

Office of Regulatory Management
Economic Review Form

Agency name	Board for Contractors
Virginia Administrative Code (VAC) Chapter citation(s)	18 VAC 50-22
VAC Chapter title(s)	Board for Contractor Regulations
Action title	Temporary Fee Reduction
Date this document prepared	April 10, 2023 (revised January 4, 2024)
Regulatory Stage (including Issuance of Guidance Documents)	Final – Exempt (Action 6214 / Stage 9973)

Cost Benefit Analysis

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

(1) Direct & Indirect Costs & Benefits (Monetized)	<p>Direct Costs: There are no direct costs or benefits of this fee action. It is a transfer payment. In this case, the Board is renewing a temporary fee reduction, so this action allows the contractor licensing fees to remain a lower rate for the next two years.</p> <p>Indirect Costs: There are no indirect costs.</p> <p>Direct Benefits: No direct benefits</p> <p>Indirect Benefits: By keeping the fees lower, the licensees will have an indirect benefit by having easier access renewal, as well as making Virginia a more attractive place to live and work. These are non-monetized benefits.</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)	See description above.
(5) Information Sources	N/A

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

(1) Direct & Indirect Costs & Benefits (Monetized)	<p>Direct Costs: There are no direct costs or benefits of not making this fee action. It is a transfer payment. In this case, if the Board were to allow the fee automatically return to the higher amount, it would gain more revenue than was needed to operate the program at cost; however, this would still function as a transfer.</p> <p>Indirect Costs: The indirect cost of taking no action would be that licensees would experience a greater burden to remain in the profession. Additionally, Virginia would be a less attractive place to live and work.</p> <p>Direct Benefits: N/A</p> <p>Indirect Benefits: N/A</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)	See explanation above.	
(5) Information Sources	N/A	

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 less intrusive or less costly alternatives to achieve the purpose of the regulatory change were identified.	
(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.

Table 2: Impact on Local Partners

(1) Direct & Indirect Costs & Benefits (Monetized)	N/A – 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)	There are no anticipated direct or indirect costs to local partners. There are no anticipated direct or indirect benefits to local partners	
(4) Assistance	N/A	
(5) Information Sources	N/A	

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)	N/A - 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)	There are no direct or indirect costs to families. There are no direct or indirect benefits to families.	
(4) Information Sources	N/A	

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) \$0	(b) \$0
(3) Other Costs & Benefits (Non-Monetized)	<p>Contractor and residential energy analyst firm licenses are issued to firms. Many of these firms may fall within the meaning of “small business” as defined in § 2.2-4007.1 of the Code of Virginia.</p> <p>Licenses and certificates regulated under 18VAC50-30 are issued to individuals. To the extent any of these individuals operate as independent contractors, such individuals may fall within the meaning of “small business” as defined in § 2.2-4007.1 of the Code of Virginia.</p> <p>As indicated in Table 1(a), license renewal and reinstatement fees would be considered transfer payments for the purposes of economic impact. However, small businesses may benefit more from the temporary</p>	

	reduction of renewal and reinstatement fees. The cost reductions of this action are detailed in Table 5.
(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	Net Change
22-140	Statutory:	0	0	0	0
	Discretionary:	5	0	0	0
22-170	Statutory:	0	0	0	0
	Discretionary:	6	0	0	0
30-120	Statutory:	12	0	0	0
	Discretionary:	14	0	0	0
30-130	Statutory:	1	0	0	0
	Discretionary:	24	0	0	0
Total Net Change of Statutory Requirements:					0
Total Net Change of Discretionary Requirements:					0

Cost Reductions or Increases (if applicable)

VAC Section(s) Involved*	Description of Regulatory Requirement	Initial Cost	New Cost	Overall Cost Savings/Increases
22-140	Licensees are required to pay renewal fees in order to renew a contractor license or residential building energy analyst firm license. The term of license is two years. This action temporarily	Class C contractor: \$195 Class B contractor: \$225 Class A contractor: \$240 Residential building energy analyst firm: \$195	Class C contractor: \$150 Class B contractor: \$175 Class A contractor: \$200 Residential building energy analyst: \$150	Class C contractor: Savings of \$45 (about 23%) Class B contractor: \$50 (about 22%) Class A contractor: \$40 (about 17%) Residential building energy

	reduces renewal fees through August 31, 2025.			analyst: \$45 (about 23%)
22-170	<p>Licensees that fail to renew a license within 30 days of the license expiration date must pay a reinstatement fee to reinstate the license. The term of license is two years.</p> <p>This action temporarily reduces reinstatement fees through August 31, 2025.</p> <p>The reinstatement fee includes the renewal fee.</p>	<p>Class C contractor: \$405</p> <p>Class B contractor: \$460</p> <p>Class A contractor: \$490</p> <p>Residential building energy analyst firm: \$405</p>	<p>Class C contractor: \$360</p> <p>Class B contractor: \$410</p> <p>Class A contractor: \$450</p> <p>Residential building energy analyst: \$360</p>	<p>Class C contractor: Savings of \$45 (about 11%)</p> <p>Class B contractor: \$50 (about 11%)</p> <p>Class A contractor: \$40 (about 8%)</p> <p>Residential building energy analyst: \$45 (about 11%)</p>
30-120	<p>Licensees and certificate holders are required to pay renewal fees in order to renew a license or certificate.</p> <p>The term of a tradesman license is three years.</p>	<p>Tradesman license: \$135</p> <p>All other licenses and certificates: \$90</p>	<p>Tradesman license: \$100</p> <p>All other licenses and certificates: \$70</p>	<p>Tradesman license: Savings of \$35 (about 26%)</p> <p>All other licenses and certificates: \$20 (about 22%)</p>

	<p>The term of all other licenses and certificates is two years.</p> <p>This action temporarily reduces renewal fees through August 31, 2025.</p>			
30-130	<p>Licensees and certificate holders that fail to renew a license within 30 days of the license or certificate expiration date must pay a reinstatement fee to reinstate the license or certificate.</p> <p>The term of tradesman licenses is three years.</p> <p>The term of all other licenses and certificates is two years.</p> <p>This action temporarily reduces reinstatement fees through August 31, 2025.</p>	<p>Tradesman license: \$185</p> <p>All other licenses and certificates: \$140</p>	<p>Tradesman license: \$150</p> <p>All other licenses and certificates: \$120</p>	<p>Tradesman license: Savings of \$35 (about 19%)</p> <p>All other licenses and certificates: \$20 (about 14%)</p>

	The reinstatement fee includes the renewal fee.			
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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 Length	New Length	Net Change in Length
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).