

Office of Regulatory Management  
Economic Review Form

<b>Agency name</b>	Virginia Department of Aviation
<b>Virginia Administrative Code (VAC) Chapter citation(s)</b>	24 VAC 5 - 20
<b>VAC Chapter title(s)</b>	Regulations Governing the Licensing and Operation of Airports and Aircraft and Obstructions to Airspace in the Commonwealth of Virginia
<b>Action title</b>	Take-off and landing unmanned aircraft on land owned by a political subdivision or locality of the Commonwealth
<b>Date this document prepared</b>	21 December 2022
<b>Regulatory Stage (including Issuance of Guidance Documents)</b>	Proposed (currently under Governor's Review-- ORM Review Pending)

**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 &amp; Indirect Costs &amp; Benefits (Monetized)</p>	<p><b>From DPB EIA</b>— “Government rules regarding UAVs are numerous and complex, which makes local regulation very challenging. For example, operation of a UAV in the air (unlike take-off and landing) falls solely under the purview of the Federal Aviation Administration, and local governments and political subdivisions lack authority over this operation. In addition, federal and state entities may have their own regulations in their own areas such as federal and state parks, prisons, etc. However, prior to the legislative mandate, political subdivisions in the Commonwealth lacked authority to regulate UAVs in their jurisdictions. With this action, political subdivisions would have the authority and also a process by which they can develop and establish rules primarily for the timing and location of take-off and landing (rather than operation in the air) of UAVs in their jurisdictions.”</p> <p><b>Benefits:</b> “The fact that all ordinances and local regulations would have to be reviewed and approved by DOAV prior to their adoption should provide some level of consistency across different political subdivisions, while allowing them to factor in local area considerations. The greater the consistency across localities, the easier it would be for users of UAVs to understand and comply with the local rules.</p> <p>Although the use of UAVs has many current and potential beneficial uses in civil applications such as photography, cinematography, archeology, surveys, inspections, conservation, hobby and recreation, package delivery, healthcare, journalism, scientific research, search and rescue, agriculture, manufacturing, construction, etc., it also has the potential to pose risks to safety, the environment, security, privacy, etc. For example, in the absence of the recent legislation and the proposed regulation, a drone may take-off or land from a crowded local park, a street, a school backyard, a dense downtown, or near private residences. Potential hazards associated with launching and landing of UAVs were the original concern among the localities as mentioned above. The intent of the mandate and this regulation appears to give localities and political subdivisions an ability to mitigate potential harmful uses or hazards posed by UAVs. Consequently, depending on the specifics of each local and political subdivision ordinance and regulation, a reduction in potential harms from the use of UAVs may be expected.”</p> <p><b>Costs</b>— “DOAV would likely expend some one-time administrative resources such as staff time to review and approve initial local government ordinances and regulations and ongoing resources for monitoring and subsequent amendments to local rules. Currently, DOAV is absorbing such expenses within its existing resources. However, if</p>
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	<p>ongoing expenses prove to be non-negligible, the possibility of a future budget request to cover such expenses cannot be ruled out.</p> <p>The users of UAVs would likely lose some flexibility in terms of when and where they can take-off and land their equipment if and when a political subdivision passes an ordinance or regulation. Also, the legislation and this regulation is silent about fees for the use of UAVs, but DOAV states that political subdivisions have inherent powers to assess permit or registration fees if they see fit. Thus, some users may be required to pay some fees in certain jurisdictions. DOAV stated that one of its objectives is to keep any local restrictions on recreational use of UAVs at a minimum. Also, DOAV foresees assessment of fees only on commercial uses. However, it does not appear that DOAV has the authority or the tools to achieve those objectives.”</p>	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) \$0 (current personnel)	(b) n/a
(3) Net Monetized Benefit	n/a	
(4) Other Costs & Benefits (Non-Monetized)	n/a	
(5) Information Sources	DPB Economic Impact Analysis	

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

(1) Direct & Indirect Costs & Benefits (Monetized)	This is a new regulation.	
(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	n/a	

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

(1) Direct & Indirect Costs & Benefits (Monetized)	There are no clear alternative methods that both reduce the adverse impact and meet the intended policy goals.	
(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	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)	<b>From DPB EIA</b> — “The proposed regulation potentially affects all 132 localities. The legislation and the regulation allow, but do not require localities to adopt rules governing the take-off and landing of UAVs. In addition, a locality may assess fees for registration or permit to cover its costs if it chooses to establish rules and procedures. Thus, the proposed amendments do not introduce costs for local governments. Although localities with higher population densities may potentially be more inclined to adopt rules on UAVs, on its face the regulation does not appear to particularly affect any locality more than others.”	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) \$0	(b) \$0
(3) Other Costs & Benefits (Non-Monetized)	n/a	
(4) Assistance	n/a	
(5) Information Sources	DPB Economic Impact Analysis	

**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)	There are no direct costs to families.	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) \$0	(b) \$0
(3) Other Costs & Benefits (Non-Monetized)	This regulation would allow for families to know where the take-off and landing areas are for political sub-divisions, which makes our communities safer. Additionally, it allow for the safest, most efficient and effective airspace in Virginia.	
(4) Information Sources	DOAV; DPB did not indicate families as being impacted in their EIA.	

**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><b>From DPB EIA—</b> “Of the tens of thousands of UAVs that likely exist in Virginia, national statistics suggest 35 percent are involved in commercial uses. Of these commercial drones, some are bound to be used by small businesses.”</p> <p>Types and Estimated Number of Small Businesses Affected: “There is no reliable estimate on what portion of the commercial UAVs may be used by small businesses or what types of small businesses.”</p>	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) \$0	(b) \$0
(3) Other Costs & Benefits (Non-Monetized)	<p><b>From DPB EIA—</b> “The proposed regulation allows localities to restrict the use of UAVs primarily in terms of time and location. Thus, small businesses would be adversely affected as they may lose some flexibility in terms of time and locations where their UAVs can take-off and land when and if the locality adopts such restrictions.”</p>	

(4) Alternatives	<b>From DPB EIA—</b> “There are no clear alternative methods that both reduce the adverse impact and meet the intended policy goals.”
(5) Information Sources	DPB Economic Impact Analysis

**Changes to Number of Regulatory Requirements**

*For each individual VAC Chapter amended, repealed, or promulgated by this regulatory action, list (a) the initial requirement count, (b) the count of requirements that this regulatory package is adding, (c) the count of requirements that this regulatory package is reducing, (d) the net change in the number of requirements. This count should be based upon the text as written when this stage was presented for executive branch review. Five rows have been provided, add or delete rows as needed. In the last row, indicate the total number for each column.*

**Table 5: Total Number of Requirements**

	<b>Number of Requirements</b>			
<b>Chapter number</b>	<b>Initial Count</b>	<b>Additions</b>	<b>Subtractions</b>	<b>Net Change</b>
<b>TOTAL</b>				

*This is a new regulation at the proposed stage (9511) to replace the Emergency Regulation (9225) completed and signed August 2021. 24 VAC 5 – 20 is to be amended.*