

## **18 VAC 41-60 – BODY-PIERCING REGULATIONS**

### **BOARD FOR BARBERS AND COSMETOLOGY**

#### **DEPARTMENT OF PROFESSIONAL AND OCCUPATIONAL REGULATION**

##### **Agency Response to Economic Impact Analysis (EIA) Performed by the Virginia Department of Planning and Budget (DPB):**

Concur with the approval. However, we do not agree with the statements made by DPB in the EIA regarding the new licensing system. As explained to DPB staff in a meeting, the new software package is being purchased to replace an unsustainable legacy system that is currently over two decades old, and operating on an unsupported operating platform created by the Digital Corporation and currently owned by Hewlett-Packard. Migration from the old system to the new system is necessitated by the need to sustain licensing operations.

The legacy system had twenty years of programming customizations built into the system, and those customizations resulted in significant automation of processes, constructing many business rules into system operations, and allowed for the development and institutionalizing of training and operating that system. The new, commercial off the shelf (COTS), solution does not include many of our automated processes, handles information differently, and has made all of the agency's staff novices at understanding and operating the system. As a result of these realities we don't expect to be operating with less staff or as efficiently in the next few years. The statement, "Instead more employees will likely need to be hired..." speaks to the operational necessity for the next few years as processes are customized, staff gains efficiency and other efforts like on line license applications are implemented to reduce staffing requirements and contribute to efficiencies. The closing sentence of this section offers the most conservative of positions where it characterizes the balancing of on line applications as being "likely outweighed." We are clearly more optimistic in hoping the continued unfolding of the new licensing system offers substantial improvements in service times, ease of access for citizens, and reduced staff time by making the licensing process paperless. Further, once the development and implementation of the new system is complete, DPOR will be provided the source code for the new system by the vendor and will be able to maintain, customize, and respond the near certain changing requirements of our mission for decades to come.

In regard to the correlation of enforcement activity to fees for this particular occupation, it is not the intent to establish fees that cover the cost of any specific process at the occupation level. Fees for each board are established at amounts that will provide total revenues sufficient but not excessive to meet all operating and allocated expenses of the board (see §54.1-113 and §54.1-308 of the Code of Virginia).

Finally, DPOR was directed by VITA to purchase a commercial off the shelf (COTS) product to replace our legacy system. After going through the procurement

process, the new product was selected based on the criteria established for the solicitation. In conclusion, DPOR cannot continue to rely on our existing, legacy system as it runs on an unsupported platform. Further, commencing another procurement to select and purchase another system would add additional expense and time to this effort with no assurance of a different outcome and would also likely involve time consuming and costly litigation in terminating the current contract.