



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

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**18 VAC 15-40 – Certified Home Inspector Regulations**  
**Department of Professional and Occupational Regulation**  
September 27, 2013

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### **Summary of the Proposed Amendments to Regulation**

The Board for Asbestos, Lead, and Home Inspectors (Board) proposes to remove the requirement that home inspectors whose certificates have been expired for more than two years retake a written competency examination when applying as a new applicant.

### **Result of Analysis**

The benefits likely exceed the costs for all proposed changes.

### **Estimated Economic Impact**

The Board believes that requiring the applicant who must reapply as a new applicant to retake the examination serves no purpose and places an unnecessary and costly burden upon the applicant. Since eliminating this requirement reduces costs for the affected home inspectors and does produce any new costs, the proposal should produce a net benefit.

### **Businesses and Entities Affected**

The proposed amendment potentially affects the 284 certified home inspectors in the Commonwealth.

### **Localities Particularly Affected**

The proposed amendment does not disproportionately affect particular localities.

### **Projected Impact on Employment**

The proposal amendment is unlikely to significantly affect employment.

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

The proposed amendment will reduce costs for home inspectors whose certificates have been expired for more than two years.

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

The proposed amendments may moderately reduce costs for small home inspection firms that may consider employing a home inspector who is returning to the industry after having been away for more than two years.

## **Small Businesses: Alternative Method that Minimizes Adverse Impact**

The proposed amendment does not adversely affect small businesses.

## **Real Estate Development Costs**

The proposed amendment is unlikely to significantly affect real estate development costs.

## **Legal Mandate**

The Department of Planning and Budget (DPB) has analyzed the economic impact of this proposed regulation in accordance with Section 2.2-4007.04 of the Administrative Process Act and Executive Order Number 14 (10). Section 2.2-4007.04 requires that such economic impact analyses include, but need not be limited to, a determination of the public benefit, 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 an adverse effect on small businesses, Section 2.2-4007.04 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.