



Economic Impact Analysis Virginia Department of Planning and Budget

18 VAC 65-20 – Regulations of the Board of Funeral Directors and Embalmers
Department of Health Professions
December 1, 2009

Summary of the Proposed Amendments to Regulation

The Board of Funeral Directors and Embalmers proposes to 1) clarify that the notification time frame for a change in ownership or management is consistent throughout the regulations, 2) clarify that the manager of a crematory is not required to be a licensed funeral provider, and 3) add the complete name of the forms referenced in the regulations.

Result of Analysis

The benefits likely exceed the costs for all proposed changes.

Estimated Economic Impact

The Board of Funeral Directors and Embalmers proposes to 1) clarify that owner or licensed manager is required to request a reinspection of the establishment within 30 days following a change in ownership, but is not required to notify the board within 30 days which is established as 14 days in section 60 of the regulations, 2) clarify that the manager of a crematory is not required to be a licensed funeral provider, and 3) add the complete name of the forms referenced in the regulations.

According to the Department of Health Professions all of the proposed changes are clarifications of the current requirements and do not represent a change in current policy or practice. Thus, no significant economic effect is expected other than reducing the likelihood for potential misunderstandings and the communication costs that may be associated with such misunderstandings.

Businesses and Entities Affected

There are approximately 507 licensed funeral establishments in Virginia. Of these, approximately 76 are stand-alone crematories that do not do business directly with the general public.

Localities Particularly Affected

The proposed regulations apply throughout the Commonwealth.

Projected Impact on Employment

No significant effect on employment is expected.

Effects on the Use and Value of Private Property

No significant effect on the use and value of private property is expected.

Small Businesses: Costs and Other Effects

Even though of the 507 licensed funeral establishments approximately 350 would be considered as small businesses, the proposed changes do not create any significant costs or other effects on small businesses.

Small Businesses: Alternative Method that Minimizes Adverse Impact

No adverse impact on small businesses is expected.

Real Estate Development Costs

No significant effect 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.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.