

Adverse impact notification sent to Joint Commission on Administrative Rules, House Committee on Appropriations, and Senate Committee on Finance (COV § 2.2-4007.04.C): Yes Not Needed

If/when this economic impact analysis (EIA) is published in the *Virginia Register of Regulations*, notification will be sent to each member of the General Assembly (COV § 2.2-4007.04.B).



Virginia Department of Planning and Budget Economic Impact Analysis

4 VAC 25-35 Certification Requirements for Mineral Miners
Department of Mines, Minerals and Energy
Town Hall Action/Stage: 4425 / 7312
October 7, 2015

Summary of the Proposed Amendments to Regulation

The Department of Mines, Minerals and Energy (DMME) proposes to amend this regulation to allow individuals who already possess a valid General Coal Miner Surface certification to obtain General Mineral Miner certification without having to receive additional training.

Result of Analysis

The benefits likely exceed the costs for all proposed changes.

Estimated Economic Impact

The current *Certification Requirements for Mineral Miners* require that applicants for General Mineral Miner certification “complete certification training in first aid and mineral mining regulations and law, which is conducted by a training instructor approved by the division, a certified MSHA¹ instructor, or a certified mine foreman.” According to DMME, the training needed to safely work on a surface coal mine is virtually identical to the training needed to safely work on a mineral mine site. Individuals who already possess a valid General Coal Miner Surface certification would have had such training. Consequently DMME’s proposal to specify that individuals who already have valid General Coal Miner Surface certification be deemed to

¹ MSHA refers to the federal Mine Safety and Health Administration.

have met the safety training requirements for General Mineral Miner certification will create a net benefit in that it will reduce the cost for surface coal miners to become certified general mineral miners without increasing safety risk. Specifically, the proposed amendment eliminates the need to spend approximately one work day on duplicative training.

Businesses and Entities Affected

The proposed amendment potentially affects the 441 mineral mine operators in the Commonwealth as it reduces the cost for surface coal miners to become certified mineral miners. There are currently 22,537 people with General Coal Miner Surface certification. Approximately 150 of the 441 existing mineral mine permits are held by small businesses.²

Localities Particularly Affected

The proposed amendment will potentially affect all localities in the Commonwealth that have mineral mines. According to DMME, 91% of Virginia's counties have mineral mines governed by state regulation.

Projected Impact on Employment

The proposed amendment will reduce the cost for certified surface coal miners to become certified mineral miners. This may moderately increase the number of experienced coal miners who gain employment at mineral mines.

Effects on the Use and Value of Private Property

The proposed amendment will moderately reduce training costs for mineral mine operators if they hire former surface coal miners. This may increase the likelihood that they hire former surface coal miners; and by having moderately lower costs for working mineral mines, the value of the property may moderately increase.

Real Estate Development Costs

The proposed amendment may moderately reduce mineral mine development costs in that it will reduce training costs for some potential mineral miners.

Small Businesses:

Definition

Pursuant to § 2.2-4007.04 of the Code of Virginia, small business is defined as “a business entity, including its affiliates, that (i) is independently owned and operated and

² Data Source: Department of Mines, Minerals and Energy

(ii) employs fewer than 500 full-time employees or has gross annual sales of less than \$6 million.”

Costs and Other Effects

The proposed amendment reduces the cost for small mineral mine operators to hire certified surface coal miners.

Alternative Method that Minimizes Adverse Impact

The proposed amendment does not adversely affect small businesses.

Adverse Impacts:

Businesses:

The proposed amendment does not adversely affect businesses.

Localities:

The proposed amendment does not adversely affect localities.

Other Entities:

The proposed amendment does not adversely affect other entities.

Legal Mandates

General: The Department of Planning and Budget has analyzed the economic impact of this proposed regulation in accordance with § 2.2-4007.04 of the Code of Virginia (Code) and Executive Order Number 17 (2014). Code § 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: (1) the projected number of businesses or other entities to whom the proposed regulatory action would apply, (2) the identity of any localities and types of businesses or other entities particularly affected, (3) the projected number of persons and employment positions to be affected, (4) the projected costs to affected businesses or entities to implement or comply with the regulation, and (5) the impact on the use and value of private property.

Adverse impacts: Pursuant to Code § 2.2-4007.04(C): In the event this economic impact analysis reveals that the proposed regulation would have an adverse economic impact on businesses or would impose a significant adverse economic impact on a locality, business, or entity particularly affected, the Department of Planning and Budget shall advise the Joint Commission on Administrative Rules, the House Committee on Appropriations, and the Senate Committee on Finance within the 45-day period.

If the proposed regulatory action may have an adverse effect on small businesses, Code § 2.2-4007.04 requires that such economic impact analyses include: (1) an identification and estimate of the number of small businesses subject to the proposed regulation, (2) 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, (3) a statement of the probable effect of the proposed regulation on affected small businesses, and (4) a description of any less intrusive or less costly alternative methods of achieving the purpose of the proposed regulation. Additionally, pursuant to Code § 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 shall be notified.

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