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**

18 VAC 90 •20 Regulations of the Board of Nursing Department of Health Professions
Town Hall Action/Stage: 4687 / 7726

November 7, 2016

## **Summary of the Proposed Amendments to Regulation**

The Board of Nursing (Board) proposes to accept an attestation of graduation from an approved nursing educational program in lieu of a transcript in order for candidates to take the licensure examination.

## **Result of Analysis**

The benefits likely exceed the costs for all proposed changes.

# **Estimated Economic Impact**

Under the current regulation candidates for registered nurse licensure and practical nurse licensure are eligible to take the National Council Licensure Examination "(i) upon receipt by the board of the completed application, fee and an official transcript from the nursing education program; and (ii) when a determination has been made that no grounds exist upon which the board may deny licensure pursuant to § 54.1-3007 of the Code of Virginia." The Board proposes to accept either an official transcript or attestation of graduation from the nursing education program.

Under the proposed regulation, nursing education programs could submit a listing of their current graduating class to the Department of Health Professions (DHP) with an attestation that they have met the requirements for graduation including the clinical experience hours required

for licensure. When an applicant submits her application, she would identify her educational program, and the Board could readily ascertain whether the applicant is on the list as a graduate. There would be no need to obtain an official transcript from the program. This would reduce the nursing education programs' costs of producing and sending individual transcripts and would save the nursing licensure applicant the time and cost of requesting that their transcript be sent, while ensuring that DHP and the Board have the relevant information concerning which candidates have met the education requirement. Thus the proposed amendment would create a net benefit.

## **Businesses and Entities Affected**

The proposed amendment potentially affects all 139 approved nursing educational programs in the Commonwealth.<sup>1</sup> Nursing education programs may be small businesses or housed within a large hospital system or university.

## **Localities Particularly Affected**

The proposed amendment does not disproportionately affect particular localities.

# **Projected Impact on Employment**

The proposed amendment does not significantly affect employment.

# **Effects on the Use and Value of Private Property**

The proposed amendment does not significantly affect the use and value of private property.

# **Real Estate Development Costs**

The proposed amendment does not affect real estate development costs.

#### 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."

<sup>&</sup>lt;sup>1</sup> Data source: Department of Health Professions

## **Costs and Other Effects**

The proposed amendment would reduce administrative costs for small nursing programs.

## **Alternative Method that Minimizes Adverse Impact**

The proposed amendment does not adversely affect small businesses.

# **Adverse Impacts:**

## **Businesses:**

The proposed amendment does not adversely affect businesses.

## Localities:

The proposed amendment does not adversely affect localities.

## Other Entities:

The proposed amendment does not adversely affect other entities.

## **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.