

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

1 VAC 30-105 Regulations Banning Concealed Firearms in Offices Occupied by Executive Branch Agencies

Department of General Services

Town Hall Action/Stage: 4474/7579

July 29, 2016

Summary of the Proposed Amendments to Regulation

Pursuant to Executive Order 50 (2015), the Department of General Services (DGS) proposes to ban carrying of concealed weapons in executive branch buildings.

Estimated Economic Impact

On October 15, 2015, Governor McAuliffe signed Executive Order 50 (2015)¹ ordering the Director of DGS “to propose regulations banning carrying of concealed weapons in offices occupied by executive branch agencies, unless held by law enforcement, authorized security, or military personnel authorized to carry firearms in accordance with their duties.” DGS promulgated an emergency regulation to implement this order on December 3, 2015, and it is currently scheduled to expire on June 2, 2017. The proposed regulation will make the emergency regulation permanent.

This regulation applies to buildings owned, leased, or controlled in whole or in part by or for an executive branch agency. It does not apply to open carry firearms in executive branch buildings as DGS has previously implemented the executive ban on those firearms through a guidance document. Pursuant to state personnel policy, state employees were already prohibited

¹ See <http://governor.virginia.gov/media/4685/eo-50-on-gun-violence-final.pdf>.

from possessing, brandishing, or using weapons on state premises. State institutions of higher education are exempt from this regulation so long as the institution has implemented its own policies or regulations governing firearms. State-owned or leased parking facilities, recreational lodges and cabins, employee housing, rest areas on interstate highways, and public hunting lands are not subject to this regulation.

According to DGS, there are approximately 11,000 buildings that fall under the purview of the proposed regulation. Some of the buildings are storage facilities but the remainder house many employees and some are visited by members of the public. Approximately 60,000 employees are estimated to be working in the buildings covered by this regulation;² however, the number of public visitors to affected buildings is not known.

According to the State Police, the numbers of resident and non-resident concealed carry permits in Virginia are 429,403 and 17,917, respectively.³ As of July 2015, Virginia's 18 year-old and older population is estimated to be 6,512,571.⁴ Thus, approximately seven percent of the adult population carries a concealed firearm in Virginia.⁵ Given these statistics, it would be reasonable to expect that about seven percent of visitors to executive branch buildings may be affected by the proposed regulation.

The intended goal of the proposed regulation is to reduce or prevent gun violence in executive branch buildings. Assessing the benefits versus costs of the proposed regulation essentially requires an assessment of the impact of the proposed ban. For example, whether the ban would prevent attempts to bring unauthorized concealed weapons into the state buildings by perpetrators would have to be estimated. Similarly, whether the ban would have an impact on the potential for an attack resulting from the presence of a firearm in a state building would have to be estimated, as well. To date, data on gun violence in government office buildings reflects statistically low incident rates given that many individuals pass in and out of state office buildings each day. Any estimate of the likelihood of an attack or its potential impact based on

² Source: EO 50 (2015)

³ Chapter 47 of the 2016 Acts of Assembly amended the reciprocity requirements which may impact the number of non-resident permits in Virginia. See <http://leg1.state.va.us/cgi-bin/legp504.exe?161+ful+CHAP0047>.

⁴ Source: U.S. Census Bureau

⁵ 6.6 percent if non-resident permits are excluded and 6.9 percent with non-resident permits.

the small sample size of available data would be subject to great uncertainty. For example, even though we know that between 2000 and 2013, 11 active shooter incidents (not inclusive of all firearm incidents) occurred on non-military government properties (excluding schools) in the United States,⁶ estimating potential future incidents from that data would be subject to great uncertainty. In addition, there is no available data of past incidents of guns entering or being brandished within affected executive branch buildings in Virginia. Thus, any impact of the proposed ban cannot be ascertained due to lack of data.

Whether the proposed regulation introduces additional compliance costs also must be considered. The security for buildings owned directly by agencies is decided by the agency that owns the building. The security in executive branch buildings in Capitol Square is provided through a contract between the Division of Capitol Police and DGS. The security for space leased from the private sector is provided by the landlord. According to DGS, there has been no directive to require additional training for the security personnel or to purchase new equipment to enforce the regulation. The proposed regulation requires agencies to post signs in state buildings occupied or managed by them. According to Virginia Correctional Enterprises, \$29,552 worth of signs have been purchased to date. These signs include information on the prohibition of both open and concealed carry weapons.

Businesses and Entities Affected

There are approximately 11,000 buildings used by executive branch agencies and approximately 60,000 employees working in those buildings. Currently, the numbers of resident and non-resident concealed carry permits in Virginia are 429,403 and 17,917, respectively.⁷ Given the available population and permit data, it would be reasonable to expect that about seven percent of visitors to executive branch buildings may be affected by the proposed regulation. However, there is no available data on the actual total number of private citizens or the number of private citizens with concealed carry permits visiting affected facilities.

Localities Particularly Affected

The proposed regulation applies statewide.

⁶ A Study of Active Shooter Incidents in the United States Between 2000 and 2013, U.S. Department of Justice, Federal Bureau of Investigation, September 16, 2013.

⁷ Chapter 47 of the 2016 Acts of Assembly amended the reciprocity requirements which may impact the number of non-resident permits in Virginia. See <http://leg1.state.va.us/cgi-bin/legp504.exe?161+ful+CHAP0047>.

Projected Impact on Employment

No impact on employment is expected.

Effects on the Use and Value of Private Property

No impact on the use and value of private property is expected.

Real Estate Development Costs

No impact on real estate development costs is expected.

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

Costs and Other Effects

The proposed regulation does not affect small businesses.

Alternative Method that Minimizes Adverse Impact

The proposed regulation does not have an adverse impact on small businesses.

Adverse Impacts:**Businesses:**

The proposed regulation does not have an adverse impact on businesses.

Localities:

The proposed regulation does not adversely affect localities.

Other Entities:

The proposed regulation prohibits concealed weapons from being carried into executive branch buildings. Based on comments submitted during the comment period following the Notice of Intended Regulatory Action for the permanent replacement regulation, many concealed carry permit holders perceive the ban as being adverse to their right to carry arms. However, since it is not known how many of these individuals would be directly impacted (e.g., wanting to enter a state building carrying their weapon), this potential adverse impact cannot be quantified as an adverse economic impact.

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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