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

19 VAC 30-40 Standards and Specifications for the Stickers or Decals Used By Cities, Counties and Towns in Lieu of License Plates Department of State Police Town Hall Action/Stage: 5097 / 8363 September 17, 2018

Summary of the Proposed Amendments to Regulation

The Department of State Police (DSP) proposes to amend the text concerning where owners of vehicles in localities where stickers or decals are used in lieu of license plates may place the sticker or decal on their vehicle. The proposed change is in response to a change to the *Motor Vehicle Safety Inspection Regulations* (19 VAC 30-70) that produced a conflict.

Result of Analysis

The benefits likely exceed the costs for all proposed changes.

Estimated Economic Impact

The current *Standards and Specifications for the Stickers or Decals Used By Cities, Counties and Towns in Lieu of License Plates* (19 VAC 30-40) states that the sticker or decal shall be placed at the bottom of the windshield adjacent to the right side of the official inspection sticker when viewed through the windshield from inside the vehicle, or may be affixed at the lower left corner of the windshield.

Through an exempt action¹ that became effective on January 26, 2018, DSP amended the *Motor Vehicle Safety Inspection Regulations* (19 VAC 30-70) to shift the required placement of

¹ See <u>http://townhall.virginia.gov/L/ViewAction.cfm?actionid=4947</u>

the Virginia motor vehicle inspection sticker from the lower center to the lower left hand corner of the windshield, when viewed from inside the vehicle. That amendment affects the optional placement of the sticker or decal used by counties, cities, and towns in lieu of license plates.

Thus, DSP proposes to amend *Standards and Specifications for the Stickers or Decals Used By Cities, Counties and Towns in Lieu of License Plates* (19 VAC 30-40) to reflect a new positioning for the county of city sticker that does not conflict with the Commonwealth's inspection sticker. That location is "the blind spot behind the rear view mirror." The proposed amendment produces a net benefit since it eliminates a conflict with another regulation, and does not produce a cost

Businesses and Entities Affected

The proposed amendment affects owners of vehicles in the counties and cities that require a county or city sticker or decal.

Localities Particularly Affected

The Counties of Amelia, Buckingham, Caroline, Fairfax, Grayson, Pulaski, Rockbridge, Tazewell, and Warren, and the Cities of Buena Vista, Colonial Heights, Falls Church, and Petersburg, all require stickers or decals. Thus, these localities are particularly affected.

Projected Impact on Employment

The proposed amendment would not affect employment.

Effects on the Use and Value of Private Property

The proposed amendment would not significantly affect the use and value of private property.

Real Estate Development Costs

The proposed amendment 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

The proposed amendment would not affect costs for small businesses.

Alternative Method that Minimizes Adverse Impact

The proposed amendment would not adversely affect small businesses.

Adverse Impacts:

Businesses:

The proposed amendment would not adversely affect businesses.

Localities:

The proposed amendment would not adversely affect localities.

Other Entities:

The proposed amendment would 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.