Economic Impact Analysis Virginia Department of Planning and Budget

18 VAC 15-20 – Virginia Asbestos Licensing Regulations Department of Professional and Occupational RegulationSeptember 27, 2013

Summary of the Proposed Amendments to Regulation

The Board for Asbestos, Lead, and Home Inspectors (Board) proposes to allow a licensee or an accredited asbestos training provider to renew a license or accredited asbestos training program up to 12 months after the expiration of the license or accreditation without reapplying as a new applicant. The Board also proposes to allow more than 24 hours for accredited asbestos training providers to submit course participant lists. Finally, the Board proposes to no longer require two instructors for most initial accredited asbestos training programs.

Result of Analysis

The benefits likely exceed the costs for all proposed changes.

Estimated Economic Impact

Late renewal

Under the current regulations, "Each license and each approved accredited asbestos training program not renewed within six months after the expiration date shall not be renewed and the licensee or approved accredited asbestos training program shall apply for a new license or new approval." Licensees who seek to renew late, but not more than six months late, are required to pay the renewal fee (\$25 or \$40, depending on license) and late renewal fee (\$25), and submit a copy of a current refresher training course certificate or take another initial training course if their most recent training has been expired for more than twelve months. Licensees who are more than six months late must apply as a new applicant, pay the application fee (\$25 or \$40, depending on license), submit verification of their experience (if applicable), and submit copies of their initial training course and all subsequent refresher training course certificates or take

another initial training course if their most recent training has been expired for more than twelve months.

The Board proposes to change the "six months" to "twelve months;" licensees who are between six and 12 months late must apply as a new applicant under the currents regulations, but would qualify to renew late under the proposed regulations. These individuals could save time, effort and other administrative costs associated with submitting documentation. Licensees who are between six and 12 months late would pay \$25 more in fees with the proposed change, but would save the time, effort and other administrative costs associated with submitting documentation.

Unlike for licensure, the application fees for asbestos training provider accreditation are more than \$25 higher than the renewal fees. Thus the proposal to change the "six months" to "twelve months" will reduce net fees for accredited asbestos training providers who are between six and twelve months late in seeking to renew accreditation.²

Training program participant list

Under the current regulations, the manager of each accredited asbestos training program must provide to the board the program participant list no later than 24 hours following the training program completion. The Board proposes to change the requirement to providing the program participant list no later than 10 business days following the training program completion. This would be significantly less burdensome for training providers and is considered sufficient by the Board. Therefore this proposed change should produce a net benefit for the Commonwealth.

Number of instructors

Under the current regulations, "At least two instructors shall be used for each supervisor, inspector, management planner, project designer and project monitor initial accredited asbestos training program." The Board proposes to eliminate the requirement to have two instructors for these initial accredited asbestos training programs by deleting the above sentence from the regulations. The Board has determined that these training programs tend to have small numbers

¹ The only fee paid by new applicants is the application fee. The application fees and the renewal fees are the same. Those renewing late pay a \$25 late fee in addition to the renewal fee.

of participants per class. Thus the current requirement for two instructors is overly burdensome and unnecessary. This proposed change should produce a net benefit for the Commonwealth.

Businesses and Entities Affected

The proposed amendments potentially affect the 33 accredited asbestos training providers and 4,154 individuals licensed as an asbestos worker, asbestos supervisor, asbestos inspector, asbestos management planner, asbestos project designer, asbestos project monitor or asbestos contractor in the Commonwealth.

Localities Particularly Affected

The proposed amendment does not disproportionately affect particular localities.

Projected Impact on Employment

The proposed amendments are unlikely to significantly affect employment.

Effects on the Use and Value of Private Property

The proposed amendments will moderately reduce costs for asbestos training providers.

Small Businesses: Costs and Other Effects

The proposed amendments will moderately reduce costs for small asbestos training providers.

Small Businesses: Alternative Method that Minimizes Adverse Impact

The proposed amendments do not adversely affect small businesses.

Real Estate Development Costs

The proposed amendments are unlikely to significantly affect real estate development costs.

Legal Mandate

The Department of Planning and Budget (DPB) has analyzed the economic impact of this proposed regulation in accordance with Section 2.2-4007.04 of the Administrative Process Act and Executive Order Number 14 (10). Section 2.2-4007.04 requires that such economic impact

² The application fee for accredited asbestos training program approval is \$400 per day of training, while the renewal fee is \$50 and the late fee is \$25.

analyses include, but need not be limited to, a determination of the public benefit, 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. Further, if the proposed regulation has an adverse effect on small businesses, Section 2.2-4007.04 requires that such economic impact analyses include (i) an identification and estimate of the number of small businesses subject to the regulation; (ii) the projected reporting, recordkeeping, and other administrative costs required for small businesses to comply with the regulation, including the type of professional skills necessary for preparing required reports and other documents; (iii) a statement of the probable effect of the regulation on affected small businesses; and (iv) a description of any less intrusive or less costly alternative methods of achieving the purpose of the regulation. The analysis presented above represents DPB's best estimate of these economic impacts.