Adverse impact notification sent to Joint Commission on Administrative Rules, House Committee on Appropriations, and Senate Committee on Finance (COV § 2.2-4007.04.C): Yes □ Not Needed ☑

If/when this economic impact analysis (EIA) is published in the *Virginia Register of Regulations*, notification will be sent to each member of the General Assembly (COV § 2.2-4007.04.B).



Virginia Department of Planning and Budget **Economic Impact Analysis**

9 VAC 20-200 Mercury Switch Regulations Department of Environmental Quality Town Hall Action/Stage: 4591/7607

June 30, 2016

Summary of the Proposed Amendments to Regulation

The Virginia Waste Management Board (Board) proposes to repeal the Mercury Switch Regulations.

Result of Analysis

The benefits likely exceed the costs for all proposed changes.

Estimated Economic Impact

The Mercury Switch Regulations were adopted in response to Chapters 16 and 163 of the 2006 Acts of Assembly. The purpose of the regulation was to reduce the quantity of mercury released into the environment by establishing standards and procedures for the removal of mercury switches from end-of-life vehicles demolished in the Commonwealth. The provisions of Chapters 16 and 163 of the 2006 Acts of Assembly were to expire on July 1, 2012. Chapter 793 of the 2011 Acts of Assembly extended the provisions of these Chapters to July 1, 2015. The provisions of these Acts of Assembly have expired and §10.1-1402 of the Code of Virginia no longer authorizes the Waste Management Board to "adopt regulations concerning the criteria and standards for removal of mercury switches by vehicle demolishers." Consequently, the Board proposes to repeal this regulation.

Since the statutory authority for the regulation expired in 2015, the requirements in the regulation are no longer applicable. Repealing the regulation will create a moderate benefit in that the possibility that members of the public will mistakenly believe that the rules in the regulation are currently in effect will be eliminated.

Businesses and Entities Affected

The proposed repeal of this obsolete regulation will only affect members of the public who may have been misled into believing that the rules of the regulation currently apply.

Localities Particularly Affected

The proposed repeal of the regulation does not disproportionately affect particular localities

Projected Impact on Employment

The proposed repeal of the regulation does not affect employment.

Effects on the Use and Value of Private Property

The proposed repeal of the regulation does not affect the use and value of private property.

Real Estate Development Costs

The proposed repeal of the regulation does not affect real estate development costs.

Small Businesses:

Definition

Pursuant to § 2.2-4007.04 of the Code of Virginia, small business is defined as "a business entity, including its affiliates, that (i) is independently owned and operated and (ii) employs fewer than 500 full-time employees or has gross annual sales of less than \$6 million."

Costs and Other Effects

The proposed repeal of the regulation does not significantly affect small business.

Alternative Method that Minimizes Adverse Impact

The proposed repeal of the regulation does not adversely affect small businesses.

Adverse Impacts:

Businesses:

The proposed repeal of the regulation does not adversely affect businesses.

Localities:

The proposed repeal of the regulation does not adversely affect localities.

Other Entities:

The proposed repeal of the regulation does not adversely affect other entities.

Legal Mandates

General: The Department of Planning and Budget has analyzed the economic impact of this proposed regulation in accordance with § 2.2-4007.04 of the Code of Virginia (Code) and Executive Order Number 17 (2014). Code § 2.2-4007.04 requires that such economic impact analyses determine the public benefits and costs of the proposed amendments. Further the report should include but not be limited to: (1) the projected number of businesses or other entities to whom the proposed regulatory action would apply, (2) the identity of any localities and types of businesses or other entities particularly affected, (3) the projected number of persons and employment positions to be affected, (4) the projected costs to affected businesses or entities to implement or comply with the regulation, and (5)the impact on the use and value of private property.

Adverse impacts: Pursuant to Code § 2.2-4007.04(C): In the event this economic impact analysis reveals that the proposed regulation would have an adverse economic impact on businesses or would impose a significant adverse economic impact on a locality, business, or entity particularly affected, the Department of Planning and Budget shall advise the Joint Commission on Administrative Rules, the House Committee on Appropriations, and the Senate Committee on Finance within the 45-day period.

If the proposed regulatory action may have an adverse effect on small businesses, Code § 2.2-4007.04 requires that such economic impact analyses include: (1) an identification and estimate of the number of small businesses subject to the proposed regulation, (2) the projected reporting, recordkeeping, and other administrative costs required for small businesses to comply with the proposed regulation, including the type of professional skills necessary for preparing required reports and other documents, (3) a statement of the probable effect of the proposed regulation on affected small businesses, and (4) a description of any less intrusive or less costly alternative methods of achieving the purpose of the proposed regulation. Additionally, pursuant to Code § 2.2-4007.1, if there is a finding that a proposed regulation may have an adverse impact on small business, the Joint Commission on Administrative Rules shall be notified.

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