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  $\square$  Not Needed  $\boxtimes$ 

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**

22 VAC 40-780 Elimination of Financial Eligibility Criteria for Direct Social Services Department of Social Services

Town Hall Action/Stage: 4388/7263

September 28, 2015

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

The Board of Social Services (Board) proposes to change this regulation's title and eliminate language that is unrelated to the purposes of this regulation.

## **Result of Analysis**

Benefits likely outweigh costs for these proposed changes.

#### **Estimated Economic Impact**

This regulation's current title is "Elimination of Financial Eligibility Criteria for Direct Social Services" and the regulation currently contains a part of a sentence that refers to employment services programs which fall under public assistance programs not direct social services. The Board proposes to change the title of this regulation to "Eligibility for Direct Social Services" and to remove the reference to employment services programs from the regulatory text. No entities are likely to incur costs on account of either of these changes. Both changes will likely increase the clarity of the regulation as they remove language that might cause confusion.

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

Board staff reports that these changes will affect all 120 local Departments of Social Services and any of their clients who qualify for direct social services.

## **Localities Particularly Affected**

No locality in the Commonwealth will be particularly affected by these proposed changes.

## **Projected Impact on Employment**

These proposed changes are unlikely to impact employment in the Commonwealth.

## Effects on the Use and Value of Private Property

These proposed changes will likely have no impact on the use or value of private property.

# **Real Estate Development Costs**

These proposed changes will likely 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**

No small businesses will incur costs on account of these regulatory changes.

# **Alternative Method that Minimizes Adverse Impact**

No small businesses will incur costs on account of these regulatory changes.

# **Adverse Impacts:**

#### **Businesses:**

No businesses will incur costs on account of these regulatory changes.

#### Localities:

These proposed changes are unlikely to adversely impact localities.

#### Other Entities:

These proposed changes are unlikely to adversely impact any other entity in the Commonwealth.

## **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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