



Economic Impact Analysis Virginia Department of Planning and Budget

4 VAC 25-35 – Certification Requirements for Mineral Miners

Department of Mines, Minerals, and Energy

April 21, 2003

The Department of Planning and Budget (DPB) has analyzed the economic impact of this proposed regulation in accordance with Section 2.2-4007.G of the Administrative Process Act and Executive Order Number 21 (02). Section 2.2-4007.G 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. The analysis presented below represents DPB's best estimate of these economic impacts.

Summary of the Proposed Regulation

The General Assembly allows the Board of Mineral Mining Examiners (BMME) in §45.1-161.292:19 of the Code of Virginia to promulgate regulations requiring certification of persons who work in mineral mines and persons whose duties and responsibilities in relation to mineral mining require competency, skill, or knowledge in order to perform their task in a manner that protects the health and safety of persons and property.

The proposed regulation requires (1) that all applicants for certification as mineral mining electricians hold an electrical journeyman card and (2) that all surface blasters have either taken first-aid training that meets federal standards or attended three hours of first-aid training from an organization using nationally recognized standards.

The regulation also proposes an administrative change that allows for alternative forms of payment for the replacement of lost or destroyed certificates. It also removes redundant

language, makes corrections, adds clarifying language, and makes the existing regulation consistent with the Code of Virginia.

Estimated Economic Impact

(1) The proposed regulation requires that individuals applying for certification as mineral mining electricians hold a valid electrical journeyman certification issued by the Department of Professional and Occupational Regulation. Under current policy, individuals without a valid electrical journeyman certification can be certified as long as the Department of Mines, Minerals, and Energy (DMME) rules that they possess adequate work experience. The proposed regulation deletes language that allows DMME to consider work experience in lieu of a valid electrical journeyman card.

According to DMME, work experience was considered in lieu of a journeyman card in order to facilitate the transition from certificates issued by the Board of Examiners (BOE) to certificates issued by BMME. Prior to 1994 mineral mining certifications were issued by BOE. Between 1994 and 1999, BOE certification was replaced by new BMME certification. During the transition period, applicants for mineral mining certification that did not hold a valid electrical journeyman card but had ten years work experience were granted certification. Since the transition period ended in 1999, the work experience clause is no longer relevant and is thus being removed.

Certifying individuals without adequate qualifications as mineral mining electricians could create hazardous working conditions in mineral mines. Moreover, apart from endangering the health of fellow mine workers, these individuals could also pose a threat to public health and safety and/or environment through their activities. The aim of the certification process is to ensure enforce certain compulsory minimum standards for mineral mining electricians and reduce the risk to the public and the environment from their activities. The certification requirements can be viewed as the compliance cost incurred by mineral mining electricians to ensure that they do not jeopardize public health and safety and the environment. In addition, most mining businesses will probably find it in their interest to have highly qualified individuals working in areas where hazards from electric fires can be catastrophic. These minimum standards may not be binding in most cases since firms would choose to use journeyman electricians even if they were not required.

In this instance, the proposed change is not likely to have a significant economic impact. According to DMME, no certifications have been issued to individuals without a valid electrical journeyman card and solely on work experience since 1999. The proposed change is intended to make the regulation consistent with current practice.

(2) The proposed regulation requires that all individuals applying to be certified as surface blasters have either taken first-aid training that meets federal standards or attended three hours of first-aid training from an organization using nationally recognized standards. This would replace the existing first-aid requirement that all applicants possess a valid Mine Safety and Health Administration (MSHA) form that indicates that the applicant has completed first-aid training.

The change is being proposed in order to make the existing regulation consistent with federal first-aid requirements. The MSHA form currently required indicates that the applicant has met all first-aid training requirements in order to be able to work underground. The underground first-aid training requirements tend to be more extensive than the first-aid training required to work at surface locations. Thus, the first-aid requirements being proposed in the regulation are less stringent than those currently required.

There are no studies available at this time on the benefits of providing first-aid training and/or different levels of first-aid training to surface blasters. Assuming no significant difference in benefits between current requirements and federal standards, the proposed change is likely to have a small positive economic impact. It will make it easier for individuals seeking to be certified as surface blasters to do so without having a significant negative impact on public health and safety. However, the benefits of requiring surface blasters to have any first-aid training remain unclear.

Businesses and Entities Affected

The proposed regulation will affect some businesses and individuals involved in the mineral mining industry. Applicants for certification as surface blasters will now be required to meet first-aid training requirements less stringent than currently required. Allowing alternative forms of payment for the replacement of lost or destroyed certificates is likely to make it easier for businesses and individuals to apply for a replacement certificate.

Localities Particularly Affected

The proposed regulation will affect all localities in the Commonwealth. However, it is particularly relevant to localities dependent on the mineral mining industry.

Projected Impact on Employment

The proposed regulation may have a small positive impact on employment. Applicants for certification as surface blasters might find it easier to get certified since the proposed regulation requires them to meet less stringent first-aid training standards than under the existing regulation.

Effects on the Use and Value of Private Property

The proposed regulation will affect some businesses involved in mineral mining. To the extent that less stringent requirements make it cheaper for businesses to hire surface blasters, it will lower costs and raise the asset value of these businesses.

The proposed regulation is not likely to have a significant impact on the use and value of private property.