



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

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### **22 VAC 45-30 Regulations Governing the Sale and Distribution of Goods and Articles Made By Blind Persons**

**Department for the Blind and Vision Impaired**

**Town Hall Action/Stage: 5502 / 9124**

January 22, 2021

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

The Department for the Blind and Vision Impaired (DBVI) proposes to correct the agency name, replace the incorrectly used word “permit” with the word “registration,” update references to the Code of Virginia, and clarify the language in general.

### **Background**

This regulation requires any person or business engaged in the manufacture, sale, or distribution of any goods purporting to have been made by a person who is blind to register with DBVI in order to use a label or symbol designed or approved by DBVI to identify such goods and articles as made by blind persons. Registration must be renewed annually. No fees are required to register. The regulation does not apply to blind persons selling their own produced goods.

In essence, this regulation facilitates identification of goods and articles made by persons who are blind and organizations established to assist persons who are blind in the sale of goods or articles by providing a means of authenticating the source of such goods and articles; the regulation prevents misrepresentation of these same persons.

Product labeling is a tool to inform the consumers about the maker of the product so that if they have a preference to purchase goods made by blind or vision impaired individuals or their willingness to pay is higher for such goods they are able to do so with the information provided by the labeling allowed under this regulation.

## **Estimated Benefits and Costs**

The proposed changes include: updating references to the Code of Virginia, replacing the incorrectly used word “permit” with the correct word “registration,” correcting the agency name, and clarifying the language in general.

None of the proposed changes appear to have any impact on how this regulation would be implemented. Thus, no economic effect is expected from the proposed changes other than improving the accuracy and the clarity of the regulatory text.

## **Businesses and Other Entities Affected**

Using the American Community Survey 2018 5-year estimates and the Weldon Cooper Center July 2019 population estimates, DBVI estimates there are 95,684 individuals between the ages 18 to 64, and 80,176 individuals 65 and older with blindness or vision loss in Virginia. However, DBVI have received no applications for registration in at least 20 years.<sup>1</sup> Thus, the proposed changes are not expected to affect any entities at this time. In addition, the proposed changes do not introduce any costs or other effects. So, no adverse impact<sup>2</sup> is indicated and no entity appears to be disproportionately affected.

### **Small Businesses<sup>3</sup> Affected:**

The proposed amendments do not adversely affect small businesses.

### **Localities<sup>4</sup> Affected<sup>5</sup>**

The proposed amendments do not affect localities.

## **Projected Impact on Employment**

The proposed amendments do not affect total employment.

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

The proposed amendments do not affect the use and value of private property.

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<sup>1</sup> DBVI reports that it considered repealing this regulation. However, § 51.5-101 of the Code of Virginia specifically requires that agency adopt a regulation for administration of the statute.

<sup>2</sup> Adverse impact is indicated if there is any increase in net cost or reduction in net revenue for any entity, even if the benefits exceed the costs for all entities combined.

<sup>3</sup> 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>4</sup> “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.

<sup>5</sup> § 2.2-4007.04 defines “particularly affected” as bearing disproportionate material impact.

## 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 14 (as amended, July 16, 2018). 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(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 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.