



Economic Impact Analysis Virginia Department of Planning and Budget

18 VAC 65-40 – Regulations for the Funeral Service Intern Program
Department of Health Professions
June 12, 2013

Summary of the Proposed Amendments to Regulation

The proposed changes will expand the qualified training sites for internship in embalming and allow additional time to report certain changes to the Board of Funeral Directors and Embalmers (Board).

Result of Analysis

The benefits likely exceed the costs for all proposed changes.

Estimated Economic Impact

The proposed changes will expand the qualified training sites for internship in embalming to include a government facility or an accredited educational institution. Under the current regulations, all approved training in an internship program must occur within a licensed funeral establishment. However, according to the Department of Health Professions (DHP), it has been increasingly difficult to obtain adequate training in embalming because more people are choosing cremation. DHP believes that interns can receive excellent training in embalming at the state anatomical program or at an educational institution, such as John Tyler Community College, that has a funeral services curriculum. Additionally, the proposed amendment will allow the Board to approve embalming training obtained in the military through mortuary affairs as partial completion of an internship program by veterans. Expanding the pool of eligible internship programs to include a government facility or an accredited educational institution is likely to make it easier for the potential interns to find an appropriate training site without increasing the risk of harm to the public.

The proposed changes will also allow additional time to report certain changes to the Board. Currently, regulations require the intern to notify the Board of any changes in name,

address, employment or supervisor. There is no timeframe given for the notification, so it is presumed to be immediate notification. The proposed change would specify notification within 14 days, which is consistent with other requirements for notification for funeral service providers. In addition, the proposed changes will increase the time frame from 10 to 14 days for both the report that is due to the Board at the end of every 1,000 hours of internship and the partial internship report that must be filed if the internship is disrupted. Additional time to file notifications and reports is expected to benefit interns and establishments.

Businesses and Entities Affected

The proposed regulations will primarily affect funeral service establishments and interns. Currently, there are 426 funeral service establishments and 141 interns.

Localities Particularly Affected

The proposed regulations apply throughout the Commonwealth.

Projected Impact on Employment

The expansion of qualified training sites for internship is expected to make it easier for interns to find a placement which in turn has the potential to increase the supply of licensed funeral service providers.

Effects on the Use and Value of Private Property

The proposed regulations are not expected to have a significant impact on the use and value of private property.

Small Businesses: Costs and Other Effects

While many of the 426 funeral establishments are believed to be small businesses, some are owned by large, national corporations. The effects discussed above apply to small businesses.

Small Businesses: Alternative Method that Minimizes Adverse Impact

The proposed changes do not impose any adverse impact on small businesses.

Real Estate Development Costs

No impact on real estate development costs is expected.

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.