

Adverse impact notification sent to Joint Commission on Administrative Rules, House Committee on Appropriations, and Senate Committee on Finance (COV § 2.2-4007.04.C): Yes  Not Needed

If/when this economic impact analysis (EIA) is published in the *Virginia Register of Regulations*, notification will be sent to each member of the General Assembly (COV § 2.2-4007.04.B).



## Virginia Department of Planning and Budget Economic Impact Analysis

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**18 VAC 65 -20 Regulations of the Board of Funeral Directors and Embalmers**  
**Department of Health Professions**  
**Town Hall Action/Stage: 4806 / 8094**  
November 29, 2017

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### **Summary of the Proposed Amendments to Regulation**

The Board of Funeral Directors and Embalmers (Board) proposes to allow attendance at a meeting of the Board or a committee of the Board or at an informal conference or formal hearing to satisfy part of funeral service licensees, funeral directors and funeral embalmers license renewal requirements every other year.

### **Result of Analysis**

The benefits likely exceed the costs for all proposed changes.

### **Estimated Economic Impact**

The *Regulations of the Board of Funeral Directors and Embalmers* require that funeral service licensees, funeral directors and funeral embalmers complete a minimum of five hours per year of continuing education offered by a board-approved sponsor for license renewal in courses that emphasize the ethics, standards of practice, preneed contracts and funding, or federal or state laws and regulations governing the profession of funeral service. One hour per year must cover compliance with laws and regulations governing the profession. The Board proposes to allow that the one-hour requirement on compliance with laws and regulations be met once every two years by attendance at a meeting of the Board or a committee of the Board or at an informal conference or formal hearing.

According to the Department of Health Professions, at a recent meeting of the International Conference of Funeral Service Examining Boards it was reported that other states have adopted such a regulation and found it to be beneficial to practitioners. Attendance at board meetings or disciplinary hearings gives a licensee the perspective of issues facing funeral service and actions that may be deemed unethical or unprofessional.

### **Businesses and Entities Affected**

The proposed amendment directly applies to the 1,616 funeral service licensees, 2 licensed embalmers, and 49 licensed funeral directors in the Commonwealth,<sup>1</sup> and indirectly affects the 349 funeral homes in Virginia.<sup>2</sup> All funeral homes would qualify as small businesses.

### **Localities Particularly Affected**

The proposed amendment does not disproportionately affect particular localities.

### **Projected Impact on Employment**

The proposed amendment does not significantly affect employment.

### **Effects on the Use and Value of Private Property**

The proposed amendment does not significantly affect the use and value of private property.

### **Real Estate Development Costs**

The proposed amendment does not affect real estate development costs.

### **Small Businesses:**

#### **Definition**

Pursuant to § 2.2-4007.04 of the Code of Virginia, small business is defined as “a business entity, including its affiliates, that (i) is independently owned and operated and (ii) employs fewer than 500 full-time employees or has gross annual sales of less than \$6 million.”

#### **Costs and Other Effects**

The proposed amendment does not significantly affect costs for small businesses.

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<sup>1</sup> Licensure data source: Department of Health Professions

<sup>2</sup> Firm data source: Virginia Employment Commission

### **Alternative Method that Minimizes Adverse Impact**

The proposed amendment does not adversely affect small businesses.

#### **Adverse Impacts:**

##### **Businesses:**

The proposed amendment does not adversely affect businesses.

##### **Localities:**

The proposed amendment does not adversely affect localities.

##### **Other Entities:**

The proposed amendment does not adversely affect other entities.

#### **Legal Mandates**

**General:** The Department of Planning and Budget has analyzed the economic impact of this proposed regulation in accordance with § 2.2-4007.04 of the Code of Virginia (Code) and Executive Order Number 17 (2014). Code § 2.2-4007.04 requires that such economic impact analyses determine the public benefits and costs of the proposed amendments. Further the report should include but not be limited to: (1) the projected number of businesses or other entities to whom the proposed regulatory action would apply, (2) the identity of any localities and types of businesses or other entities particularly affected, (3) the projected number of persons and employment positions to be affected, (4) the projected costs to affected businesses or entities to implement or comply with the regulation, and (5) the impact on the use and value of private property.

**Adverse impacts:** Pursuant to Code § 2.2-4007.04(C): In the event this economic impact analysis reveals that the proposed regulation would have an adverse economic impact on businesses or would impose a significant adverse economic impact on a locality, business, or entity particularly affected, the Department of Planning and Budget shall advise the Joint Commission on Administrative Rules, the House Committee on Appropriations, and the Senate Committee on Finance within the 45-day period.

If the proposed regulatory action may have an adverse effect on small businesses, Code § 2.2-4007.04 requires that such economic impact analyses include: (1) an identification and estimate of the number of small businesses subject to the proposed regulation, (2) the projected reporting, recordkeeping, and other administrative costs required for small businesses to comply with the proposed regulation, including the type of professional skills necessary for preparing required reports and other documents, (3) a statement of the probable effect of the proposed regulation on affected small businesses, and (4) a description of any less intrusive or less costly alternative methods of achieving the purpose of the proposed regulation. Additionally, pursuant to Code § 2.2-4007.1, if there is a finding that a proposed regulation may have an adverse impact on small business, the Joint Commission on Administrative Rules shall be notified.