

Office of Regulatory Management
Economic Review Form

Agency name	Board for Hearing Aid Specialists and Opticians
Virginia Administrative Code (VAC) Chapter citation(s)	18 VAC 80-30
VAC Chapter title(s)	Optician Regulations
Action title	OPT Fee Adjustment 2023
Date this document prepared	May 9, 2024
Regulatory Stage (including Issuance of Guidance Documents)	Proposed (Action 6260 / Stage 10332)

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>The proposed change will result in an increase in the fees for initial application, renewal, late renewal, and reinstatement of optician licenses.</p> <p>Based on current expenditures the Board does not have adequate fees to cover the costs of operational expenses. The Board has been operating at a deficit since at least the end of the 2021 fiscal year. Total revenue projected by the end of the 2024 fiscal year is estimated to be \$70,552 and total expenses are estimated to be \$135,618. The fee increase will allow the Board to bring revenue in line with expenses.</p> <p>This fee increase will result in a transfer from the licensees to the Board, resulting in offset of costs and benefits. DPOR does not expect a change in licensees or market participation due to this change.</p> <p>Direct Costs: As this regulatory action results in only a transfer payment, there are no additional monetizable direct costs associated with the regulatory change.</p> <p>Indirect Costs: As this regulatory action results in only a transfer payment, there are no additional monetizable indirect costs associated with the regulatory change.</p> <p>Direct Benefits: As this regulatory action results in only a transfer payment, there are no additional monetizable direct benefits associated with the regulatory change.</p> <p>Indirect Benefits: As this regulatory action results in only a transfer payment, there are no additional monetizable indirect benefits associated with the regulatory change.</p>	
<p>(2) Present Monetized Values</p>	<p>Direct & Indirect Costs</p>	<p>Direct & Indirect Benefits</p>
	<p>(a) \$0</p>	<p>(b) \$0</p>
<p>(3) Net Monetized Benefit</p>	<p>\$0</p>	
<p>(4) Other Costs & Benefits (Non-Monetized)</p>	<p>Benefits:</p> <ul style="list-style-type: none"> The regulatory change allows the Board to continue to deliver services to the regulated community and the public. There would be no delays in processing applications and issuing licenses to applicants who are required to obtain credentials to practice as an optician. 	

	<ul style="list-style-type: none"> • The regulatory change allows the Board and DPOR to maintain public protection. DPOR would be effective in ensuring opticianry is performed in a manner that protects the health, safety, and welfare of the public. • The regulatory change allows DPOR and the Board to remain in compliance with the Callahan Act and other applicable statutes.
(5) Information Sources	DPOR Finance section.

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

(1) Direct & Indirect Costs & Benefits (Monetized)	<p>The Board is currently operating at deficit. Under DPOR practices, revenue from other DPOR programs is being utilized to cover the operating costs of the Board.</p> <p>This would be considered a transfer payment, from one set of licensees (most DPOR licensees) to another (opticians.)</p> <p>Direct Costs: There are no additional monetizable direct costs associated with maintaining the status quo.</p> <p>Indirect Costs: There are no additional monetizable indirect costs associated with maintaining the status quo.</p> <p>Direct Benefits: There are no additional monetizable direct benefits if the real estate fees remain the same.</p> <p>Indirect Benefits: There are no additional monetizable direct benefits if the real estate fees remain the same.</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)	<p>Costs:</p> <ul style="list-style-type: none"> • Maintaining the status quo would likely result in reduction of services by the Board. Reduction in services would result in delays issuing license, thereby creating barriers to applicants' and licensees' ability to work. It would also decrease DPOR's effectiveness in ensuring that licensee's conduct their activities in 	

	<p>a manner adequate to protect the public health, safety, and welfare.</p> <ul style="list-style-type: none"> • Funds from other DPOR regulatory boards may need to be used to continue funding the operations of the Board. This would likely adversely affect the operation of these programs. • DPOR may need to request a loan from the general fund to cover the Board’s deficit and supplement ongoing operations. However, this would only be a short-term solution and only delay the need for fee increases. When eventually implemented, fee increases would need to be even greater to provide for loan repayment. • The Board may need to receive general funds to supplement Board activities. DPOR currently receives no general fund revenue, as its regulatory boards are intended by law to be self funded, and this would require a change in the Code of Virginia and the Appropriation Act. <p>Benefits: There are no identified additional nonmonetizable benefits associated with maintaining the status quo.</p>
(5) Information Sources	DPOR Finance section.

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

(1) Direct & Indirect Costs & Benefits (Monetized)	See 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)	As detailed in the “Alternatives to Regulation” section of the ABD, alternatives considered by the Board included (i) reducing services; (ii) obtaining a Treasury loan to fund operations; and (iii) supplementing Board activities with general funds. These alternatives were determined to be not viable.	
(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)	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)	Local partners are not directly or indirectly affected by the regulatory change.	
(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)	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)	No direct or indirect impact to families is anticipated.	

(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) N/A	(b) N/A
(3) Other Costs & Benefits (Non-Monetized)	<p>Optician licenses are issued to individuals and not business entities. Licensed opticians may be owners or employees of business entities that fall within the meaning of “small business” as defined in § 2.2-4007.1 of the Code of Virginia.</p> <p>This action would affect all individuals who are licensed by the Board or who apply for an optician license. To the extent that business entities choose to pay for licensing fees for individuals who are licensed by the Board, these business entities would be affected by the higher application fees. The costs and benefits associated with this regulatory change are detailed in Table 1a.</p>	
(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	Total Net Change in Requirements
30-50	(M/A):	0	0	0	0
	(D/A):	3	0	0	0
	(M/R):	0	0	0	0
	(D/R):	4	0	0	0
Grand Total of Changes in Requirements:					(M/A): 0 (D/A): 0 (M/R): 0 (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
30-50	Application fees for initial licensure, renewal of licenses, and reinstatement of licenses.	Optician initial license: \$100	Optician initial license: \$125	Optician initial license: +\$25 (+25%)
		Contact lens certification: \$100	Contact lens certification: \$125	Contact lens certification: +\$25 (+25%)
		License renewal: \$100	License renewal: \$125	License renewal: +\$25 (+25%)
		Late renewal: \$125	Late renewal: \$150	Late renewal: +\$25 (+20%)

		Reinstatement: \$225	Reinstatement: \$275	Reinstatement: +\$50 (+22%)
--	--	-------------------------	-------------------------	--------------------------------

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 Word Count	New Word Count	Net Change in Word Count
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).