

Office of Regulatory Management
Economic Review Form

Agency name	Virginia Board of Education
Virginia Administrative Code (VAC) Chapter citation(s)	8VAC20-821
VAC Chapter title(s)	General Procedures for Licensure and Background Checks [under development]
Action title	Adopt New Standards for the General Procedures and Information for Licensure
Date this document prepared	February 8, 2023

Cost Benefit Analysis

Table 1a must be completed for all actions. Tables 1b and 1c must be completed for actions (or portions thereof) where the agency is exercising discretion, including those where some of the changes are mandated by state or federal law or regulation. Tables 1b and 1c are not needed if **all** changes are mandated, and the agency is not exercising any discretion. In that case, enter a statement to that effect.

- (1) Direct Costs & Benefits: Identify all specific, direct economic impacts (costs and/or benefits), anticipated to result from the regulatory change. (A direct impact is one that affects entities regulated by the agency and which directly results from the regulatory change itself, without any intervening steps or effects. For example, the direct impact of a regulatory fee change is the change in costs for these regulated entities.) When describing a particular economic impact, specify which new requirement or change in requirement creates the anticipated economic impact. Keep in mind that this is the proposed change versus the status quo. One bullet has been provided, add additional bullets as needed.
- (2) Quantitative Factors:
 - (a) Enter estimated dollar value of total (overall) direct costs described above.
 - (b) Enter estimated dollar value of total (overall) direct benefits described above.
 - (c) Enter the present value of the direct costs based on the worksheet.
 - (d) Enter the present value of the direct benefits based on the worksheet.
- (3) Benefits-Costs Ratio: Calculate d divided by c OR enter it from the worksheet.
- (4) Net Benefit: Calculate d minus c OR enter it from the worksheet.
- (5) Indirect Costs & Benefits: Identify all specific, indirect economic impacts (costs and/or benefits), anticipated to result from the regulatory change. (An indirect impact is one that results from responses to the regulatory change, but which are not directly required by the regulation. Indirect impacts of a regulatory fee change on regulated entities could include a change in the prices they charge, changes in their operating procedures or employment levels, or decisions to enter or exit the regulated profession or market. Indirect impacts also include responses by other entities that have close economic ties to the regulated

entities, such as suppliers or partners.) If there are no indirect costs or benefits, include a specific statement to that effect.

(6) Information Sources: Describe the sources of information used to determine the benefits and costs, including the source of the Quantitative Factors. If dollar amounts are not available, indicate why they are not.

(7) Optional: Use this space to add any further information regarding the data provided in this table, including calculations, qualitative assessments, etc.

Table 1a: Costs and Benefits of the Proposed Changes (Primary Option)

<p>(1) Direct Costs & Benefits</p>	<ul style="list-style-type: none"> <p>• Combine three chapters into a single chapter and reduce regulatory text by 66%</p> <p>Direct Costs: There are no costs associated with this impactful change.</p> <p>Direct Benefits: The regulatory text has been streamlined and redundancies have been eliminated. The reorganized text clearly enumerates the requirements for initial licensure, renewal, and standards of conduct, in addition to stating appeal rights.</p> <p>• Defer to statutory structure to the greatest extent possible</p> <p>Direct Costs: There are no costs associated with this impactful change.</p> <p>Direct Benefits: The previous chapters regulated on top of the statutory structure in a few areas, such as background checks and appeals, which created confusion for licensees.</p> <p>• Add clearly stated responsibilities in new standards of conduct section</p> <p>Direct Costs: There are no costs associated with this impactful change.</p> <p>Direct Benefits: The revised regulations clearly state expectations for the licensee related to the fact of licensure in order for the licensee to be held accountable. This will lead to fewer ambiguities as the department enforces the statutory scheme.</p> 	
<p>(2) Quantitative Factors</p>	<p>Estimated Dollar Amount</p>	<p>Present Value</p>
<p>Direct Costs</p>	<p>(a) 0</p>	<p>(c) 0</p>

Direct Benefits	(b) 0	(d) 0
(3) Benefits-Costs Ratio	0	(4) Net Benefit 0
(5) Indirect Costs & Benefits	The regulations are more user-friendly and more clearly state responsibilities.	
(6) Information Sources		
(7) Optional		

Table 1b: Costs and Benefits under the Status Quo (No change to the regulation)

This table addresses current requirements and the implications of not making any changes. In other words, describe the costs and benefits of maintaining the current regulatory requirements as is.

(1) Direct Costs & Benefits	<ul style="list-style-type: none"> <p>The status quo requires a licensee to look at three different regulatory chapters in order to find the requirements for obtaining a license (820, which describes the licensure process; 770, which describes background checks; and 830, which states application fees).</p> <p>Direct Costs: The process is unduly cumbersome for applicants and licensees.</p> <p>Direct Benefits: There are no benefits to maintaining the current structure.</p> <p>The status quo regulates on top of the statutory scheme, creating unneeded regulations, processes, and potential conflicts with statutes.</p> <p>Direct Costs: The current structure overregulates in key areas, such as background check and appeal processes. The cost of the status quo is both to the licensee (additional requirements) and the general public (inefficient enforcement of the statutory structure). There are also parts of the background check regulations that are in potential conflict with the statutory requirements.</p>
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	<p>Direct Benefits: There are no benefits to maintaining the current structure.</p> <ul style="list-style-type: none"> • The status quo does not clearly state standards of conduct. <p>Direct Costs: The process is unduly cumbersome for applicants and licensees and expectations are not stated.</p> <p>Direct Benefits: There are no benefits to maintaining the current structure.</p>	
(2) Quantitative Factors	Estimated Dollar Amount	Present Value
Direct Costs	(a) 0	(c) 0
Direct Benefits	(b) 0	(d) 0
(3) Benefits-Costs Ratio	0	(4) Net Benefit
(5) Indirect Costs & Benefits	An indirect cost is noncompliance with the statutory structure.	
(6) Information Sources		
(7) Optional		

Table 1c: Costs and Benefits under an Alternative Approach

This table addresses an alternative approach to accomplishing the objectives with different requirements. These alternative approaches may include the use of reasonably available alternatives in lieu of regulation, or information disclosure requirements or performance standards instead of regulatory mandates.

(1) Direct Costs & Benefits	<ul style="list-style-type: none"> • There are no alternative approaches to any of the impactful changes. 	
(2) Quantitative Factors	Estimated Dollar Amount	Present Value
Direct Costs	(a)	(c)

Direct Benefits	(b)	(d)	
(3) Benefits-Costs Ratio		(4) Net Benefit	
(5) Indirect Costs & Benefits			
(6) Information Sources			
(7) Optional			

Impact on Local Partners

- (1) Describe the direct costs and benefits (as defined on page 1) for local partners in terms of real monetary costs and FTEs. Local partners include local or tribal governments, school divisions, or other local or regional authorities, boards, or commissions. If local partners are not affected, include a specific statement to that effect and a brief explanation of the rationale.
- (2) Quantitative Factors:
 - (a) Enter estimated dollar value of total (overall) direct costs described above.
 - (b) Enter estimated dollar value of total (overall) direct benefits described above.
- (3) Indirect Costs & Benefits: Describe any indirect benefits and costs (as defined on page 1) for local partners that are associated with all significant changes. If there are no indirect costs or benefits, include a specific statement to that effect.
- (4) Information Sources: describe the sources of information used to determine the benefits and costs, including the source of the Quantitative Factors. If dollar amounts are not available, indicate why they are not.
- (5) Assistance: Identify the amount and source of assistance provided for compliance in both funding and training or other technical implementation assistance.
- (6) Optional: Use this space to add any further information regarding the data provided in this table, including calculations, qualitative assessments, etc.

Note: If any of the above information was included in Table 1, use the same information here.

Table 2: Impact on Local Partners

(1) Direct Costs & Benefits	There is no direct impact on local partners who are not licensees.
(2) Quantitative Factors	Estimated Dollar Amount

Direct Costs	(a)
Direct Benefits	(b)
(3) Indirect Costs & Benefits	
(4) Information Sources	
(5) Assistance	
(6) Optional	

Economic Impacts on Families

- (1) Describe the direct costs and benefits (as defined on page 1) to a typical family of three (average family size in Virginia according to the U. S. Census) arising from any proposed regulatory changes that would affect the costs of food, energy, housing, transportation, healthcare, and education. If families are not affected, include a specific statement to that effect and a brief explanation of the rationale.
- (2) Quantitative Factors:
 - (a) Enter estimated dollar value of direct costs.
 - (b) Enter estimated dollar value of direct benefits.
- (3) Indirect Costs & Benefits: Describe any indirect costs and benefits (as defined on page 1) to a typical family of three that are most likely to result from the proposed changes.
- (4) Information Sources: describe the sources of information used to determine the benefits and costs, including the source of the Quantitative Factors. If dollar amounts are not available, indicate why not.
- (5) Optional: Use this space to add any further information regarding the data provided in this table, including calculations, qualitative assessments, etc.

Note: If any of the above information was included in Table 1, use the same information here.

Table 3: Impact on Families

(1) Direct Costs & Benefits	There is no direct impact on families.
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(2) Quantitative Factors	Estimated Dollar Amount
Direct Costs	(a)
Direct Benefits	(b)
(3) Indirect Costs & Benefits	
(4) Information Sources	
(5) Optional	

Impacts on Small Businesses

- (1) Describe the direct costs and benefits (as defined on page 1) for small businesses. For purposes of this analysis, “small business” means the same as that term is defined in § 2.2-4007.1. If small businesses are not affected, include a specific statement to that effect and a brief explanation of the rationale.
- (2) Quantitative Factors:
 - (a) Enter estimated dollar value of direct costs.
 - (b) Enter estimated dollar value of direct benefits.
- (3) Indirect Costs & Benefits: Describe the indirect benefits and costs (as defined on page 1) for small businesses that are most likely to result from the proposed changes.
- (4) Alternatives: Add a qualitative discussion of any equally effective alternatives that would make the regulatory burden on small business more equitable compared to other affected business sectors, and how those alternatives were identified.
- (5) Information Sources: describe the sources of information used to determine the benefits and costs, including the source of the Quantitative Factors. If dollar amounts are not available, indicate why not.
- (6) Optional: Use this space to add any further information regarding the data provided in this table, including calculations, qualitative assessments, etc.

Note: If any of the above information was included in Table 1, use the same information here.

Table 4: Impact on Small Businesses

(1) Direct Costs & Benefits	There will be no direct impact on small businesses.
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(2) Quantitative Factors	Estimated Dollar Amount
Direct Costs	(a)
Direct Benefits	(b)
(3) Indirect Costs & Benefits	
(4) Alternatives	
(5) Information Sources	
(6) Optional	

Changes to Number of Regulatory Requirements

For each individual VAC Chapter amended, repealed, or promulgated by this regulatory action, list (a) the initial requirement count, (b) the count of requirements that this regulatory package is adding, (c) the count of requirements that this regulatory package is reducing, (d) the net change in the number of requirements. This count should be based upon the text as written when this stage was presented for executive branch review. Five rows have been provided, add or delete rows as needed.

Table 5: Total Number of Requirements

Chapter number	Number of Requirements			
	Initial Count	Additions	Subtractions	Net Change
770	81	51	79	-28
820	126	55	111	-56
830	2	2	0	+2