

Office of Regulatory Management
Economic Review Form

Agency name	Department for Aging and Rehabilitative Services
Virginia Administrative Code (VAC) Chapter citation(s)	22 VAC 30-20 22VAC 30-60
VAC Chapter title(s)	Provision of Vocational Rehabilitation Services Grants to Area Agencies on Aging
Action title	WIOA Combined State Plan (2024-2027): VR and SCSEP Sections Deletion of SCSEP State Plan Modification
Date this document prepared	September 12, 2024
Regulatory Stage (including Issuance of Guidance Documents)	Guidance Document Update

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.

Background: The Workforce Innovation and Opportunity Act (WIOA) requires the Governor of each state to submit a State Plan to the U.S. Departments of Education (ED) and Labor (DOL) which outlines the state’s four-year strategy for its workforce development system. States must have federally-approved WIOA State Plans to receive funding for the WIOA six core programs in their workforce systems. States may submit a Unified or Combined State Plan (CSP) that outlines the workforce strategy for the WIOA six core programs plus one or more of the CSP partner programs. For program years 2024-2027 (July 1, 2024 through June 30, 2028), Virginia opted to submit a CSP. The development of Virginia’s CSP is led by the Virginia Workforce Development Board.

The Department for Aging and Rehabilitative Services (DARS) is responsible for drafting the Vocational Rehabilitation (VR) and the State Community Service Employment Program (SCSEP) sections.

The full draft CSP was put out for a public comment period from February 26-March 10, 2024. In addition, DARS held two virtual public hearings on January 3 and 4, 2024 regarding the VR section. The final CSP was submitted through the WIOA State Plan Portal on April 1, 2024. **On June 27, 2024, Governor Youngkin was notified that the U.S. Departments of Education and Labor approved Virginia’s four-year WIOA Combined State Plan, which took effect on July 1, 2024.**

In this guidance document action, DARS is updating the agency’s WIOA Combined State Plan (2024-2027) filing on Town Hall to only include the VR and SCSEP sections. In addition, the SCSEP State Plan Modification, an existing standalone guidance document on Town Hall, will be deleted since it is no longer needed.

Table 1a: Costs and Benefits of the Proposed Changes (Primary Option)

<p>(1) Direct & Indirect Costs & Benefits (Monetized)</p>	<p>As required by 20 CFR Parts 676, 677 and 678 and 34 CFR Parts 341 and 463, CSPs outline how states will use federal, state, and other sources of funds to support each state’s workforce development system. DARS is responsible for the VR program and SCSEP components.</p> <p>The new CSP has been approved by Governor Youngkin and the U.S. Departments of Labor and Education. It took effect on July 1, 2024.</p> <p>Direct Costs: 0</p> <p>Indirect Costs: 0</p> <p>Direct Benefits: The direct benefit of the new CSP VR and SCSEP sections is Virginia will continue to receive federal funding (\$73 million annually for the VR program and roughly \$1.7 million annually for SCSEP). With this funding DARS can continue to support these workforce programs.</p>
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	<p>Indirect Benefits: The indirect benefits of the approval of the VR and SCSEP sections of the CSP include: 1) the continued receipt of federal funds, which can serve as match funds for partners that seek additional resources to support workforce programs, and 2) it maintains the continuity of operations for programs that help older adults and individuals with disabilities achieve employment.</p>	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a)	(b) \$74.7 million annually in federal funding
(3) Net Monetized Benefit	\$74.7 million	
(4) Other Costs & Benefits (Non-Monetized)	<p>Non-Monetized Benefits: Ensuring that the VR and SCSEP sections of the CSP filed on the Town Hall website are the most recent versions approved by the U.S. Departments of Labor and Education provides the public and stakeholders with a clear and publicly accessible location it. This advances ORM's goal of streamlined access and transparency.</p>	
(5) Information Sources		

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

(1) Direct & Indirect Costs & Benefits (Monetized)	<p>The new CSP Plan has been approved by Governor Youngkin and the U.S. Departments of Labor and Education.</p> <p>Direct Costs: Virginia is required to have a federally approved plan that outlines how the state will continue to implement the WIOA Act. Not approving the new CSP for inclusion on the Town Hall website could raise questions about how Virginia will fulfill its WIOA obligations with the roughly \$74.7 million in federal funding the Commonwealth receives each year for the VR program and SCSEP.</p> <p>Indirect Costs: \$0</p> <p>Direct Benefits: \$0</p> <p>Indirect Benefits: \$0</p>	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits

	(a) \$74.7 million	(b) \$0
(3) Net Monetized Benefit		
(4) Other Costs & Benefits (Non-Monetized)	<p>Non-Monetized Costs: If the VR and SCSEP sections of the CSP filed on the Town Hall website are not the most recent versions approved by the U.S. Departments of Labor and Education, the versions filed on Town Hall will be outdated and inaccurate. In addition, it means that the public and stakeholders do not have a clear and publicly accessible location for the VR and SCSEP sections. Ensuring the public and other key stakeholders can access and easily locate the current DARS' VR and SCSEP sections on the Virginia Town Hall website advances ORM's goals of streamlined access and transparency.</p>	
(5) Information Sources		

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

(1) Direct & Indirect Costs & Benefits (Monetized)	<p>There are no alternative approaches. A new CSP is required by federal law with federal funding for the VR program and SCSEP contingent on the new CSP.</p> <p>Direct Costs: N/A</p> <p>Indirect Costs: N/A</p> <p>Direct Benefits: N/A</p> <p>Indirect Benefits: N/A</p>	
(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)	N/A	

(5) Information Sources	
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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.

Table 2: Impact on Local Partners

(1) Direct & Indirect Costs & Benefits (Monetized)	There are no impacts on local partners. Direct Costs: \$0 Indirect Costs: \$0 Direct Benefits: \$0 Indirect Benefits: \$0	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) N/A	(b) N/A
(3) Other Costs & Benefits (Non-Monetized)	N/A	
(4) Assistance	N/A	
(5) Information Sources		

Impacts on Families

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

Table 3: Impact on Families

(1) Direct & Indirect Costs & Benefits (Monetized)	Direct Costs: \$0 Indirect Costs: \$0
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Benefits (Monetized)	Direct Benefits: \$0 Indirect Benefits: \$0	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) N/A	(b) N/A
(3) Other Costs & Benefits (Non-Monetized)	Non-Monetized Benefits: Receiving VR and SCSEP services can be life changing for individuals with disabilities and older adults and their families. For some VR consumers and SCSEP clients, the addition of CSS is needed to achieve the ultimate goal of becoming employed or staying employed. Employment allows consumers to integrate into their communities and support independence.	
(4) Information Sources		

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)	<p>The VR program and SCSEP partners with a network of community rehabilitation providers, also known as Employment Service Organizations (ESOs) or SCSEP partner agencies, most of which are considered small businesses.</p> <p>ESOs and host agencies were consulted during the development of the VR program and SCSEP sections and were giving opportunities to provide feedback. No objections were received during the planning process or during the public comment period. DARS, the ESOs, and SCSEP partner agencies are prepared to continue working together to provide vocational rehabilitation services.</p> <p>Direct Costs: \$0</p> <p>Indirect Costs: \$0</p> <p>Direct Benefits: The direct benefit of the new CSP VR and SCSEP sections is Virginia will continue to receive federal funding (\$73 million annually for the VR program and roughly \$1.7 million annually for</p>
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	<p>SCSEP). With this funding DARS can continue to support these workforce programs, largely in partnership with ESOs and SCSEP partner agencies.</p> <p>Indirect Benefits: The indirect benefits of the approval of the VR and SCSEP sections of the CSP include: 1) the continued receipt of federal funds, which can serve as match funds for partners that seek additional resources to support workforce programs, and 2) it maintains the continuity of operations for programs that help older adults and individuals with disabilities achieve employment.</p>	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) \$0	(b)
(3) Other Costs & Benefits (Non-Monetized)	N/A	
(4) Alternatives	There are no alternative approaches. A new CSP is required by federal law with federal funding for the VR program and SCSEP contingent on an approved CSP.	
(5) Information Sources		

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

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

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

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
2020-2023 WIOA Combined State Plan – DELETE	236,684 words 620 pages	0 words 0 pages	-236,684 words -620 pages
SCSEP State Plan Modification – DELETE	12,865 words 39 pages	0 words 0 pages	-12,865 words -39 pages
2024-2027 WIOA Combined State Plan: VR and SCSEP Sections - ADD		53,346 words 122 pages	53,049 words 124 pages
Overall Net Change:			-196,500 words -535 pages

*If the agency is modifying a guidance document that has regulatory requirements, it should report any change in requirements in the appropriate chart(s).