



Economic Impact Analysis Virginia Department of Planning and Budget

13 VAC 5-95 – Manufactured Housing Safety Regulations
Department of Housing and Community Development
November 13, 2009

Summary of the Proposed Amendments to Regulation

The Board of Housing and Community Development (Board) proposes to amend its Manufactured Housing Safety Regulations to reword some sections with currently preferred terms, move the regulations that define the role of local building inspectors in inspecting new manufactured housing and delineate the statutory punishment for violation of these regulations.

Result of Analysis

The benefits likely exceed the costs for all proposed changes.

Estimated Economic Impact

Current regulations use the terms “local code inspector and “distributor” through the regulatory text; the Board proposes to replace these terms with “local building inspector” and “broker”. As these new terms refer to the same groups of people, no regulated entity is likely to incur any additional costs on account of these proposed changes.

Currently, the regulations that specify the code enforcement role of local building officials are in 13 VAC 5-95-30 (Effect of label). The Board proposes to move these regulations into 13 VAC 5-95-20 (Application and enforcement). Nothing new will be required of local building inspectors under the proposed regulations; local building inspectors and other interested parties will, however, be able to more easily locate these requirements as the new section title makes it a much more intuitively obvious place in which to look.

Current regulations delineate procedures for handling violations of manufactured housing safety rules. The Board proposes to add notice of the statutory language that governs punishment of any violations. Because affected entities must already adhere to both the relevant statutes and

regulations, and so would already be subject to any listed fines and other punishments, no regulated entity is likely to incur any additional costs on account of this proposed change. To the extent that the addition of the statutory language makes the rules less opaque, this change will provide the benefit of clarity.

Businesses and Entities Affected

The Department of Housing and Community Development (DHCD) reports that up to 42 manufacturers, 238 dealers, 3 brokers, 699 salespeople and 570 installers are governed by these regulations. All of these entities will be affected by these proposed changes.

Localities Particularly Affected

No locality will be particularly affected by this proposed regulatory action.

Projected Impact on Employment

This regulatory action will likely have no impact on employment in the Commonwealth.

Effects on the Use and Value of Private Property

This regulatory action will likely have no effect on the use or value of private property in the Commonwealth.

Small Businesses: Costs and Other Effects

Small businesses in the Commonwealth are unlikely to incur any costs on account of this regulatory action.

Small Businesses: Alternative Method that Minimizes Adverse Impact

Small businesses in the Commonwealth are unlikely to incur any costs on account of this regulatory action.

Real Estate Development Costs

This regulatory action will likely have no effect on real estate development costs in the Commonwealth.

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.H of the Administrative Process Act

and Executive Order Number 36 (06). Section 2.2-4007.H 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. Further, if the proposed regulation has adverse effect on small businesses, Section 2.2-4007.H 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.