

Office of Regulatory Management
Economic Review Form

Agency name	Virginia Marine Resources Commission
Virginia Administrative Code (VAC) Chapter citation(s)	N/A
VAC Chapter title(s)	N/A
Action title	Updates to VMRC’s Subaqueous Guidelines
Date this document prepared	July 17, 2023
Regulatory Stage (including Issuance of Guidance Documents)	Pending review by ORM and VMRC

Table 1a: Costs and Benefits of the Proposed Changes (Primary Option)

<p>(1) Direct & Indirect Costs & Benefits (Monetized)</p>	<p>Revisions to VMRC's current Subaqueous Guidelines are necessary to ensure compliance with the legislative actions implemented through SB 1074 and HB 2181, which came into effect on July 1, 2023. (2023 General Assembly (Va. Acts Chs. 258 and 259, to be codified at § 28.2-1203 A.9 of the Code of Virginia).</p> <p>Quantifying the precise direct and indirect costs to constituents resulting from the legislative action and subsequent guideline updates is challenging due to the diverse nature of projects (such as utility line installations, bridges, roads, dredging, erosion control, etc.) proposed in non-tidal waters, each with distinct jurisdictional determinations. However, it is important to note that SB 1074 and HB 2181 aim to align with Governor Younkin's Executive Order 19 to reduce regulatory burdens and eliminate duplicate permitting requirements between VMRC and DEQ in non-tidal waters. This streamlining process holds inherent qualitative value for Virginia's landowners and consulting businesses.</p> <p>As a result of this legislation and updated guidelines, non-tidal permits falling within the jurisdiction of both DEQ and VMRC will now be issued by DEQ. In the calendar year 2022, VMRC reviewed around 900 joint permit applications originating from the nontidal waters of the Commonwealth. It is expected that this legislation and subsequent guideline update will lead to a slight reduction in the number of permits required through VMRC, thereby alleviating the regulatory burden on Virginia landowners.</p> <p>VMRC's subaqueous guidelines have remained unchanged since 2005, despite several legislative modifications that have taken place since then.</p>
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	<p>These legislative updates, which are not reflected in the current guidelines, address specific provisions within the Code of Virginia. The proposed guideline update aims to address these necessary "house cleaning" updates, ensuring that the guidelines are up to date and aligned with the current specifications outlined in the Code of Virginia.</p> <p>These updates will significantly enhance the user experience for applicants seeking to navigate the rules and regulations pertaining to permitting within State-owned submerged lands. By providing greater clarity and user-friendliness, the updates will make it easier for applicants to understand and comply with the requirements associated with obtaining permits. This improved clarity will contribute to a smoother and more efficient permitting process, benefiting both applicants and the management of State-owned submerged lands.</p>	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a)	(b)
(3) Net Monetized Benefit		
(4) Other Costs & Benefits (Non-Monetized)	Benefit:	
(5) Information Sources		

Table 1b: Costs and Benefits under the Status Quo (No change to the regulation)

(1) Direct & Indirect Costs & Benefits (Monetized)	<p>Updates to the existing Subaqueous Guidelines are necessary to effectively communicate permitting changes arising from SB1074 and HB 2181 to constituents. Failing to implement these updates would perpetuate the redundant review of projects in non-tidal waters of the Commonwealth by both VMRC and DEQ. This duplication not only incurs additional fiscal costs but also prolongs the permit processing times for constituents. By enacting the necessary updates, we can streamline the permitting process, reduce costs, and improve efficiency for the benefit of all stakeholders involved.</p>	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a)	(b)

(3) Net Monetized Benefit	
(4) Other Costs & Benefits (Non-Monetized)	Costs:
(5) Information Sources	

Table 1c: Costs and Benefits under Alternative Approach(es)

(1) Direct & Indirect Costs & Benefits (Monetized)	These guideline updates ensure compliance with HB 2181 and SB 1074 and infuse the ORM regulatory reduction guidelines into the update. No other alternatives have been evaluated.	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a)	(b)
(3) Net Monetized Benefit		
(4) Other Costs & Benefits (Non-Monetized)		
(5) Information Sources		

Impact on Local Partners

Use this chart to describe impacts on local partners. See Part 8 of the ORM Cost Impact Analysis Guidance for additional guidance.

Table 2: Impact on Local Partners

(1) Direct & Indirect Costs & Benefits (Monetized)	N/A	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a)	(b)

(3) Other Costs & Benefits (Non-Monetized)	
(4) Assistance	
(5) Information Sources	

Impacts on Families

Use this chart to describe impacts on families. See Part 8 of the ORM Cost Impact Analysis Guidance for additional guidance.

Table 3: Impact on Families

(1) Direct & Indirect Costs & Benefits (Monetized)	N/A	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a)	(b)
(3) Other Costs & Benefits (Non-Monetized)		
(4) Information Sources		

Impacts on Small Businesses

Use this chart to describe impacts on small businesses. See Part 8 of the ORM Cost Impact Analysis Guidance for additional guidance.

Table 4: Impact on Small Businesses

(1) Direct & Indirect Costs & Benefits (Monetized)	N/A	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits

	(a)	(b)
(3) Other Costs & Benefits (Non-Monetized)		
(4) Alternatives		
(5) Information Sources		

Changes to Number of Regulatory Requirements

Table 5: Regulatory Reduction

For each individual action, please fill out the appropriate chart to reflect any change in regulatory requirements, costs, regulatory stringency, or the overall length of any guidance documents.

Change in Regulatory Requirements

VAC Section(s) Involved	Initial Count	Additions	Subtractions	Net Change
n/a	0	0	0	0

Cost Reductions or Increases (if applicable)

VAC Section(s) Involved	Description of Regulatory Requirement	Initial Cost	New Cost	Overall Cost Savings/Increases

Other Decreases or Increases in Regulatory Stringency (if applicable)

VAC Section(s) Involved	Description of Regulatory Change	Overview of How It Reduces or Increases Regulatory Burden

Length of Guidance Documents (only applicable if guidance document is being revised)

Title of Guidance Document	Original Length	New Length	Net Change in Length
Subaqueous Guidelines	23	15	-8