

Office of Regulatory Management
Economic Review Form

Agency name	Department of Fire Programs
Virginia Administrative Code (VAC) Chapter citation(s)	N/A
VAC Chapter title(s)	N/A
Action title	Aid to Localities Guidance Document Revisions
Date this document prepared	5/7/24
Regulatory Stage (including Issuance of Guidance Documents)	Revision of Guidance Documents

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>Direct Costs: There is no expected increase in direct costs associated with the proposed changes.</p> <p>Indirect Costs: Indirect costs include possible hours spent throughout the year working with fire departments within a locality to document purchases with funds submitted through ATL.</p> <p>Direct Benefits: This proposed change reduces the number of reports from (3) to (2), which is the minimum required by § 38.2-401. The proposed changes also reduce the cost of providing the annual report and disbursement agreement by removing a discretionary requirement to submit one (1) of the two (2) disbursement agreements.</p> <p>Indirect Benefits: Revisions to the document are expected to streamline a reader’s ability to understand the policy by shortening the document and decreasing the amount of time needed to read the document.</p>	
<p>(2) Present Monetized Values</p>	<p>Direct & Indirect Costs</p>	<p>Direct & Indirect Benefits</p>
	<p>(a) Undetermined</p>	<p>(b) \$21.50 in maximum savings per locality.</p> <p>* Total maximum amount for labor reduced from \$107.50 to \$86</p> <p>*Average hourly rate of an administrative support occupation (\$21.50) and maximum reported hours (4) to complete forms.</p>
<p>(3) Net Monetized Benefit</p>	<p>\$6,923 in maximum savings statewide</p> <p>*322 localities (cities, counties, and towns) must report</p>	
<p>(4) Other Costs & Benefits (Non-Monetized)</p>	<p>Reduced read time by 1.7 minutes for the average reader (1.7 minutes per page, reduction from 8 to 7 pages)</p>	
<p>(5) Information Sources</p>	<p>U.S Bureau of Labor Statistics</p>	

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

(1) Direct & Indirect Costs & Benefits (Monetized)	<p>Direct Costs: The direct costs imposed by this guidance document include the hours required to complete the annual report and two disbursement agreements, as well as postage if the locality chooses to submit documentation physically.</p> <p>Indirect Costs: Indirect costs include possible hours spent throughout the year working with fire departments within a locality to document purchases with funds submitted through ATL.</p> <p>Direct Benefits: The Department of Fire Programs will have a better understanding of how funds are being used twice during the year, as opposed to once.</p> <p>Indirect Benefits: Localities will not have to change established practices which report disbursement agreements twice a year.</p>	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	<p>(a) \$107.50 maximum cost to complete forms per locality</p> <p>*Average hourly rate of an administrative support occupation (\$21.50) and maximum reported hours (4) to complete forms.</p>	(b) Undetermined
(3) Net Monetized Benefit	Undetermined	
(4) Other Costs & Benefits (Non-Monetized)	The total amount of time required to read the policy will remain longer than the revised document discussed in table 1A.	
(5) Information Sources	U.S Bureau of Labor Statistics	

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

No alternative approaches are available. Code of Virginia § 38.2-401 requires that each locality submit an annual report and a disbursement agreement to be eligible for ATL as approved by policy from the Virginia Fire Services Board.

Impact on Local Partners

Please see table 1a and 1b above. The Aid to Locality Policy only applies to local partners (counties, cities, and towns).

Impacts on Families

This guidance document does not affect the cost or accessibility of food, energy, housing, transportation, healthcare, education, or any other good or service that is especially important to families. This policy only applies to fire equipment and costs associated with fire departments.

Impacts on Small Businesses

The Department of Fire Programs does not foresee any impact on small business because this policy only applies to localities that receive ATL. Small businesses are not regulants included under this guidance document.

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

Guidance Document	Authority of Change	Initial Count	Additions	Subtractions	Net Change	
Aid to Localities Program	Statutory:	3	0	0	0	
	Discretionary:	2	0	1	-1	
					Total Net Change of Statutory Requirements:	0
					Total Net Change of Discretionary Requirements:	-1

Cost Reductions or Increases (if applicable)

Guidance Document	Description of Regulatory Requirement	Initial Cost	New Cost	Overall Cost Savings/Increases
Aid to Localities Program	Submission of two disbursement agreements	\$107.50	\$86.00	\$21.50* *per locality
Aid to Localities Program	Submission of two	\$34,615	\$27692	\$6,923*

	disbursement agreements			*total (322 localities)
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Length of Guidance Documents (only applicable if guidance document is being revised)

Title of Guidance Document	Original Length	New Length	Net Change in Length
Aid to Localities Program	8	7	-1

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