



Virginia Department of Planning and Budget **Economic Impact Analysis**

13 VAC 5-21 Virginia Certification Standards
Department of Housing and Community Development
Town Hall Action/Stage: 5249/8852
February 21, 2020

Summary of the Proposed Amendments to Regulation

The Board of Housing and Community Development (Board) proposes to amend 13 VAC 5-21 *Virginia Certification Standards* to make grammatical changes to improve clarity.

Background

In March 2019, the Board updated 13 VAC 5-51 *Virginia Statewide Fire Prevention Code* (fire code) to reference the latest nationally recognized codes and standards.¹ These updates included changes to the certifications required for fire officials. Hence, the Board also reviewed the regulation on certification standards to ensure it remained consistent with the fire code requirements. The Board proposes to replace “the required training necessary to attend and complete to obtain a certificate” with “the training required to be completed to obtain each certificate,” which simplifies the clause and reiterates that multiple certifications exist with unique requirements.

Estimated Benefits and Costs

The proposed amendment benefits readers of the regulation, especially those interested in obtaining a certification, by improving the clarity of the language. It does not introduce any additional costs.

¹ There is no associated regulatory action because the fire code regulation is exempt from the Administrative Process Act, as established via email correspondence at the NOIRA stage of this action.

Businesses and Other Entities Affected

Potential applicants for any certification from the Department of Housing and Community Development stand to benefit from having additional clarity. The proposed amendment does not introduce any new costs for businesses or other entities.

Small Businesses² Affected

The proposed amendment does not directly affect any small businesses. Individuals seeking certification may be self-employed or employed by a small business, but the number of such individuals is unknown and they would not face any new costs as a result of the proposed amendments.

Localities³ Affected⁴

The proposed amendment potentially affects individuals seeking certification in all localities. The proposed amendments are unlikely to introduce new costs for local governments.

Projected Impact on Employment

The proposed amendment is unlikely to cause any changes to total employment.

Effects on the Use and Value of Private Property

The proposed amendment is unlikely to affect the use or value of private property. Real estate development costs are unlikely to be affected.

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 14 (as amended, July 16, 2018). 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(D): 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

² 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.”

³ “Locality” can refer to either local governments or the locations in the Commonwealth where the activities relevant to the regulatory change are most likely to occur.

⁴ § 2.2-4007.04 defines “particularly affected” as bearing disproportionate material impact.

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.