Adverse impact notification sent to Joint Commission on Administrative Rules, House Committee on Appropriations, and Senate Committee on Finance (COV § 2.2-4007.04.C): Yes □ Not Needed □

If/when this economic impact analysis (EIA) is published in the *Virginia Register of Regulations*, notification will be sent to each member of the General Assembly (COV § 2.2-4007.04.B).



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

1 VAC 50-11 – Public Participation Guidelines Department of Housing and Community Development Town Hall Action/Stage: 4918/8111

December 18, 2017

Summary of the Proposed Amendments to Regulation

As the result of a periodic review, the Commission on Local Government (Commission) proposes to amend its public participation guidelines to update definitions and to conform the regulation to changes in statute.

Result of Analysis

Benefits likely outweigh costs for all proposed changes.

Estimated Economic Impact

The Commission promulgated these public participation guidelines in 2008 and has not updated them since. As a result of statutory changes since 2008, these guidelines are no longer completely up to date. Because of this, the Commission now proposes to add language that reflects the statutory right of interested parties who are submitting data, views and arguments to "be accompanied by and represented by counsel or other representative". The Commission also proposes to change references to "the Commonwealth Calendar" to "a calendar maintained by the Commonwealth" because that language more closely resembles relevant statutory language. Changes such as these do not add any extra requirements for regulated entities. Consequently, no affected entities are likely to incur costs. To the extent that these changes remove language that is different from what is in statute, they provide the benefit of eliminating possible confusion.

Businesses and Entities Affected

This regulatory action will affect all localities as well as the Commission. Commission staff reports that there are there are 95 counties, 190 towns and 38 cities in the Commonwealth.

Localities Particularly Affected

No locality will be particularly affected by this regulatory action.

Projected Impact on Employment

These proposed regulatory changes are unlikely to affect employment in the Commonwealth.

Effects on the Use and Value of Private Property

These proposed regulatory changes are unlikely to affect the use or value of private property in the Commonwealth.

Real Estate Development Costs

These proposed regulatory changes are unlikely to affect real estate development costs in the Commonwealth.

Small Businesses:

Definition

Pursuant to § 2.2-4007.04 of the Code of Virginia, small business is defined as "a business entity, including its affiliates, that (i) is independently owned and operated and (ii) employs fewer than 500 full-time employees or has gross annual sales of less than \$6 million."

Costs and Other Effects

No small businesses are likely to incur any additional costs on account of these proposed regulatory changes.

Alternative Method that Minimizes Adverse Impact

No small businesses are likely to incur any additional costs on account of these proposed regulatory changes.

Adverse Impacts:

Businesses:

No businesses are likely to incur any additional costs on account of these proposed regulatory changes.

Localities:

Localities in the Commonwealth are unlikely to see any adverse impacts on account of these proposed regulatory changes.

Other Entities:

No other entities are likely to be adversely affected by these proposed changes.

Legal Mandates

General: The Department of Planning and Budget has analyzed the economic impact of this proposed regulation in accordance with § 2.2-4007.04 of the Code of Virginia (Code) and Executive Order Number 17 (2014). Code § 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: (1) the projected number of businesses or other entities to whom the proposed regulatory action would apply, (2) the identity of any localities and types of businesses or other entities particularly affected, (3) the projected number of persons and employment positions to be affected, (4) the projected costs to affected businesses or entities to implement or comply with the regulation, and (5)the impact on the use and value of private property.

Adverse impacts: Pursuant to Code § 2.2-4007.04(C): In the event this economic impact analysis reveals that the proposed regulation would have an adverse economic impact on businesses or would impose a significant adverse economic impact on a locality, business, or entity particularly affected, the Department of Planning and Budget shall advise the Joint Commission on Administrative Rules, the House Committee on Appropriations, and the Senate Committee on Finance within the 45-day period.

If the proposed regulatory action may have an adverse effect on small businesses, Code § 2.2-4007.04 requires that such economic impact analyses include: (1) an identification and estimate of the number of small businesses subject to the proposed regulation, (2) 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, (3) a statement of the probable effect of the proposed regulation on affected small businesses, and (4) a description of any less intrusive or less costly alternative methods of achieving the purpose of the proposed regulation. Additionally, pursuant to Code § 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 shall be notified.