

Office of Regulatory Management
Economic Review Form

Agency name	State Board of Social Services
Virginia Administrative Code (VAC) Chapter citation(s)	22VAC40-675
VAC Chapter title(s)	Personnel Policies for Local Departments of Social Services
Action title	Update Personnel Policies for Local Departments of Social Services to Align with Federal Law
Date this document prepared	December 13, 2023
Regulatory Stage (including Issuance of Guidance Documents)	Exempt

Cost Benefit Analysis

Complete Tables 1a and 1b for all regulatory actions. You do not need to complete Table 1c if the regulatory action is required by state statute or federal statute or regulation and leaves no discretion in its implementation.

Table 1a should provide analysis for the regulatory approach you are taking. Table 1b should provide analysis for the approach of leaving the current regulations intact (i.e., no further change is implemented). Table 1c should provide analysis for at least one alternative approach. You should not limit yourself to one alternative, however, and can add additional charts as needed.

Report both direct and indirect costs and benefits that can be monetized in Boxes 1 and 2. Report direct and indirect costs and benefits that cannot be monetized in Box 4. See the ORM Regulatory Economic Analysis Manual for additional guidance.

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

<p>(1) Direct & Indirect Costs & Benefits (Monetized)</p>	<p>Regulation Background: The Virginia Social Services System is state-supervised and locally administered. Local departments of social services (LDSS) do not follow the same personnel policies as the Virginia Department of Social Services (VDSS) because, unlike VDSS, LDSS employees are employees of their individual localities and are not employed by the Commonwealth of Virginia.</p> <p>The personnel policies followed by the LDSS are approved by the State Board of Social Services, authored by VDSS, and contained in a policy manual entitled, “The LDSS Administrative/HR Manual” (hereafter referred to as “the Manual”). VDSS acts in a consultative capacity with the local departments regarding the Manual. The authority for both the policies and the Manual come from §§ 63.2-217 & 219 of the Code of Virginia. 22VAC40-675 sets out regulatory requirements related to the contents and use of the Manual.</p> <p>Purpose of this Action: This exempt action relates to 22VAC40-675-210, Political Activity. Section 210 concerns the Hatch Act (5 USC §§ 1501-1508) and its application to local government employees. The current section is out of compliance with federal code, in that it does not account for changes made in the Hatch Act Modernization Act of 2012. In this exempt action, we are making the necessary corrections to the language of regulation to bring the regulation into compliance with federal code.</p> <p>The corrections are discussed specifically in (4) of this table and are listed under non-monetized changes; a “Recommended Changes” chart is attached to show the differences between the current language and the proposed revisions. There are no anticipated monetized costs/benefits for this change.</p>	
<p>(2) Present Monetized Values</p>	<p>Direct & Indirect Costs</p>	<p>Direct & Indirect Benefits</p>
	<p>(a) N/A</p>	<p>(b) N/A</p>
<p>(3) Net Monetized Benefit</p>	<p>N/A</p>	
<p>(4) Other Costs & Benefits (Non-Monetized)</p>	<p>22VAC40-675-210A:</p> <ul style="list-style-type: none"> Clarification of Subsection A and Paragraph 1. to align the regulation more closely with federal code. 	

	<ul style="list-style-type: none"> • Addition of the word “partisan” and phrase “...if the salary of the employee is paid completely, directly or indirectly, by loans or grants made by the United States or a federal agency,” to Paragraph 3. to comply with the Hatch Act Modernization Act of 2012. • Citation: 5 USC §§ 1501-1508 (based on 2012 amendment, the “Hatch Act Modernization Act of 2012”). <p>22VAC40-675-210C:</p> <ul style="list-style-type: none"> • Correction of misspelling/improper word use (“...principle...” was used versus “...principal...”). <p>22VAC40-675-210D: Addition of phrase “...and applicable state and local laws, regulations, and ordinances,” for additional clarity as there are other Virginia Code sections that apply, and applicable local codes may apply as well.</p>
(5) Information Sources	<ul style="list-style-type: none"> • 5 USC §§ 1501-1508 – Hatch Act • Hatch Act Modernization Act of 2012

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

(1) Direct & Indirect Costs & Benefits (Monetized)	Change is required due to need for compliance with federal code; maintaining the current state of the regulation is not an option.	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) N/A	(b) N/A
(3) Net Monetized Benefit		
(4) Other Costs & Benefits (Non-Monetized)	N/A	
(5) Information Sources	N/A	

Table 1c: Costs and Benefits under Alternative Approach(es)

(1) Direct & Indirect Costs & Benefits (Monetized)	There are no alternative approaches.
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(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) N/A	(b) N/A
(3) Net Monetized Benefit	N/A	
(4) Other Costs & Benefits (Non-Monetized)	N/A	
(5) Information Sources	N/A	

Impact on Local Partners

Use this chart to describe impacts on local partners. See Part 8 of the ORM Cost Impact Analysis Guidance for additional guidance.

Table 2: Impact on Local Partners

(1) Direct & Indirect Costs & Benefits (Monetized)	There are no anticipated monetized costs/benefits for this change.	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) N/A	(b) N/A
(3) Other Costs & Benefits (Non-Monetized)	N/A	
(4) Assistance	N/A	
(5) Information Sources	N/A	

Impacts on Families

Use this chart to describe impacts on families. See Part 8 of the ORM Cost Impact Analysis Guidance for additional guidance.

Table 3: Impact on Families

(1) Direct & Indirect Costs & Benefits (Monetized)	There is no expected impact on families.	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) N/A	(b) N/A
(3) Other Costs & Benefits (Non-Monetized)	N/A	
(4) Information Sources	N/A	

Impacts on Small Businesses

Use this chart to describe impacts on small businesses. See Part 8 of the ORM Cost Impact Analysis Guidance for additional guidance.

Table 4: Impact on Small Businesses

(1) Direct & Indirect Costs & Benefits (Monetized)	There is no expected impact on small businesses.	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) N/A	(b) N/A
(3) Other Costs & Benefits (Non-Monetized)	N/A	
(4) Alternatives	N/A	
(5) Information Sources	N/A	

Changes to Number of Regulatory Requirements

Table 5: Regulatory Reduction

For each individual action, please fill out the appropriate chart to reflect any change in regulatory requirements, costs, regulatory stringency, or the overall length of any guidance documents.

Change in Regulatory Requirements

VAC Section(s) Involved*	Authority of Change	Initial Count	Additions	Subtractions	Net Change
22VAC40-675-210	Statutory:	8	0	0	0
	Discretionary:	0	0	0	0
				Total Net Change of Statutory Requirements:	0
				Total Net Change of Discretionary Requirements:	0

Cost Reductions or Increases (if applicable)

VAC Section(s) Involved*	Description of Regulatory Requirement	Initial Cost	New Cost	Overall Cost Savings/Increases
N/A	N/A	N/A	N/A	N/A

Other Decreases or Increases in Regulatory Stringency (if applicable)

VAC Section(s) Involved*	Description of Change	Overview of How It Reduces or Increases Regulatory Burden
N/A	N/A	N/A

Length of Guidance Documents (only applicable if guidance document is being revised)

Title of Guidance Document	Original Length	New Length	Net Change in Length
Guidance Document	N/A	N/A	N/A

*If the agency is modifying a guidance document that has regulatory requirements, it should report any change in requirements in the appropriate chart(s).