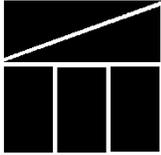


Adverse impact notification sent to Joint Commission on Administrative Rules, House Committee on Appropriations, and Senate Committee on Finance (COV § 2.2-4007.04.C): Yes  Not Needed

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

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**18 VAC 105-20 Regulations of the Virginia Board of Optometry**  
**Department of Health Professions**  
**Town Hall Action/Stage: 5006 / 8460**  
January 18, 2019

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### Summary of the Proposed Amendments to Regulation

In response to a petition for rulemaking,<sup>1</sup> the Board of Optometry (Board) proposes to establish rules for an inactive optometrist licensure.

### Result of Analysis

The benefits likely exceed the costs for all proposed changes.

### Estimated Economic Impact

Inactive licensure is not in the current regulation. In order to maintain licensure to practice optometry, optometrists must fill out and submit a renewal form, pay the annual renewal fee (\$200 for license with TPA<sup>2</sup> certification, \$150 for license without TPA certification), and complete 20 hours of continuing education (CE) annually.<sup>3</sup> The license of every person who does not complete the renewal form and submit the renewal fee each year may be renewed for up to one year by paying the prescribed renewal fee and late fee (\$65 with TPA certification, \$50

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<sup>1</sup> See <http://townhall.virginia.gov/l/viewpetition.cfm?petitionid=264>

<sup>2</sup> TPA is therapeutic pharmaceutical agents. TPA certification is authorization by the Board for an optometrist to treat diseases and abnormal conditions of the human eye and its adnexa and to prescribe and administer certain therapeutic pharmaceutical agents.

<sup>3</sup> A licensee who completes more than 20 hours of continuing education in a year is allowed to carry forward up to 10 hours of continuing education for the next annual renewal cycle.

without TPA certification), provided the CE requirements have been met. After the renewal deadline, a license that has not been renewed is lapsed. Practicing optometry in Virginia with a lapsed license may subject the licensee to disciplinary action and additional fines by the board.

An optometrist whose license has been lapsed for more than one year and who wishes to resume practice in Virginia, must apply for reinstatement. The Department of Health Professions' executive director may grant reinstatement provided that: 1) the applicant can demonstrate continuing competence, 2) the applicant has satisfied current requirements for CE for the period in which the license has been lapsed, not to exceed two years, and 3) the applicant has paid the prescribed reinstatement application fee (\$400).

The Board proposes to establish that:

An optometrist who holds a current, unrestricted license in Virginia may, upon a request on the renewal application and submission of the required fee [\$100], be issued an inactive license. The holder of an inactive license shall not be required to maintain continuing education requirements and shall not perform any act requiring a license to practice optometry in Virginia.

A licensee whose license has been inactive and who requests reactivation of an active license shall file an application, pay the difference between the inactive and active renewal fees for the current year, and provide documentation of having completed continuing education hours equal to the requirement for the number of years in which the license has been inactive, not to exceed 40 contact hours.

The inactive license would be beneficial for optometrists licensed with TPA certification who plan not to practice for less than three years, but not three or more years.

	<b>Inactive License</b>	<b>Reinstatement</b>
<b>Cost while not practicing</b>	\$100 annually	\$0
<b>Required CE to resume active practice</b>	20 hours for one year; 40 hours for two or more years	20 hours for one year; 40 hours for two or more years
<b>Required fee payment to resume active practice</b>	\$100 for license with TPA certification; \$50 for license without TPA certification	\$400

The total cost of having an inactive license for three years, and then applying to reactivate the license with TPA certification would be \$400<sup>4</sup> plus the time, fees and travel costs associated with

<sup>4</sup> \$100 fee for each of the three years that the license is inactive, plus \$100 fee to reactivate the license. This calculation does not take account of the time value of money over the three years.

obtaining 40 hours of CE. The total cost to just not renew the regular license, and then apply for reinstatement after three years would be \$400 plus the time, fees and travel costs associated with obtaining 40 hours of CE as well. Since \$100 annual installments would have to be made with the inactive license, while no payments would be made until the end of the three years with the reinstatement route, the reinstatement route would likely be preferable. Since the cost for the reinstatement route would remain \$400 plus the 40 hours of CE for all years not practicing greater than three, while the inactive license route cost would increase by \$100 per additional year, the reinstatement route would also be preferable for those optometrists who plan not to practice for more than three years.

For optometrists licensed without TPA certification, the inactive license may be preferable for those who plan not to practice for three years. Since the fee to reactivate this license is only \$50, the total cost of having an inactive license for three years would only be \$350, versus the \$400 for the reinstatement route. On the other hand, the inactive route would have installment payments, while the reinstatement route does not.

The proposed inactive license would be beneficial for those optometrists who plan not to practice for less than three years, since the total cost would be less than under the reinstatement route. For example, the total cost of having an inactive license with TPA certification for two years, and then applying to reactivate the license would be \$300 plus the time, fees and travel costs associated with obtaining 40 hours of CE. The total cost to just not renew the regular license, and then apply for reinstatement after two years would be \$400 plus the time, fees and travel costs associated with obtaining 40 hours of CE.

### **Businesses and Entities Affected**

The proposed amendments potentially affect the 1,656 persons who hold a Virginia optometrist license.

### **Localities Particularly Affected**

The proposed amendments do not disproportionately affect particular localities.

### **Projected Impact on Employment**

The proposed amendments are unlikely to significantly affect total employment.

## **Effects on the Use and Value of Private Property**

The proposed amendments are unlikely to significantly affect the use and value of private property.

## **Real Estate Development Costs**

The proposed amendments would 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**

Costs would be moderately reduced for small optometry practices that pay for their optometrists licensing fees.

### **Alternative Method that Minimizes Adverse Impact**

The proposed amendments do not adversely affect small businesses.

## **Adverse Impacts:**

### **Businesses:**

The proposed amendments do not adversely affect businesses.

### **Localities:**

The proposed amendments do not adversely affect localities.

### **Other Entities:**

The proposed amendments do 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 14 (as amended, July 16, 2018). 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.