



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

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### **6 VAC 15-28 – Regulations for Public/Private Joint Venture Work Programs Operated in a State Correctional Facility**

**Department of Corrections**

August 27, 2009

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### **Summary of the Proposed Amendments to Regulation**

Pursuant to Chapters 94 and 854 of the 2003 Acts of the Assembly, the Board of Corrections (Board) proposes to amend its regulations governing the approval of joint venture work programs so that it is clear that the Director of the Department of Corrections (DOC) has the power to approve these work programs that operate within state correctional facilities.

### **Result of Analysis**

The benefits likely exceed the costs for all proposed changes.

### **Estimated Economic Impact**

Prior to 2003, Virginia Code § 53.1-45.1 required that any proposed joint venture work program agreements be submitted for review to the Virginia Correctional Enterprises Advisory Board. In 2003, the General Assembly repealed the statutory language that instituted this advisory board. The Director of DOC retained the power to enter into work program agreements with the concurrence of the Governor.

The Board now proposes to amend its regulations that govern work program agreements to account for this statutory change. Specifically the Board proposes to replace all instances of the word “committee” (referring to the now defunct advisory board), and insert the word “director” so that the regulations accurately state who has the power to review and approve work program agreements. Since this action will not change how work programs are currently approved, no affected entity is likely to incur any additional costs on account of these proposed regulations. To the extent that the divergence between statutory and regulatory language may

have made the process by which work programs are approved opaque, these regulatory changes will provide the benefit of clarity.

### **Businesses and Entities Affected**

DOC reports that these regulations affect all public and private entities that current have, or seek to have, work programs in correctional facilities. Currently, approximately 175 civilians and 1,500 inmates are employed in joint venture work programs.

### **Localities Particularly Affected**

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

### **Projected Impact on Employment**

This regulatory action will likely have no impact on employment in the Commonwealth.

### **Effects on the Use and Value of Private Property**

This regulatory action will likely have no effect on the use or value of private property in the Commonwealth.

### **Small Businesses: Costs and Other Effects**

Small businesses in the Commonwealth are unlikely to incur any costs on account of this regulatory action.

### **Small Businesses: Alternative Method that Minimizes Adverse Impact**

Small businesses in the Commonwealth are unlikely to incur any costs on account of this regulatory action.

### **Real Estate Development Costs**

This regulatory action will likely have no effect on real estate development costs in the Commonwealth.

### **Legal Mandate**

The Department of Planning and Budget (DPB) has analyzed the economic impact of this proposed regulation in accordance with Section 2.2-4007.H of the Administrative Process Act and Executive Order Number 36 (06). Section 2.2-4007.H requires that such economic impact analyses include, but need not be limited to, the projected number of businesses or other entities

to whom the 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. Further, if the proposed regulation has adverse effect on small businesses, Section 2.2-4007.H requires that such economic impact analyses include (i) an identification and estimate of the number of small businesses subject to the regulation; (ii) the projected reporting, recordkeeping, and other administrative costs required for small businesses to comply with the regulation, including the type of professional skills necessary for preparing required reports and other documents; (iii) a statement of the probable effect of the regulation on affected small businesses; and (iv) a description of any less intrusive or less costly alternative methods of achieving the purpose of the regulation. The analysis presented above represents DPB's best estimate of these economic impacts.