

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

4 VAC 25-20 Board of Coal Mining Examiners Certification Requirements
Department of Mines, Minerals and Energy
Town Hall Action/Stage: 4793 / 7897
May 31, 2017

Summary of the Proposed Amendments to Regulation

The Board of Coal Mining Examiners (Board) proposes to separate the Mine Inspector designation into Underground Mine Inspector and Surface Mine Inspector. Additionally, the Board proposes to amend language for improved clarity and to remove obsolete text.

Result of Analysis

The benefits likely exceed the costs for all proposed changes.

Estimated Economic Impact

Mine inspectors are employed by the Department of Mines, Minerals and Energy (DMME). The current regulation specifies the requirements to become a certified (coal) Mine Inspector in section 4 VAC25-20-180, titled Mine Inspector. The Board proposes to change the title of section 4 VAC 25-20-180 to Underground Mine Inspector, and create a new section 4 VAC 25-20-185 titled Surface Mine Inspector. There are already separate sections and requirements for Underground Mine Foreman certification and Surface Mine Foreman certification.

The proposed new Surface Mine Inspector certification section specifies that “Applicants who already possess a valid underground mine inspector certification pursuant to 4VAC25-180 shall be deemed to have met the requirements of this section.” Thus current certified Mine

Inspectors and future certified Underground Mine Inspectors would be certified for inspecting both surface mines and underground mines under the existing and unchanging requirements. Individuals who become certified as Surface Mine Inspectors by completing the requirements listed in the proposed section 4 VAC 25-20-185 would not be certified to inspect underground mines unless they also satisfied the requirements in the Underground Mine Inspector certification section.

The requirements under the proposed new Surface Mine Inspector certification section differ from the existing Mine Inspector and proposed Underground Mine Inspector certification sections by requiring that applicants: 1) hold a valid Surface Mine Foreman Certificate rather than a valid Underground Mine Foreman Certificate, and 2) meet the continuing education requirements for surface mine foreman rather than underground mine foreman, and 3) pass the surface mine inspector examination rather than the underground mine inspector examination. According to DMME, the Surface Mine Inspector certification requirements are easier to meet than the Underground Mine Inspector certification requirements as there are specific dangers associated with underground mines that are not present on the surface. Thus introducing the new proposed Surface Mine Inspector certification would be beneficial in that individuals who are qualified for such certification and would only be doing surface inspection would not need to spend the time and effort obtaining additional training for underground safety issues that would not be applicable to their work.

Businesses and Entities Affected

The proposed amendments affect DMME and coal mine inspectors. All coal mine inspectors are employed by DMME.

Localities Particularly Affected

Coal is only mined in counties in far Southwest Virginia (Russell, Lee, Scott, Wise, Tazewell, Dickenson and Buchanan).

Projected Impact on Employment

The proposed amendments would be unlikely to significantly affect employment.

Effects on the Use and Value of Private Property

The proposed amendments are unlikely to significantly affect the use and value of private property.

Real Estate Development Costs

The proposed amendments are unlikely to significantly 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 amendments are unlikely to affect costs for small businesses.

Alternative Method that Minimizes Adverse Impact

The proposed amendments do not adversely affect small businesses.

Adverse Impacts:

Businesses:

The proposed amendments do not adversely affect businesses.

Localities:

The proposed amendments do not adversely affect localities.

Other Entities:

The proposed amendments do 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 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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