

Office of Regulatory Management
Economic Review Form

Agency name	Board for Architects, Professional Engineers, Land Surveyors, Certified Interior Designers, and Landscape Architects
Virginia Administrative Code (VAC) Chapter citation(s)	18VAC10-20
VAC Chapter title(s)	Board for Architects, Professional Engineers, Land Surveyors, Certified Interior Designers, and Landscape Architects Regulations
Action title	Fee Adjustment
Date this document prepared	July 22, 2024 (revised December 19, 2024)
Regulatory Stage (including Issuance of Guidance Documents)	Final (Action 5594 / Stage 10612)

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>The Board is currently operating at an annual deficit. Due to increased Board costs, increased staffing costs, increased facility costs, and increased IT service costs, it is projected that the Board will exhaust all operating funds by FY2026. The Board must increase fees for architects, professional engineers, land surveyors, certified interior designers, and landscape architects if the Board is to remain solvent.</p> <p>This fee increase will result in a transfer from the licensees to the Board, resulting in the offset of costs and benefits. DPOR does not expect a change in licensees or market participation due to this change.</p> <p>Direct Costs: As this regulatory action results in only a transfer payment, there are no additional monetizable direct costs associated with the regulatory change.</p> <p>Indirect Costs: As this regulatory action results in only a transfer payment, there are no additional monetizable indirect costs associated with the regulatory change.</p> <p>Direct Benefits: As this regulatory action results in only a transfer payment, there are no additional monetizable direct benefits associated with the regulatory change.</p> <p>Indirect Benefits: As this regulatory action results in only a transfer payment, there are no additional monetizable indirect benefits associated with the regulatory change.</p>	
<p>(2) Present Monetized Values</p>	<p>Direct & Indirect Costs</p>	<p>Direct & Indirect Benefits</p>
	<p>(a) \$0</p>	<p>(b) \$0</p>
<p>(3) Net Monetized Benefit</p>	<p>\$0</p>	
<p>(4) Other Costs & Benefits (Non-Monetized)</p>	<p>Benefits:</p> <ul style="list-style-type: none"> This regulatory change allows the Board to continue to deliver services to the regulated community and the public. Specifically, there would not be delays in processing applications and issuing licenses to applicants who are required to obtain and maintain credentials to perform the business of architects, professional engineers, land surveyors, certified interior designers, and 	

	<p>landscape architects.</p> <ul style="list-style-type: none"> • This regulatory change allows the Board and DPOR to maintain public protection as it will ensure regulated professionals are performing duties in a manner that protects the health, safety, and welfare of the public. • This regulatory change allows DPOR and the Board to remain in compliance with the Callahan Act and other applicable statutes. <p>Costs: There are no additional nonmonetizable costs associated with this regulatory change.</p>
(5) Information Sources	The revenue projections and fee analysis used in this research came from the finance section of DPOR. The number of applicants, renewals, and reinstatements predicted by the finance section stems from historic trends, expected renewal dates, and any anticipated changes in the profession with an impact on volume.

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

(1) Direct & Indirect Costs & Benefits (Monetized)	<p>The Board is currently operating in a deficit. Over the past five (5) years Board costs have increased by 22% and 76% since the last fee increase in 2004. This is due to increases in operating expenses, staffing, facility fees, and IT services.</p> <p>Direct Costs: There are no additional monetizable direct costs associated with maintaining the status quo.</p> <p>Indirect Costs: There are no additional monetizable indirect costs associated with maintaining the status quo.</p> <p>Direct Benefits: There are no additional monetizable direct benefits associated with maintaining the status quo.</p> <p>Indirect Benefits: There are no additional monetizable indirect benefits associated with maintaining the status quo.</p>	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) \$0	(b) \$0
(3) Net Monetized Benefit	\$0	
(4) Other Costs & Benefits (Non-Monetized)	<p>Costs:</p> <ul style="list-style-type: none"> • Maintaining the status quo will cause the Board to exhaust operating funds by FY2026. This will result in reduction of 	

	<p>services by the Board, which delays the issuance of licenses thereby creating barriers to applicants’ and licensees’ ability to work. Additionally, DPOR will be less effective in ensuring activities are carried out in a manner that protects the public health, safety, and welfare.</p> <ul style="list-style-type: none"> • Maintaining the status quo may result in the need for DPOR to request a loan from the general fund to cover the Board’s deficit and supplement continued operation. This would be a short-term solution and only delay the inevitable need to increase fees. Doing this would also require future fee increases to be greater in order to cover loan repayment. • Maintaining the status quo may require that DPOR receive general funds to supplement Board activities. Currently, DPOR does not receive any general fund revenue and its boards are intended by law to be self-funded. Should DPOR require general fund revenue, amendments to the Code of Virginia and the Appropriation Act would be necessary. <p>Benefits: There are no identified additional nonmonetizable benefits associated with the maintaining the status quo.</p>
(5) Information Sources	Information about the Board’s revenue was provided by DPOR’s finance section.

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

(1) Direct & Indirect Costs & Benefits (Monetized)	Refer to Box #4	
(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)	No alternative approaches that will sustain the Board’s operability were identified in the development of this action.	
(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.

Local partners are not directly or indirectly affected by the regulatory change.

Impacts on Families

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

No direct or indirect impact on families is anticipated.

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)	See Box #3.	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) N/A	(b) N/A
(3) Other Costs & Benefits (Non-Monetized)	<p>The Board issues licenses to individuals. Firms are required to register with the Board.</p> <p>Firms that are required to apply for and maintain a registration with the Board may be small businesses that will be affected by the fee increase. In addition, many licensed professionals are likely owners or employees of firms that may be considered small businesses.</p>	
(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	Total Net Change in Requirements
20-90	(M/A):	0	0	0	0
	(D/A):	2	0	0	0
	(M/R):	0	0	0	0
	(D/R):	0	0	0	0
20-170	(M/A):	0	0	0	0
	(D/A):	2	0	0	0
	(M/R):	0	0	0	0
	(D/R):	0	0	0	0
20-280	(M/A):	0	0	0	0
	(D/A):	2	0	0	0
	(M/R):	0	0	0	0
	(D/R):	0	0	0	0
20-400	(M/A):	0	0	0	0
	(D/A):	2	0	0	0
	(M/R):	0	0	0	0
	(D/R):	0	0	0	0
20-470	(M/A):	0	0	0	0
	(D/A):	2	0	0	0
	(M/R):	0	0	0	0
	(D/R):	0	0	0	0
20-630	(M/A):	0	0	0	0
	(D/A):	2	0	0	0
	(M/R):	0	0	0	0
	(D/R):	0	0	0	0
20-670	(M/A):	1	0	0	0
	(D/A):	2	0	0	0
	(M/R):	0	0	0	0
	(D/R):	10	1	1	0
20-680	(M/A):	1	0	0	0
	(D/A):	2	0	0	0
	(M/R):	1	0	0	0
	(D/R):	10	0	2	-2

Grand Total of Changes in Requirements:	(M/A): 0
	(D/A): 0
	(M/R): 0
	(D/R): -2

Key:

Please use the following coding if change is mandatory or discretionary and whether it affects externally regulated parties or only the agency itself:

(M/A): Mandatory requirements mandated by federal and/or state statute affecting the agency itself

(D/A): Discretionary requirements affecting agency itself

(M/R): Mandatory requirements mandated by federal and/or state statute affecting external parties, including other agencies

(D/R): Discretionary requirements affecting external parties, including other agencies

Cost Reductions or Increases (if applicable)

VAC Section(s) Involved*	Description of Regulatory Requirement	Initial Cost	New Cost	Overall Cost Savings/Increases
20-90	Application fees for initial architect license; architect license by comity; and renewal of licenses.	Initial license and license by comity: \$75 License renewal: \$55	Initial license and license by comity: \$185 License renewal: \$185	Initial license and license by comity: +\$110 (+147%) License renewal: +\$130 (+236%)
20-170	Application fees for engineer-in-training (EIT) designation; initial professional engineer license; professional engineer license by comity; and renewal of licenses.	EIT designation: \$30 Initial license and license by comity: \$60 License renewal: \$80	EIT designation: \$85 Initial license and license by comity: \$185 License renewal: \$185	EIT designation: +\$55 (183%) Initial license and license by comity: +\$125 (+208%) License renewal: +\$105 (+132%)
20-280	Application fees for surveyor-in-training (SIT) designation; initial land surveyor license; initial land surveyor photogrammetrist; initial land surveyor B license; license by comity; and renewal	SIT designation: \$60 Initial license and license by comity: \$90 License renewal: \$90	SIT designation: \$85 Initial license and license by comity: \$185 License renewal: \$185	SIT designation: +\$25 (+42%) Initial license and license by comity: +\$95 (+106%) License renewal: +\$95 (+106%)

	of licenses.			
20-400	Application fees for initial landscape architect license; license by comity; and renewal of licenses.	Initial license and license by comity: \$125 License renewal: \$110	Initial license and license by comity: \$185 License renewal: \$185	Initial license and license by comity: +\$60 (+48%) License renewal: +\$75 (+68%)
20-470	Application fees for initial interior designer certification; certification by comity; and renewal of certifications.	Initial certification and certification by comity: \$45 Certification renewal: \$45	Initial certification and certification by comity: \$185 Certification renewal: \$185	Initial certification and certification by comity: +\$140 (+311%) Certification renewal: +\$140 (+311%)
20-630	Application fees for business entity registration; business entity branch office registration; and renewal of registrations.	Business entity registration: \$90 Branch office registration: \$45 Business entity registration renewal: \$45 Branch office registration renewal: \$35	Business entity registration: \$250 Branch office registration: \$150 Business entity registration renewal: \$250 Branch office registration renewal: \$250	Business entity registration: +\$160 (+180%) Branch office registration: +\$105 (+233%) Business entity registration renewal: +\$205 (+460%) Branch office registration renewal: +\$215 (+614%)
20-670	Fee for late renewal of license or certification, or registration.	Late renewal fee for licenses and certifications: \$25 Late renewal fee for business entity and branch office registrations: \$25	Late renewal fee for licenses and certifications: \$175 Late renewal fee for business entity and branch office registrations: \$200	Late renewal fee for licenses and certifications: +\$150 (+600%) Late renewal fee for business entity and branch office registrations: +\$175 (+700%)
20-680	Fee for reinstatement of license or	Reinstatement fee for licenses,	Reinstatement fee for licenses,	Reinstatement fee for licenses, certificates,

	certification, or registration.	certificates, and registrations expired less than five (5) years: \$100 Reinstatement fee for licenses, certificates, and registrations expired more than five (5) years: \$250	certificates, and registrations expired less than five (5) years: \$250 Reinstatement fee for licenses, certificates, and registrations expired more than five (5) years: \$375	and registrations expired less than five (5) years: +\$150 (+150%) Reinstatement fee for licenses, certificates, and registrations expired more than five (5) years: +\$125 (+50%)
--	---------------------------------	--	--	---

Other Decreases or Increases in Regulatory Stringency (if applicable)

VAC Section(s) Involved*	Description of Regulatory 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 Word Count	New Word Count	Net Change in Word Count
N/A	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).