

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

18 VAC 120-11 Public Participation Guidelines
Department of Professional and Occupational Regulation
Town Hall Action/Stage: 4546/7533
May 12, 2016

Summary of the Proposed Amendments to Regulation

Pursuant to Chapter 795 of the 2012 Acts of Assembly, the Department of Professional and Occupational Regulation (DPOR) proposes to update its regulation to allow persons interested in the development of regulations to be accompanied by and represented by counsel or other representative.

Result of Analysis

The benefits likely exceed the costs for all proposed changes.

Estimated Economic Impact

Chapter 795 of the 2012 Acts of Assembly¹ allows persons interested in the development of regulations to be accompanied by and represented by counsel or other representative. The main purpose of the public participation guidelines is to facilitate citizen participation in rulemaking. Allowing interested parties to be accompanied by and represented by counsel or other parties is beneficial to the rulemaking process.

The proposed change updates the regulation to reflect the existing right of interested parties under the statute since 2012. Thus, no significant economic impact is expected upon

¹ <http://leg1.state.va.us/cgi-bin/legp504.exe?121+ful+CHAP0795>

promulgation of this amendment other than improving the consistency between the statute and the regulation.

Businesses and Entities Affected

The proposed amendment to DPOR's public participation guidelines potentially affects all citizens and entities in the Commonwealth who have an interest in its regulations.

Localities Particularly Affected

The proposed amendment does not disproportionately affect particular localities.

Projected Impact on Employment

No impact on employment is expected upon promulgation of the proposed amendment.

Effects on the Use and Value of Private Property

No impact on the use and value of private property is expected.

Real Estate Development Costs

No impact on real estate development costs is expected.

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 amendment would have the same effect as that discussed above on small businesses interested in the development of DPOR regulations.

Alternative Method that Minimizes Adverse Impact

The proposed amendment does not adversely affect small businesses.

Adverse Impacts:

Businesses:

The proposed amendment does not adversely affect non-small businesses.

Localities:

The proposed amendment does not adversely affect localities.

Other Entities:

The proposed amendment 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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