

# Economic Impact Analysis Virginia Department of Planning and Budget

18 VAC 15-30 – Lead-Based Paint Activities Board for Asbestos, Lead, Mold, and Home Inspectors June 27, 2011

#### **Summary of the Proposed Amendments to Regulation**

The Board for Asbestos, Lead, Mold, and Home Inspectors proposes 1) to remove the requirement that the lead license expiration date corresponds with the lead training expiration date, and 2) correct a typographical error contained in the current regulations regarding the time frame accredited training providers are required to certify their continued compliance.

## **Result of Analysis**

The benefits likely exceed the costs for all proposed changes.

# **Estimated Economic Impact**

The Board for Asbestos, Lead, Mold, and Home Inspectors (the Board) proposes to remove the requirement that the lead license expiration date corresponds with the lead training expiration date. Currently, lead licenses expire on the last day of the month in which the individual completed training which may result in a license expiring within less than 12 months of the last renewal. For example, if an individual renewed his license in June, but took refresher training in April, his or her license would expire at the end of April. According to the Department of Professional Occupational Regulation (DPOR) asbestos licenses have a license cycle of one year and the expiration date is the last day of the month the license was issued. Since most lead professionals hold an asbestos license concurrently with their lead license, varying expiration dates of lead licenses from one license cycle to cause confusion among the regulated individuals. Thus, under the proposed regulations the lead license will expire 12 months from the last day of the month wherein issued regardless of the training expiration date. This will allow a license to be issued for a full 12 months.

The main benefit of this change will accrue to the lead licensees. They will now be required to renew their licenses less frequently than it would have otherwise been. Also, this proposed change will make lead license expiration rules consistent with the expiration rules for the asbestos licenses and help reduce confusion among the regulated professionals. The main cost of this proposed regulation is the likely reduction in renewal fees due to the reduction in the frequency of lead license renewals.

The proposed regulations will also correct a typographical error contained in the current regulations. The current language states that accredited training providers certify their continued compliance with the regulations every 48 months while it should have been 24 months. The twenty four-month period is consistent with how often providers have actually been certifying their continued compliance. Since providers have already been in compliance with the 24-month time frame no significant economic effect is expected from this change.

#### **Businesses and Entities Affected**

These regulations apply to approximately 951 licensed individuals and 19 accredited training providers.

## **Localities Particularly Affected**

The proposed regulations apply throughout the Commonwealth.

# **Projected Impact on Employment**

No significant impact on employment is expected.

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

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

#### **Small Businesses: Costs and Other Effects**

The proposed regulations do not impose any direct costs or other adverse effects on small businesses.

#### **Small Businesses: Alternative Method that Minimizes Adverse Impact**

The proposed regulations do not impose any adverse impact on small businesses.

#### **Real Estate Development Costs**

No significant impact on real estate development costs is expected.

#### **Legal Mandate**

The Department of Planning and Budget (DPB) has analyzed the economic impact of this proposed regulation in accordance with Section 2.2-4007.H of the Administrative Process Act and Executive Order Number 107 (09). Section 2.2-4007.H requires that such economic impact analyses include, but need not be limited to, the projected number of businesses or other entities to whom the regulation would apply, the identity of any localities and types of businesses or other entities particularly affected, the projected number of persons and employment positions to be affected, the projected costs to affected businesses or entities to implement or comply with the regulation, and the impact on the use and value of private property. Further, if the proposed regulation has adverse effect on small businesses, Section 2.2-4007.H requires that such economic impact analyses include (i) an identification and estimate of the number of small businesses subject to the regulation; (ii) the projected reporting, recordkeeping, and other administrative costs required for small businesses to comply with the regulation, including the type of professional skills necessary for preparing required reports and other documents; (iii) a statement of the probable effect of the regulation on affected small businesses; and (iv) a description of any less intrusive or less costly alternative methods of achieving the purpose of the regulation. The analysis presented above represents DPB's best estimate of these economic impacts.