

**Economic Impact Analysis** Virginia Department of Planning and Budget

**3 VAC 5-70 – Other Provisions Alcoholic Beverage Control Board** August 3, 2010

## Summary of the Proposed Amendments to Regulation

The Alcoholic Beverage Control Board (ABC) proposes to amend its "Other Provisions regulations so that the Board or its agent may ask licensees to produce records immediately only between the hours of 9 a.m. and 5 p.m. During any other hours, this proposed regulatory change will allow licensees 24 hours to provide any requested records.

# **Result of Analysis**

The benefits likely exceed the costs for this proposed change.

## **Estimated Economic Impact**

Current regulations require licensees to keep specified records for two years and to have them readily available for inspection by ABC or its agents during reasonable hours. ABC now proposes to amend these regulations so that licensees will have 24 hours to respond to any requests for records if that request is not made between the hours of 9 a.m. and 5 p.m. No licensee or other entity is likely to incur any costs on account of this regulatory change. This change will benefit licensees by allowing them time to respond to requests made when records may be locked in office space that is not staffed except during business hours.

## **Businesses and Entities Affected**

ABC estimates that approximately 16,000 licensees are subject to the requirements of these regulations. ABC further estimates that approximately 90% of these licensees meet the legislative definition for small businesses.

#### **Localities Particularly Affected**

No locality will be particularly affected by this proposed regulatory action.

### **Projected Impact on Employment**

This regulatory action will likely have no impact on employment in the Commonwealth.

### Effects on the Use and Value of Private Property

This regulatory action will likely have no effect on the use or value of private property in the Commonwealth.

### **Small Businesses: Costs and Other Effects**

Small businesses in the Commonwealth are unlikely to incur any costs on account of this regulatory action.

## Small Businesses: Alternative Method that Minimizes Adverse Impact

Small businesses in the Commonwealth are unlikely to incur any costs on account of this regulatory action.

#### **Real Estate Development Costs**

This regulatory action will likely have no effect on real estate development costs in the Commonwealth.

## 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.H of the Administrative Process Act and Executive Order Number 36 (06). Section 2.2-4007.H requires that such economic impact analyses include, but need not be limited to, 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 adverse effect on small businesses, Section 2.2-4007.H 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.