

Office of Regulatory Management
Economic Review Form

Agency name	Department of Fire Programs
Virginia Administrative Code (VAC) Chapter citation(s)	_ VAC __-__
VAC Chapter title(s)	38.2-401 (<i>Code of Virginia</i>)
Action title	Update of VSFB-1 Guidance Document
Date this document prepared	3/31/2026
Regulatory Stage (including Issuance of Guidance Documents)	Issuance 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: No direct costs to the agency or the general public as localities will be responsible for any direct costs associated with NERIS.</p> <p>Indirect Costs: No indirect costs to the agency as localities will be responsible for any direct costs associated with NERIS.</p> <p>Direct Benefits: There are no monetized benefits</p> <p>Indirect Benefits: Improved fire service can reduce insurance costs for property owners.</p>	
<p>(2) Present Monetized Values</p>	<p>Direct & Indirect Costs</p>	<p>Direct & Indirect Benefits</p>
	<p>(a) Monetized costs cannot be calculated as the possible costs, if any, will vary by locality based on the IT equipment and services they current possess.</p>	<p>(b) Any monetized benefits from a reduction in insurance costs would depend on the type of property being insured, the insurer’s risk model, the type of policy being issued, and other variables. It is thus not possible to estimate.</p>
<p>(3) Net Monetized Benefit</p>	<p>Due to the factors outlined above, the net monetized benefit cannot be calculated.</p>	
<p>(4) Other Costs & Benefits (Non-Monetized)</p>	<p>Direct Benefits: With improved emergency response data and analytics, the agency can use this information to improve policies issued for local fire and EMS departments. Citizens and businesses will benefit from improved fire and emergency call responses.</p> <p>Indirect Benefits: Data intelligence could enhance state-level emergency response planning, leading to better outcomes when major emergencies occur. IT upgrades that are needed for localities to interface with NERIS would likely have ancillary benefits for those localities.</p>	
<p>(5) Information Sources</p>		

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

<p>(1) Direct & Indirect Costs & Benefits (Monetized)</p>	<p>Direct Costs: None.</p> <p>Indirect Costs: The effectiveness of the NERIS system is reduced when only some localities report to it. A lack of complete data and analysis could lead to less-than-optimal emergency response, leading to diminished outcomes to the public and higher insurance costs.</p>	
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	Direct Benefits: None.	
	Indirect Benefits: None.	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) None	(b) None
(3) Net Monetized Benefit	None	
(4) Other Costs & Benefits (Non-Monetized)	None	
(5) Information Sources		

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

(1) Direct & Indirect Costs & Benefits (Monetized)	<p>Direct Costs: There is no alternative approach as this is a required by the Code of Virginia and adopted by the Virginia Fire Services Board. The agency does not have the ability to alter this change as a result.</p> <p>Indirect Costs: There is no alternative approach as this is a change required by the Code of Virginia.</p> <p>Direct Benefits: There is no alternative approach as this is a change required by the Code of Virginia.</p> <p>Indirect Benefits: There is no alternative approach as this is a change required by the Code of Virginia.</p>	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) None	(b) None
(3) Net Monetized Benefit	None	
(4) Other Costs & Benefits (Non-Monetized)	None	

(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)	<p>Direct Costs: Localities will be required to participate in the National Emergency Response Information System (NERIS), which will require integration with local systems. Some localities may need to purchase computer equipment and/or improve internet connectivity in order to do so.</p> <p>Indirect Costs: No indirect costs to local partners as localities will be responsible for any direct costs associated with NERIS</p> <p>Direct Benefits: There are no monetized benefits.</p> <p>Indirect Benefits: There are no monetized benefits.</p>	
(2) Present Monetized Values	<p>Direct & Indirect Costs</p> <p>(a) Monetized costs cannot be calculated as the possible costs, if any, will vary by locality based on the IT equipment and services they current possess. Potential indirect costs to localities include personnel hours spent on training and working with NERIS rather than core mission work and the potential loss of ATL grant funds if a locality does not participate in reporting to NERIS.</p>	<p>Direct & Indirect Benefits</p> <p>(b) No monetized benefits other than avoiding the loss of ATL funds.</p>
(3) Other Costs & Benefits (Non-Monetized)	<p>Indirect Costs: Potential indirect costs to localities include personnel hours spent on training and working with NERIS rather than core mission work and the potential loss of ATL grant funds if a locality does not participate in reporting to NERIS.</p>	

	<p>Direct Benefits: Improved data analysis would increase readiness and deployment efficiency.</p> <p>Indirect Benefits: Greater efficiency could potentially reduce the scheduling difficulty faced by small localities experiencing staffing shortages due to declining volunteerism</p>
(4) Assistance	
(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)	<p>Direct Costs: There are no direct costs to families as any potential direct costs would be paid by localities.</p> <p>Indirect Costs: There are no indirect costs to families as any potential direct costs would be paid by localities..</p> <p>Direct Benefits: There are no monetized benefits.</p> <p>Indirect Benefits: More accurate incident reporting data could improve fire and EMS services, which can reduce the cost of homeowners’ insurance.</p>	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) None	(b) Any monetized benefits from a reduction in insurance costs would depend on the type of property being insured, the insurer’s risk model, the type of policy being issued, and other variables. It is thus not possible to estimate.
(3) Other Costs & Benefits (Non-Monetized)		

(4) Information Sources	
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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>Direct Costs: There are no direct costs to small businesses as any potential direct costs would be paid by localities.</p> <p>Indirect Costs: There are no indirect costs to small businesses as any potential indirect costs would be paid by localities.</p> <p>Direct Benefits:</p> <p>Indirect Benefits: More accurate incident reporting data could improve fire and EMS services, which can reduce the cost of business insurance.</p>	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) None	(b) Any monetized benefits from a reduction in insurance costs would depend on the type of property being insured, the insurer’s risk model, the type of policy being issued, and other variables. It is thus not possible to estimate.
(3) Other Costs & Benefits (Non-Monetized)	None	
(4) Alternatives	There are no alternatives as this change has been passed by the Virginia Fire Services Board and the agency does not have the authority to alter their change to the policy.	
(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):	0	0	0	0
	(D/A):	0	1	0	1
	(M/R):	2	1	0	1
	(D/R):	1	0	0	0
Grand Total of Changes in Requirements:					(M/A):0 (D/A):1 (M/R):1 (D/R):0

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
VFSB-1	3,950	4,320	370

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