

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

1 VAC 45-20 – Regulations for the Division of Human Rights
Department of Law
Town Hall Action/Stage: 4121/6835
November 4, 2016

Summary of the Proposed Amendments to Regulation

The Department of Law proposes to update and adopt the regulation that governed human rights complaints under the now defunct Virginia Human Rights Council.¹

Result of Analysis

Benefits outweigh costs for all proposed changes.

Estimated Economic Impact

In 2012, as part of the Governor's initiative to streamline executive branch agencies and regulation, the General Assembly abolished the Virginia Human Rights Council and moved its investigative functions to the Office of the Attorney General. In order to implement this statutory change, the Department of Law now proposes to adopt this Virginia Human Rights Council's regulation, update statutory references and correct obsolete language as well as add several definitions. None of the proposed changes to this regulation are substantive changes to the process of reporting suspected human rights violations and having those reports investigated. Consequently, no affected entity is likely to incur and cost or harm on account of these changes. These entities will benefit

¹ The Virginia Human Rights Council was eliminated, and its investigative functions were transferred to the Attorney General's office, by Chapter 803 of the 2012 Acts of the Assembly. Chapter 803 can be accessed electronically here: <http://leg1.state.va.us/cgi-bin/legp504.exe?ses=121&typ=bil&val=ch803>

from clarifying changes that, for instance, correct the address at which complaints can be filed in person or by mail and insert an email address so that complaints can be filed electronically.

Businesses and Entities Affected

These proposed regulatory changes will affect all individuals who file human rights complaints as well as the employers, places of public accommodation and education institutions that might be the subject of those complaints. Department of Law staff report that businesses with six or more employees are subject to this regulation and that they receive approximately 120 to 150 complaints per year alleging discrimination.

Localities Particularly Affected

These proposed regulatory changes will not particularly affect any locality.

Projected Impact on Employment

These proposed regulatory changes are unlikely to affect 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.

Real Estate Development Costs

These proposed regulatory changes are unlikely to affect real estate development costs in the Commonwealth.

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

No small businesses will be adversely affected by these proposed regulatory changes.

Alternative Method that Minimizes Adverse Impact

No small businesses will be adversely affected by these proposed regulatory changes.

Adverse Impacts:

Businesses:

No businesses will be adversely affected by these proposed regulatory changes.

Localities:

Localities in the Commonwealth are unlikely to see any adverse impacts on account of these proposed regulatory changes.

Other Entities:

No other entities are likely to be adversely affected by these proposed changes.

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.

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