



Economic Impact Analysis Virginia Department of Planning and Budget

18 VAC 47-20 – Cemetery Regulations
Department of Professional and Occupational Regulation
May 29, 2015

Summary of the Proposed Amendments to Regulation

The Cemetery Board (Board) proposes to amend its regulation to require cemetery companies to provide a general price list and an itemized statement of charges for burial services to customers before contract execution. The Board also proposes to require cemetery companies to get a signed acknowledgement of receipt from the customer.

Result of Analysis

Benefits likely outweigh costs for these proposed changes.

Estimated Economic Impact

Currently, cemetery companies are required to offer a general price list and itemized statement of charges for burial services to customers. The Board now proposes to require cemetery companies to provide these lists to customers and get them to sign an acknowledgement that they have received them.

Cemetery companies will incur very minimal costs for adding the required acknowledgement to contract paperwork that customers already sign and receive. Cemetery companies also may incur copying costs for customers who may refuse copies of the lists currently but would get them automatically under the proposed regulatory changes. Board staff reports that the number of customers affected in this way is likely very small and that the expected extra costs incurred by cemetery companies would also be very small. Cemetery companies would likely benefit from having the signed acknowledgement of receipt signed by customers should a contract dispute arise and customers will likely benefit from automatically receiving pricing information prior to signing a contract with a cemetery company. These

benefits will likely outweigh the minimal costs that may be incurred on account of this regulatory action.

Businesses and Entities Affected

Board staff reports that there are 93 cemetery companies in the Commonwealth that employ 1,788 sales people. Board staff also reports that 90 of the 93 cemetery companies would qualify as small businesses.

Localities Particularly Affected

No locality will be particularly affected by this proposed regulation.

Projected Impact on Employment

These proposed regulatory changes are unlikely to have any impact on employment in the Commonwealth.

Effects on the Use and Value of Private Property

These proposed regulatory changes are unlikely to have any impact on the use or value of private property in the Commonwealth.

Small Businesses: Costs and Other Effects

Small business cemetery companies may incur minimal copying costs because they will be required to provide prices lists and itemized cost statements to the likely small number of customers who are currently offered those lists but refuse them.

Small Businesses: Alternative Method that Minimizes Adverse Impact

There are likely no alternative methods that would both meet the Board's goal and further reduce costs.

Real Estate Development Costs

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

Legal Mandate

General: The Department of Planning and Budget (DPB) has analyzed the economic impact of this proposed regulation in accordance with § 2.2-4007.04 of the Code of Virginia and Executive

Order Number 17 (2014). Section 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:

- the projected number of businesses or other entities to whom the proposed 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.

Small Businesses: If the proposed regulation will have an adverse effect on small businesses, § 2.2-4007.04 requires that such economic impact analyses include:

- an identification and estimate of the number of small businesses subject to the proposed regulation,
- 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,
- a statement of the probable effect of the proposed regulation on affected small businesses, and
- a description of any less intrusive or less costly alternative methods of achieving the purpose of the proposed regulation.

Additionally, pursuant to § 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 (JCAR) is notified at the time the proposed regulation is submitted to the *Virginia Register of Regulations* for publication. This analysis shall represent DPB's best estimate for the purposes of public review and comment on the proposed regulation.

AMH

Town Hall ID: Action # 4352/Stage # 7213