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Exempt Action Final Regulation Agency Background Document

Agency name	Board for Contractors
Virginia Administrative Code (VAC) citation(s)	18 VAC 50-22
Regulation title(s)	Board for Contractors Regulations
Action title	Amendment to RM and DE requirements
Final agency action date	August 6, 2019
Date this document prepared	August 8, 2019

While a regulatory action may be exempt from executive branch review pursuant to § 2.2-4002 or § 2.2-4006 of the *Code of Virginia*, the agency is still encouraged to provide information to the public on the Regulatory Town Hall using this form. However, the agency may still be required to comply with the Virginia Register Act, Executive Order 14 (as amended, July 16, 2018), the Regulations for Filing and Publishing Agency Regulations (1 VAC7-10), and the *Virginia Register Form, Style, and Procedure Manual for Publication of Virginia Regulations*.

Brief Summary

Please provide a brief summary (preferably no more than 2 or 3 paragraphs) of this regulatory change (i.e., new regulation, amendments to an existing regulation, or repeal of an existing regulation). Alert the reader to all substantive matters. If applicable, generally describe the existing regulation.

This regulatory reduction action will allow a contractor to have more than one individual complete the business examination required of Designated Employees, allowing the firm to have an alternate readily available to be named the Designated Employee in the event the current Designated Employee leaves. By having this individual already complete the examination requirements, the burden of having to identify a new Designated Employee and have them successfully complete the examination within the required time frame set forth in the regulations, is reduced.

Additionally, the amendment extends the time frame for reporting and registering a new Designated Employee or member of Responsible Management from 90 days to 120 days, further reducing the compliance burden on licensees.

Mandate and Impetus

Please identify the mandate for this regulatory change, and any other impetus that specifically prompted its initiation (e.g., new or modified mandate, internal staff review, petition for rulemaking, periodic review, board decision, etc.). "Mandate" is defined as "a directive from the General Assembly, the federal government, or a court that requires that a regulation be promulgated, amended, or repealed in whole or part."

Chapter 503 of the 2019 Acts of the Assembly directed the Board for Contractors to revise its regulations to allow multiple individuals from a single firm to sit for the Designated Employee business examination and to review current regulations and procedures pertaining to the time allowed for changes of the Designated Employee. Because the majority of Designated Employees are also members of Responsible Management, the Board determined it appropriate to extend the time allowed for those changes as well.

Statement of Final Agency Action

Please provide a statement of the final action taken by the agency including: 1) the date the action was taken; 2) the name of the agency taking the action; and 3) the title of the regulation.

- 1) The Board for Contractors adopted these regulations at its meeting on August 6, 2019.
- 2) The Board for Contractors.
- 3) Board for Contractors Regulations.

Periodic Review Small Business Impact Review Report of Findings

The Board for Contractors is not using this action to report the result of a periodic review or small business impact review of its regulations.