

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**

1 VAC 50-11 – Public Participation Guidelines
1 VAC 50-20 – Organization and Regulations of Procedure
Department of Housing and Community Development
Town Hall Action/Stage: 4919/8112
December 18, 2017

Summary of the Proposed Amendments to Regulation

As the result of a periodic review, the Commission on Local Government (Commission) proposes to amend its public participation guidelines and its regulation that sets procedure for the operation of the Commission. The Commission proposes many clarifying and updating changes as well as one change to give the Commission greater flexibility in the scheduling of public meetings.

Result of Analysis

Benefits likely outweigh costs for all proposed changes.

Estimated Economic Impact

Many of the changes that are proposed by the Commission in this action are meant to update regulatory language to account for statutory changes and to make the language in these regulations gender neutral. For instance, the Commission proposes to change references to “the Commonwealth Calendar” to “a calendar maintained by the Commonwealth” because that language more closely resembles relevant statutory language. The Commission also proposes to change references to “chairman” to “chair” because it is gender neutral. Changes such as these do not add any extra requirements for regulated entities. Consequently, no affected entities are likely to incur costs on account of these changes. To the extent that these changes remove

language that is different from what is in statute, they provide the benefit of eliminating possible confusion.

Current regulation requires that the Commission's meetings be held in January, March, May, July, September and November each year. Relevant statute, however, only mandates that the Commission meet at least six times each year. In order to have greater flexibility in setting meetings, the Commission now proposes to change this language so that meetings are held at least once every two months without specifying when they will be held. As all meeting will still be subject to notification requirements, no affected entities are likely to incur costs or suffer any harm on account of this change. The Commission will benefit from the additional flexibility that this proposed change will provide.

Businesses and Entities Affected

This regulatory action will affect all localities as well as the Commission. Commission staff reports that there are there are 95 counties, 190 towns and 38 cities in the Commonwealth.

Localities Particularly Affected

No locality will be particularly affected by this regulatory action.

Projected Impact on Employment

These proposed regulatory changes are unlikely to affect employment in the Commonwealth.

Effects on the Use and Value of Private Property

These proposed regulatory changes are unlikely to affect the use or value of private property in the Commonwealth.

Real Estate Development Costs

These proposed regulatory changes are unlikely to affect real estate development costs in the Commonwealth.

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

No small businesses are likely to incur any additional costs on account of these proposed regulatory changes.

Alternative Method that Minimizes Adverse Impact

No small businesses are likely to incur any additional costs on account of these proposed regulatory changes.

Adverse Impacts:

Businesses:

No businesses are likely to incur any additional costs on account of these proposed regulatory changes.

Localities:

Localities in the Commonwealth are unlikely to see any adverse impacts on account of these proposed regulatory changes.

Other Entities:

No other entities are likely to be adversely affected by these proposed changes.

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.