



Virginia Department of Planning and Budget **Economic Impact Analysis**

9 VAC 20-110 – Regulations Governing the Transportation of Hazardous Materials
Department of Environmental Quality
August 11, 2014

Summary of the Proposed Amendments to Regulation

The Virginia Waste Management Board (Board) proposes to amend its Regulations Governing the Transportation of Hazardous Materials to incorporate by reference 49 CFR 107 Subpart F (which is a federal regulation that includes registration and recordkeeping requirements for people who manufacture, assemble, inspect or repair certain cargo tank motor vehicles).

Result of Analysis

Benefits likely outweigh costs for this proposed regulatory change.

Estimated Economic Impact

The Board's Regulations Governing the Transportation of Hazardous Materials set rules for (and incorporate federal regulations that affect) the State Police's enforcement of safe hazardous materials transportation. The State Police are able to get grants to defray the cost of enforcement through the federal government's Motor Carrier Safety Assistance Program (MCSAP) so long as this regulation includes all applicable federal rules. A recent audit by the US Department of Transportation, however, noted that the Board's Regulations did not include the requirements contained in 49 CFR 107 Subpart F. In order for the State Police to continue to be eligible to apply for MCSAP grants, the Board now proposes to incorporate 49 CFR 107 Subpart F by reference.

No affected entity is likely to incur any costs on account of this regulatory change because all regulated entities already have to follow all applicable federal laws and regulations. This proposed regulatory change will benefit regulated entities as it will give them a more

complete picture of the rules that they must comply to. The State Police will also benefit from this change as it will allow them to continue getting federal grant money to defray the costs of this enforcement program.

Businesses and Entities Affected

All individuals or entities that haul hazardous materials, as well as the State police that enforce hazardous waste transportation laws and regulations, will be affected by this regulatory change. Board staff reports that approximately 33,000 cargo tank trucks hauling hazardous materials are inspected by the State Police each year.

Localities Particularly Affected

No locality will be particularly affected by this proposed regulatory action.

Projected Impact on Employment

This proposed regulation is unlikely to affect employment in the Commonwealth.

Effects on the Use and Value of Private Property

This proposed regulation is unlikely to affect the use or value of private property in the Commonwealth.

Small Businesses: Costs and Other Effects

No small business is likely to incur any costs on account of the proposed regulation.

Small Businesses: Alternative Method that Minimizes Adverse Impact

No small business is likely to incur any costs on account of the proposed regulation.

Real Estate Development Costs

This proposed regulation is unlikely to affect real estate development costs.

Legal Mandate

General: The Department of Planning and Budget (DPB) has analyzed the economic impact of this proposed regulation in accordance with § 2.2-4007.04 of the Code of Virginia and Executive Order Number 17 (2014). Section 2.2-4007.04 requires that such economic impact analyses determine the public benefits and costs of the proposed amendments. Further the report should include but not be limited to:

- the projected number of businesses or other entities to whom the proposed regulation would apply,
- the identity of any localities and types of businesses or other entities particularly affected,
- the projected number of persons and employment positions to be affected,
- the projected costs to affected businesses or entities to implement or comply with the regulation, and
- the impact on the use and value of private property.

Small Businesses: If the proposed regulation will have an adverse effect on small businesses, § 2.2-4007.04 requires that such economic impact analyses include:

- an identification and estimate of the number of small businesses subject to the proposed regulation,
- the projected reporting, recordkeeping, and other administrative costs required for small businesses to comply with the proposed regulation, including the type of professional skills necessary for preparing required reports and other documents,
- a statement of the probable effect of the proposed regulation on affected small businesses, and
- a description of any less intrusive or less costly alternative methods of achieving the purpose of the proposed regulation.

Additionally, pursuant to § 2.2-4007.1, if there is a finding that a proposed regulation may have an adverse impact on small business, the Joint Commission on Administrative Rules (JCAR) is notified at the time the proposed regulation is submitted to the *Virginia Register of Regulations* for publication. This analysis shall represent DPB's best estimate for the purposes of public review and comment on the proposed regulation.

AMH

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