

**CALIFORNIA HEALTH FACILITIES FINANCING AUTHORITY
CHILDREN'S HOSPITAL BOND ACT OF 2004**

PROPOSED EMERGENCY REGULATIONS

**Resolution No. 2005-01
January 27, 2005**

BACKGROUND:

At the December 2, 2004 meeting of the California Health Facilities Financing Authority (the "Authority"), staff presented an informational summary regarding the framework of the Children's Hospital Program and corresponding proposed draft emergency regulations. The draft regulations were created based on interpretation of Proposition 61 language and multiple discussions with interested parties such as the University of California Office of the President (UCOP), California Children's Hospital Association (CCHA), and other individuals associated with the potential applicants for the program. During the December Authority meeting, additional public comments were collected and staff informed interested parties via the Authority's website and otherwise that public comments would be accepted through December 9, 2004, with an updated emergency regulation draft to be redistributed to the public by December 16, 2004.

On December 7, 2004, at the request of the of the UCOP, which represents the five eligible University of California children's hospitals and CCHA, which represents the remaining eight eligible private nonprofit children's hospitals, a round-table meeting was held to address any additional concerns and comments. These comments, in addition to comments received from bond counsel, internal counsel and later comments by both the UCOP and CCHA through January 18, 2005, have been incorporated into the final, proposed regulation text that staff presents herein to the Authority for approval prior to the submission of the regulations to the Office of Administrative Law for review and approval.

The documents attached are as follows:

- Tab A: December 16, 2004 redlined version of regulation text incorporating public comments received through January 18, 2005. The version was posted on the CHFFA website on January 20, 2005.
- Tab B: December 16, 2004 clean copy of regulation text incorporating public comment received through January 18, 2005. The version was posted on the CHFFA website on January 20, 2005.
- Tab C: Proposed Children's Hospital Program Application, incorporated by reference in proposed emergency regulations.

Tab D: Proposed Children's Hospital Application Overview and Instructions, incorporated by reference in proposed emergency regulations.

Tab E: Proposition 61 language.

Tab F: Resolution 2005-01.

RECOMMENDATION:

Staff recommends the Authority approve the proposed Children's Hospital Program emergency regulations for submission to the Office of Administrative Law.