



Economic Impact Analysis Virginia Department of Planning and Budget

13 VAC 5-21 – Virginia Certification Standards

Department of Housing and Community Development

October 4, 2004

The Department of Planning and Budget (DPB) has analyzed the economic impact of this proposed regulation in accordance with Section 2.2-4007.G of the Administrative Process Act and Executive Order Number 21 (02). Section 2.2-4007.G 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. The analysis presented below represents DPB's best estimate of these economic impacts.

Summary of the Proposed Regulation

The General Assembly mandates in §36-137 of the Code of Virginia that the Virginia Board of Housing and Community Development issue certificates of competence concerning the content, application, and intent of specified subject areas of the building and fire prevention regulations to any persons seeking to be qualified to perform inspections pursuant to Chapter 6 of Title 36 (Housing) of the Code of Virginia, Chapter 9 of Title 27 (Fire Protection) of the Code of Virginia, and any regulations adopted thereunder.

The proposed regulation includes changes intended to make the regulation consistent with the Code of Virginia. It also makes a number of changes intended to improve the understanding and implementation of the regulation. Existing language is modified, clarifying language is added, and redundant language is deleted.

Estimated Economic Impact

The proposed regulation includes changes intended to make the regulation consistent with the Code of Virginia.

The existing regulation includes a provision allowing the Board of Housing and Community Development (BHCD) to sanction certificate holders by requiring them to attend special training if it is determined that the certificate holder does not have adequate knowledge, skill, or training to practice in the area of certification. The board is also allowed to impose a probation period on the individual once the training has been completed. The proposed regulation deletes this provision. According to the Department of Housing and Community Development, the board does not have statutory authority to impose this sanction.

The proposed regulation also amends existing language such that BHCD sanctions can only be imposed on certificate holders (i.e., individuals who have obtained a BHCD certificate, are seeking to obtain a certificate and within the certification period, or have been grandfathered into the system). Existing language allows sanctions to be imposed on certificate holders, code officials, technical assistants, and inspectors from code inspection agencies or code review agencies. This could be read to include individuals BHCD had no authority to regulate, such as inspectors who perform private or third party inspections and who do not have to be certified. By deleting some of the existing language and specifying that sanctions can only be imposed on certificate holders, the proposed change makes the regulation consistent with the Code of Virginia.

The remaining changes are intended to improve understanding and implementation of the regulation. Existing language is modified, clarifying language is added, and redundant language is deleted.

As none of the changes appear to be substantive, the proposed regulation is not likely to have a significant economic impact. To the extent that the proposed changes make the regulation consistent with the Code of Virginia and improve its understanding and implementation, they are likely to produce some small economic benefits.

DHCD states in its agency document that it anticipates receiving requests during the public comment period for substantive changes to this regulation. Depending on the nature of

the comments received, the agency may choose to re-propose the regulation with additional changes. While DHCD does not anticipate many changes to the proposed regulation, one of the changes being discussed relates to additional continuing education requirements. Currently, certificate holders are only required to attend training following code changes. The proposal under consideration would introduce some additional continuing education requirements.

Businesses and Entities Affected

The proposed regulation applies to individuals certified or seeking to be certified to enforce or perform inspections and reviews under the Uniform Statewide Building Code, the Virginia Amusement Device Regulations, and the Statewide Fire Prevention Code. However, as none of the changes appear to be substantive, the proposed regulation is not likely to have a significant effect on any of these individuals.

Localities Particularly Affected

The proposed regulation applies to all localities in the Commonwealth.

Projected Impact on Employment

The proposed regulation is not likely to have a significant impact on employment in Virginia.

Effects on the Use and Value of Private Property

The proposed regulation is not likely to have a significant impact on the use and value of private property.