson**

**Ron
Bianchini**

**Carl
Voss**

**Randy
Charland**

**Amparo
Munoz**

**Vince
Bernacchi**

**Marjorie
Del Toro**

**Bill
Johns**

**Jessica
Arden**



2018 Plan

Strategic Objective	Strategic Activities
Create an Area of Continual Excavation Process	<i>Outreach and Piloting</i>
Develop an Education and Enforcement Program	<i>Identification of Relevant Education</i>
	<i>Standards for Demonstrating Compliance</i>
	<i>Board Notification of Incidents</i>
	<i>Inter-Agency Enforcement Coordination</i>
Develop Processes for Continual Learning	<i>Baseline Safety Assessment</i>
	<i>Reasonable Care Standards</i>
Establish Stable Funding for Board Operations	<i>Fee levied upon the utility members of the one-call centers</i>
	<i>Federal Reimbursement through the State Base Grant</i>



CALIFORNIA DIG SAFE BOARD

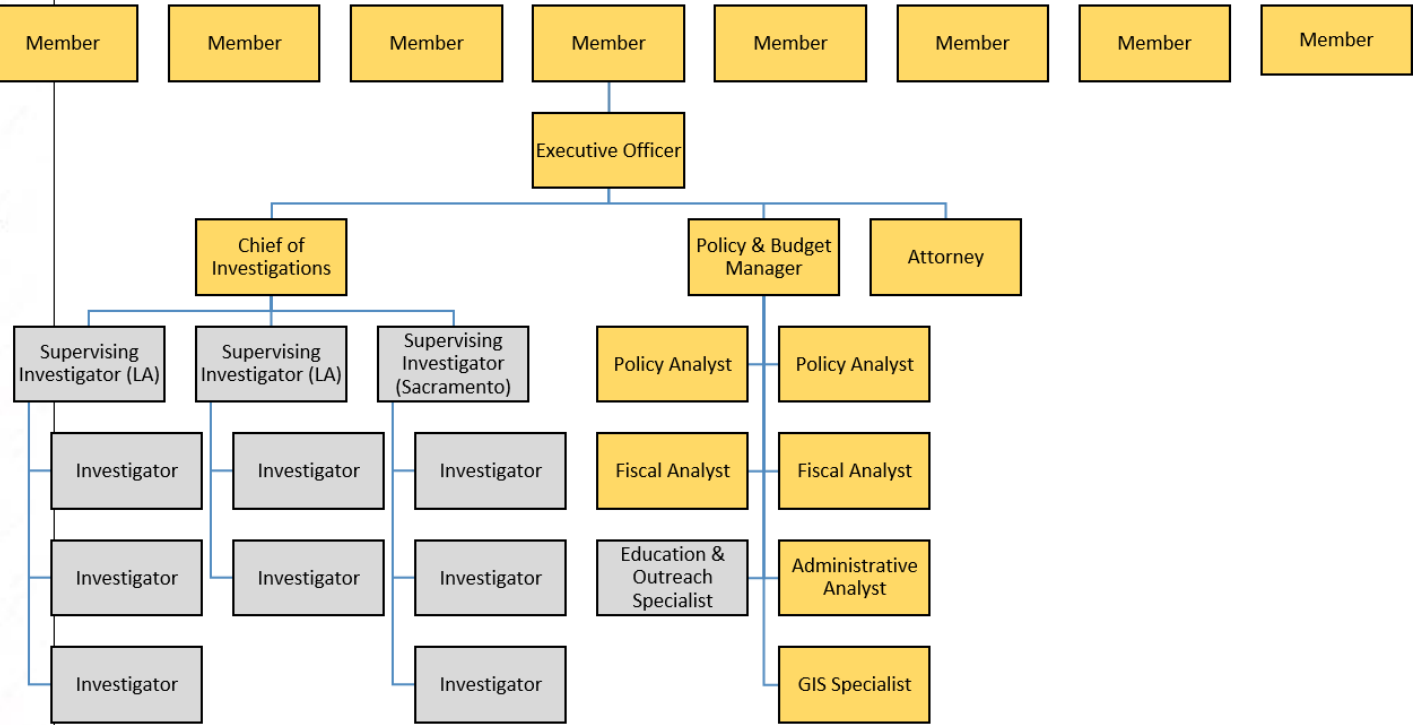
Department Forestry and Fire Protection	Priority No.
Program 2461 OFFICE OF THE STATE FIRE MARSHAL	Subprogram 2461019 - CALIFORNIA FACILITIES SAFE EXCAVATION BOARD

Budget Request Description
SB 661 - California Underground Facilities Safe Excavation Board

Budget Request Summary

The Department of Forestry and Fire Protection (CAL FIRE) requests \$3.843 million Safe Energy Infrastructure and Excavation Fund (\$3.563 million ongoing) and 11 positions starting in Fiscal Year 2017-18 (23 positions ongoing) to implement the provisions of Senate Bill 661 (Chapter 809, Statutes of 2016). This request will create the staffing for the newly created California Underground Facilities Safe Excavation Board, and will provide the regulatory support for ongoing investigations into violations of the Dig Safe Act of 2016.

Requires Legislation <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Code Section(s) to be Added/Amended/Repealed		
Does this BCP contain information technology (IT) components? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Department CIO	Date	
If yes, departmental Chief Information Officer must sign.			
For IT requests, specify the project number, the most recent project approval document (FSR, SPR, S1BA, S2AA, S3SD, S4PRA), and the approval date.			
Project No.	Project Approval Document:	Approval Date:	
If proposal affects another department, does other department concur with proposal? <input type="checkbox"/> Yes <input type="checkbox"/> No			
Attach comments of affected department, signed and dated by the department director or designee.			
Prepared By	Date	Reviewed By	Date
Department Director	Date	Agency Secretary	Date
Department of Finance Use Only			
Additional Review: <input type="checkbox"/> Capital Outlay <input type="checkbox"/> ITCU <input type="checkbox"/> FSCU <input type="checkbox"/> OSAE <input type="checkbox"/> CALSTARS <input type="checkbox"/> Dept. of Technology			
BCP Type: <input type="checkbox"/> Policy <input type="checkbox"/> Workload Budget per Government Code 13308.05			
PPBA	Original Signed By Stephen Benson	Date submitted to the Legislature JAN 10 2017	



2017 State Budget

- Board authorized 23 positions (11 starting in FY 2017-18)
- Funded to \$3.843M in FY 2017-18 (\$3.563M ongoing)
- 2 year startup loan (FY 2017-18, 2018-19), to be repaid July 1, 2019(!)



Dig Safe Act of 2016

4216.16. The board may obtain funding for its operational expenses from:

- a) A federal grant.
- b) A fee charged to members of the regional notification centers not to exceed the reasonable regulatory cost incident to enforcement of this article. The board shall apportion the fee in a manner consistent with formulas used by the regional notification centers. Revenues derived from the imposition of this fee shall be deposited in the Safe Energy Infrastructure and Excavation Fund.
- c) Any other source.
- d) The board shall not charge a fee to a person for notifying the regional notification center to obtain a ticket or to renew a ticket.



CALIFORNIA DIG SAFE BOARD

Loan Repayment

STATE OF CALIFORNIA
Budget Change Proposal - Cover Sheet
DF-46 (REV 08/17)

Fiscal Year 2018-19	Business Unit 3540	Department Forestry and Fire Protection	Priority No.
Budget Request Name 3540-306-BCP-2018-A1		Program 2461—OFFICE OF THE STATE FIRE MARSHAL	Subprogram 2461019-CALIFORNIA UNDERGROUND FACILITIES SAFE EXCAVATION BOARD

Budget Request Description

California Underground Facilities Safe Excavation Board Loan Repayment Extension

Budget Request Summary

The Department of Forestry and Fire Protection (CAL FIRE) requests budget bill language to extend the California Underground Facilities Safe Excavation Board (Board) loan repayment due date by two years, from July 1, 2019 to July 1, 2021, to provide a more reasonable repayment schedule from the non-profit one-call center fee payers' (private and municipal utilities) rates over three years instead of one.

In addition, trailer bill language is needed to clean up a technical drafting error in statute made when the Board was initially authorized through Chapter 809, Statutes of 2016 (SB 661) and in 2017 trailer bill language (Chapter 26, Statutes of 2017 (SB 92)). This change will (1) clarify that the Board cannot take enforcement action until July 1, 2020 and (2) authorize the Board to undertake investigations prior to July 1, 2020 consistent with the previous funding approved for the Board, which included authorization of 12 investigator positions starting on July 1, 2018.



Bottom Line

- ~30% increase in fees ongoing
- ~55% increase in fees in calendar years 2019, 2020, 2021 to repay 2-year loan
- Fee will be a surcharge on DigAlert and USA North bills
- Fee will first appear on January 2019 bills
- Nevada members of USA North not affected



CALIFORNIA DIG SAFE BOARD

How do the one-call centers assess fees?

DIGALERT



	transmissions received		transmissions received in previous year
<i>Fee basis</i>			
<i>on what tickets?</i>	New (65%)	New, renewal, extension, remark (92%)	New, renewal, extension, remark
<i>operating expenses</i>	~\$5.5M	~\$6.5M	~\$3.6M
<i>Fee mechanism</i>	\$1.65 /transmission	percentage of billable transmissions	percentage of statewide billable transmissions
<i>Fixed charge?</i>	\$10 database fee	\$150 minimum bill	members with fewer than 200 tickets exempt
<i>Billing cycle</i>	Monthly	Varies	Attached to existing bill cycle
<i>% members paying 50% of operations</i>	1.1%	1.0%	~1%



<200 transmission exemption

- Exempts 783 (or 35.9%) of the 2,181 members of DigAlert and USA North
- Fiscal impact of exemption: 0.43% cost shift to other members

Rationale for exemption:

1. State laws on rulemakings seek to minimize impacts on small businesses & homeowners.
2. Do not want to create barriers to joining one call centers



Preliminary Rulemaking Schedule

- **April 19:** Dig Safe Board approves opening of rulemaking
- **Mid-June:** 45-day public comment period opens
- **Late July/beginning of August:** Public comments due
- **Late August:** Board approves regulations
- **October:** Regulations sent to Office of Administrative Law for approval
- **November:** Regulations filed with Secretary of State
- **January 1, 2019:** Regulations in effect

- **February 1, 2019:** Surcharge appears on January bills



Contact

Draft Regulations may be found at:

<https://digsafe.fire.ca.gov/media/1476/item-4.pdf>

(digsafe.fire.ca.gov → Board Meetings/Business →
Meeting materials → April 19, 2018 → Item 4)

digsafe.fire.ca.gov

Meeting Schedule
Annual Report
2018 Plan
Policies

Executive Officer

Tony Marino

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