



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

18 VAC 90-19 Regulations Governing the Practice of Nursing
Department of Health Professions
Town Hall Action/Stage: 6198 / 10963
March 16, 2026

The Department of Planning and Budget (DPB) 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 19. The analysis presented below represents DPB's best estimate of the potential economic impacts as of the date of this analysis.¹

Summary of the Proposed Amendments to Regulation

As a result of a 2022 periodic review,² the Board of Nursing (Board) proposes to 1) extend the period during which a graduate who has filed a completed application and been issued an eligibility to test letter may practice nursing from 90 days to 120 days, 2) extend the amount of time a foreign applicant who has submitted all required materials to practice while awaiting a credentials review to finish from 90 days to 120 days, 3) extend the period an applicant for licensure by endorsement who has submitted all required licensure materials may practice while the Board waits for results from the credentials review from 30 days to 90 days, 4) allow a notice of license renewal to be sent electronically, 5) allow any documentation to be a satisfactory means of proving compliance with the continuing education requirements rather than just original documentation, 6) allow attestation of graduation from an approved Virginia program to suffice for proof of education, 7) eliminate an option to earn 100 hours of credit towards the required 500 hours of supervised, direct, hands-on client care from applicants for a registered

¹ Code § 2.2-4007.04 requires that such economic impact analyses determine the public benefits and costs of the proposed amendments. Further the analysis 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.

² <https://townhall.virginia.gov/L/ViewPReview.cfm?PRid=2128>

nurse provisional license who have successfully completed certain nursing education programs, and 8) make numerous editorial and formatting changes to update and clarify requirements and improve readability.

Background

This regulation establishes rules for registered and licensed practical nurses. Following a periodic review in 2022, the Board proposes numerous amendments to ensure the regulation is up-to-date and remove any unnecessary or outdated language.

Additionally, some of the proposed changes would allow recent graduates, foreign applicants, and licensure by endorsement applicants to practice for a longer period while the licensure process is ongoing. More specifically, the proposal would 1) extend the period during which a graduate who has filed a completed application and been issued an eligibility to test letter may practice nursing from 90 days to 120 days, 2) extend the amount of time a foreign applicant who has submitted all required materials to practice while awaiting a credentials review to finish from 90 days to 120 days, and 3) extend the period an applicant for licensure by endorsement who has submitted all required licensure materials may practice while the Board waits for results from the credentials review from 30 days to 90 days.

The Board also proposes several other changes that are administrative in nature. These include 4) allowing a notice of renewal to be sent electronically, 5) allowing any documentation to be satisfactory to prove compliance with the continuing education requirements rather than original documentation, and 6) allowing attestation of graduation from an approved Virginia program to suffice for proof of education.

Finally, the Board proposes to 7) eliminate an option to earn 100 hours of credit towards the required 500 hours of supervised, direct, hands-on client care from applicants for a registered nurse provisional license who have successfully completed a nursing education program that:

- a. Requires students to pass competency-based assessments of nursing knowledge as well as a summative performance assessment of clinical competency that has been evaluated by the American Council on Education [ACE] or any other board-approved organization; and
- b. Has a passage rate for first-time test takers on the NCLEX [National Council Licensure Examination] that is not less than 80%, calculated on the cumulative results of the past four quarters of all graduates in each calendar year regardless of where the graduate is seeking licensure.

Estimated Benefits and Costs

The proposed changes numbered one through three would allow recent graduates, foreign applicants, and licensure by endorsement applicants to practice 30-days or 60-days longer while the licensure process is ongoing. According to the Department of Health Professions (DHP), this would allow greater flexibility for graduates to practice in case of potential delays in receiving test scores from the national test provider. Similarly, foreign applicants and applicants for licensure by endorsement would be provided more time to practice while awaiting completion of an administrative step. These changes should reduce the probability of such applicants having to stop practice due to delays in obtaining test scores or credentials review.

The proposed changes numbered four through six are expected to reduce administrative costs related to license renewal notification and proof of education/continuing education credits in addition to decreasing the time involved in the process.

The proposed change numbered 7 would eliminate an option to earn 100 hours of credit towards the required 500 hours of supervised, direct, hands-on client care. This option has been available to applicants for a registered nurse provisional license who have successfully completed nursing education programs that require students to meet both the competency assessment offered by ACE and the minimum program NCLEX pass rate. According to DHP, this option is no longer viable because ACE no longer appears to offer a skills competency assessment for nursing. Because this competency assessment is a vital requirement, the Board proposes to remove this option. Additionally, DHP staff are unaware of any individual who has attempted to apply for 100 hours of credit using this option. Since this option appears to have no practical applicability, its removal should not create any significant economic effects.

The remaining changes are editorial in nature and are expected to clarify existing requirements and improve readability of the regulatory text.

Businesses and Other Entities Affected

According to DHP, there are 125,815 registered nurses and 26,789 licensed practical nurses in Virginia.³ DHP reports that there were 5,899 new graduates licensed by examination, 4,219 individuals newly licensed by endorsement, and 1,219 foreign applicants in 2025. No regulant appears to be disproportionately affected.

³ <https://www.dhp.virginia.gov/about/stats/2026Q2/04CurrentLicenseCountQ2FY2026.pdf>

The Code of Virginia requires DPB to assess whether an adverse impact may result from the proposed regulation.⁴ An adverse impact is indicated if there is any increase in net cost or reduction in net benefit for any entity, even if the benefits exceed the costs for all entities combined.⁵ As noted above, the proposals would not increase costs or reduce benefits to regulated nurses. Thus, an adverse impact is not indicated.

Small Businesses⁶ Affected:⁷

The proposed amendments do not appear to adversely affect small businesses.

Localities⁸ Affected⁹

The proposed amendments do not introduce costs for localities, nor do they disproportionately affect any locality.

Projected Impact on Employment

The proposed amendments, numbered one to three, are expected to reduce the likelihood of recent graduates, foreign applicants, and licensure by endorsement applicants having to stop practice due to delays in obtaining test scores or credentials review while their licensing process is ongoing.

⁴ 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 Budget shall advise the Joint Commission on Administrative Rules, the House Committee on Appropriations, and the Senate Committee on Finance.

⁵ Statute does not define “adverse impact,” state whether only Virginia entities should be considered, nor indicate whether an adverse impact results from regulatory requirements mandated by legislation. As a result, DPB has adopted a definition of adverse impact that assesses changes in net costs and benefits for each affected Virginia entity that directly results from discretionary changes to the regulation.

⁶ 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.”

⁷ 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.

⁸ “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.

⁹ § 2.2-4007.04 defines “particularly affected” as bearing disproportionate material impact.

Effects on the Use and Value of Private Property

The proposed changes directly pertain to the nurses but not businesses. Thus, no effect on the use and value of private property nor on real estate development costs is expected.