

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

22 VAC 45-20 Regulations to Govern the Operation of Vending Facilities in Public Buildings and Other Property
Department for the Blind and Vision Impaired
Town Hall Action/Stage: 5159 / 8433
January 4, 2019

Summary of the Proposed Amendments to Regulation

The Board the Blind and Vision Impaired (Board) proposes to: 1) change the stated frequency that the Department for the Blind and Vision Impaired (DBVI) will disburse vending machine income to eligible blind vendors with prepared statements, 2) conform the definition of “blind person” in the regulation to the definition in the Code of Federal Regulations, and 3) update the name of the agency within the regulation.

Result of Analysis

The benefits likely exceed the costs for all proposed changes.

Estimated Economic Impact

Under the current regulation DBVI “will disburse vending machine income to eligible blind vendors on a quarterly basis.” Further, statements pertaining to the disbursement are prepared and rendered quarterly as well. The Board proposes to amend the language to indicate that the income will be disbursed and the statements will be rendered **at least** quarterly. According to the Department for the Blind and Vision Impaired, the intent is to pay vendors monthly. This would be beneficial for the blind vendors in that it would improve their cash flow.

The proposals to conform the definition of “blind person” to the definition in the Code of Federal Regulations and to update the name of the agency within the regulation do not change requirements in practice. Adopting these changes would improve clarity for the reader, but otherwise would have no impact.

Businesses and Entities Affected

The proposed amendments would particularly affect the approximate 48 licensed blind vending machine operators¹ in the Commonwealth. All of these vendors are likely small businesses.

Localities Particularly Affected

The proposed amendments do not disproportionately affect particular localities.

Projected Impact on Employment

The proposed amendments are unlikely to significantly affect employment.

Effects on the Use and Value of Private Property

The proposed amendments are unlikely to significantly affect the use and value of private property.

Real Estate Development Costs

The proposed amendments do not affect real estate development costs.

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

The proposal to effectively speed the payment of income owed to licensed blind vending machine operators would reduce their costs associated with waiting for funds to use in their business.

¹ Data source: Department for the Blind and Vision Impaired

Alternative Method that Minimizes Adverse Impact

The proposed amendments do not adversely affect small businesses.

Adverse Impacts:

Businesses:

The proposed amendments do not adversely affect businesses.

Localities:

The proposed amendments do not adversely affect localities.

Other Entities:

The proposed amendments do not adversely affect other entities.

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 14 (as amended, July 16, 2018). 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.