



Economic Impact Analysis Virginia Department of Planning and Budget

13 VAC 5-95 – Manufactured Housing Safety Regulations
Department of Housing and Community Development
July 18, 2013

Summary of the Proposed Amendments to Regulation

The Board of Housing and Community Development (Board) proposes to amend its Manufactured Housing Safety Regulations to 1) reword some sections with currently preferred terms, 2) move the regulations that define the role of local building inspectors in inspecting new manufactured housing, 3) eliminate obsolete language that currently requires local building inspectors to report to the Department of Housing and Community Development (DHCD) whenever a manufactured home with noted violations is moved from their locality and 4) note the statutory punishment for violation of these regulations in the regulatory text.

Result of Analysis

Benefits likely outweigh costs for these proposed regulations.

Estimated Economic Impact

Current regulations use the term “local code official” throughout the regulatory text; the Board proposes to replace this term with “local building official” and to add a definition for “installer” and “installation” so that the text conforms to federal regulations. No regulated entity is likely to incur costs on account of these proposed changes. To the extent that the revised or added language helps clarify understanding of these regulations, affected entities will benefit.

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 so no entity is likely to incur an costs on account of these changes. Local building inspectors and other interested parties will, however, be

able to more easily locate these requirements as the section title for section 20 makes it a much more intuitively obvious place to look for enforcement rules.

Current regulations contain language that requires local building inspectors to report to the DHCD whenever a manufactured home with noted violations is moved from their locality. DHCD reports that this language does not reflect actual current practice and, so, the Board now proposes to repeal it. No regulated entity is likely to incur costs on account of this proposed change. To the extent that repealing this language helps clarify local building inspectors' role, affected entities will benefit.

Currently, these 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

DHCD reports that up to 23 manufacturers, 138 dealers, 9 brokers, 362 salespeople and 280 installers are governed by these regulations. All of these entities will be affected by these proposed changes.

Localities Particularly Affected

No localities will be particularly affected by these proposed regulations.

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

These proposed regulatory changes are unlikely to affect the use or value of private property in the Commonwealth.

Small Businesses: Costs and Other Effects

No small business is likely to incur and additional expense on account of these regulatory changes.

Small Businesses: Alternative Method that Minimizes Adverse Impact

No small business is likely to incur and additional expense on account of these regulatory changes.

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 2.2-4007.04 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.