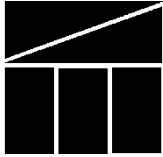


Adverse impact notification sent to Joint Commission on Administrative Rules, House Committee on Appropriations, and Senate Committee on Finance (COV § 2.2-4007.04.C): Yes Not Needed

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**

**18 VAC 80-30 Department of Professional and Occupational Regulation
Opticians Regulations
Town Hall Action/Stage: 5107 / 8362
September 18, 2018**

Summary of the Proposed Amendments to Regulation

The Board for Hearing Aid Specialists and Opticians (Board) proposes to amend the optician apprenticeship from a three-year (6000-hour) program to a two-year (4000-hour) program.

Result of Analysis

The benefits likely exceed the costs for all proposed changes.

Estimated Economic Impact

The recommended reduction is based on a review by the Board's Ad Hoc Committee on Optician Apprenticeship, formed in 2014 to review the apprenticeship program and suggest revisions to reflect current training and job requirements, industry practices, and minimum competencies to protect the public's health, safety, and welfare. The length of the optician apprenticeship, administered under the Virginia Department of Labor and Industry, is specified in the Board's regulations.

The proposed amendment would enable individuals who seek to become licensed via the apprenticeship route to start working independently one year earlier, and earn greater income sooner. Optician apprentices are paid, but likely considerably less than independent licensed opticians. Virginia (and federal) law require that apprentices are paid at least minimum wage

with pay increases at least once per year. Opticians in Virginia earn on average \$21.60 per hour.¹ Since the two-year apprenticeship is considered sufficient to protect the public's health, safety, and welfare, and the proposal is financially and professionally beneficial for the affected apprentices, the proposed amendment would produce a net benefit.

Businesses and Entities Affected

The proposed amendment affects individuals interested in obtaining an optician license and optician businesses that sponsor apprentices. As of August 1, 2018, the Board licensed 1,897 opticians. Of those, 85% (1,612) were apprenticeship completers. The Board licenses approximately 55 individuals by exam annually. Most optician businesses would be considered small businesses.

Localities Particularly Affected

The proposed amendment does not disproportionately affect particular localities.

Projected Impact on Employment

By reducing the time it takes to become a licensed optician through the apprenticeship route by one year, more individuals may be encouraged to seek licensure and employment as opticians.

Effects on the Use and Value of Private Property

As described above, the proposed amendment may result in an increase in the supply of licensed opticians and optician apprentices. This would make it less costly for firms that offer optician services to hire and employ such professionals. Consequently, the net value of such firms may increase.

Real Estate Development Costs

The proposed amendment does 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

¹ Source: U.S. Department of Labor, Bureau of Labor Statistics: https://www.bls.gov/oes/current/oes_va.htm

(ii) employs fewer than 500 full-time employees or has gross annual sales of less than \$6 million.”

Costs and Other Effects

By reducing the time it takes to become a licensed optician through the apprenticeship route by one year, more individuals may be encouraged to seek licensure and employment as opticians. Having a potential greater supply of optician apprentices and licensed opticians may make it less costly for small firms that offer optician services to hire and employ such professionals.

Alternative Method that Minimizes Adverse Impact

The proposed amendment does not adversely affect small businesses.

Adverse Impacts:

Businesses:

The proposed amendment does not adversely affect businesses.

Localities:

The proposed amendment does not adversely affect localities.

Other Entities:

The proposed amendment does 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.