

Economic Impact Analysis Virginia Department of Planning and Budget

18 VAC 160-20 – Board for Waterworks and Wastewater Works Operators and Onsite Sewage System Professionals Regulations Department of Professional and Occupational Regulation September 26, 2013

Summary of the Proposed Amendments to Regulation

The current regulations require an applicant for a conventional onsite sewage system installer license who is applying for waiver of the examination to provide documentation of experience from a list of specific professionals. The Board for Waterworks and Wastewater Works Operators and Onsite Sewage System Professionals (Board) proposes to eliminate this requirement.

Result of Analysis

The benefits likely exceed the costs for all proposed changes.

Estimated Economic Impact

Code of Virginia § 54.1-2301 states that:

The Board shall not require applicants for initial licensure as a conventional onsite sewage system installer to pass an examination prior to issuance of such license provided that the applicant satisfactorily demonstrates to the Board that he has been actively engaged in performing the duties of a conventional onsite sewage system installer for at least eight years within the 12-year period immediately preceding the date of application for licensure.

Repealing the requirement for documentation by specific professionals will leave language in the regulations that is similar to that in the Code of Virginia quoted above.

Eliminating the need to provide documentation by specific professionals allows more latitude to consider applicants that have the required experience, but have not worked with one of the specified professionals. Also, the time and effort associated with obtaining and processing the documentation would be eliminated. Since the Board believes the documentation is unnecessary, it seems to have little value. Thus the proposal to eliminate the documentation requirement should produce a net benefit.

Businesses and Entities Affected

The proposed amendment affects applicants for the conventional onsite sewage system installer license. According to the Department of Professional and Occupational Regulation, there are approximately 200 applicants annually.

Localities Particularly Affected

The proposed amendment does not disproportionately affect particular localities.

Projected Impact on Employment

The proposal to eliminate the documentation requirement may moderately increase the number of individuals who seek licensure as a conventional onsite sewage system installer.

Effects on the Use and Value of Private Property

The proposed amendment will moderately reduce application costs for licensure.

Small Businesses: Costs and Other Effects

The proposed amendment does not add cost for small businesses.

Small Businesses: Alternative Method that Minimizes Adverse Impact

The proposed amendment does not adversely affect small businesses.

Real Estate Development Costs

Since the proposal to eliminate the documentation requirement may moderately increase the supply of conventional onsite sewage system installation services, there may be a very modest cost reduction for real estate development that includes septic systems.

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 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,

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.