



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

1 VAC 30-100 Regulations for Capitol Square
Department of General Services
Town Hall Action/Stage: 5590 / 9237
May 28, 2021

Summary of the Proposed Amendments to Regulation

The Department of General Services (DGS) proposes to update regulations governing the events planned at Capitol Square.

Background

Virginia's Capitol Square is the Commonwealth's executive and legislative center and an architecturally and historically significant area located in downtown Richmond. DGS, pursuant to 2.2-1100 et seq., Code of Virginia, is charged with maintaining and operating the historic Capitol Square. DGS permits persons, organizations, or groups to use Capitol Square grounds for various purposes and events when the use will not interfere with or disrupt governmental functions.

DGS relates that the purpose of the regulation is to: establish standards for the use of Capitol Square, as well as the acceptance, processing, review, and disposition of permit applications for events on Capitol Square to ensure the health, safety, and welfare of the public; coordinate multiple uses of public grounds; preserve public spaces; preserve and protect the aesthetic appearance of historic buildings and grounds; preserve the rights of individuals to free expression; and to protect the Commonwealth from financial losses.

According to DGS the current regulation has not been updated since 1970. As a result, the language is outdated and not inclusive of all present-day situations and circumstances, contains outdated or irrelevant references, and does not adequately equip DGS or law enforcement to ensure the safety of participants at events that continue to increase in size and frequency.

Estimated Benefits and Costs

The proposed amendments mainly clarify language and update references. However, there are a few proposed changes that would depart from current practices. One of those changes would add an exemption to the requirement to obtain a permit when a gathering has fewer than 10 persons. Currently, there is no such exemption. Under the proposed amendments, an event requiring a permit “*means the assemblage on Capitol Square of ten (10) or more persons for any demonstration, rally, march, performance, picketing, speechmaking, holding of vigils, sit-ins, or other activities that involve the communication or expression of views or ideas having the effect, intent, or propensity to draw a crowd or onlookers.*”

Another proposed change would extend the permit approval review time to 45 days for events involving more than 1,000 people. Currently, all events regardless of size are required to submit an application six days prior to the event. However, DGS notes that all large event applications so far have been received well in advance of the six days stated in the regulation. DGS states that six days to arrange a large event is “extremely difficult” as they require better preparation and coordination among different entities. For example, law enforcement must be notified and be allowed enough time to staff the event, Richmond ambulance authority needs time to arrange for medics at the event, the City of Richmond must be allowed enough time to accommodate road closures, arrange for parking, sidewalks, and pedestrian crossings, contractors must be allowed enough time to set up portable toilets, stages, water stations etc. DGS expects that the proposed submittal of an application prior to 45 days in advance of a large event would allow sufficient time for proper preparation.

The amendments would also allow a process for obtaining a permit where the six-day or 45-day submission timeframe requirements may be waived if applicant shows, in clear and descriptive writing, why the circumstances giving rise to the proposed event did not reasonably allow the applicant to apply for a permit under the usual application deadlines.

DGS also proposes to require applicants for small events to use DGS provided sound equipment. The purpose of this change is to better control the volume and operation of the equipment during the hours permitted.

This action also contains express language that marches are allowed and the Capitol Square is available for permitted events from 6:00 AM to 9:00 PM in addition to the current language stating “sunrise to sunset daily.”

The review for the economic impact did not reveal any significant monetary costs or benefits implied by the proposed amendments. The main impact appears to be improved clarity and preparation for and coordination of the planned events as intended.

Businesses and Other Entities Affected

This regulation applies to events at the Capitol Square involving more than 10 persons. There were 66 permits issued in 2019 and 71 in 2020. Five of these events in 2019 and two in 2020 involved fewer than 10 persons (primarily weddings and other ceremonial events) which would be exempt under the proposed changes. Two events in 2019 and six in 2020 involved more than 1,000 persons and would require submittal of an application 45 days prior to the event under the proposed changes. Although applications for large events would be submitted earlier under the proposal, this is expected to benefit also the event itself in terms of better preparation and coordination. In cases where 45 days would be too onerous such as protest soon after an occurrence, there is an allowance for an exception. Thus, an adverse economic impact¹ on event applicants is not indicated.

Small Businesses² Affected:

The proposed amendments do not appear to adversely affect small businesses.

Localities³ Affected⁴

The proposed amendments could help the City of Richmond better prepare for events in terms of road closures and arrangements for sidewalks, crosswalks, parking etc. The proposed amendments do not introduce costs for localities including the City of Richmond.

¹ Adverse impact is indicated if there is any increase in net cost or reduction in net revenue for any entity, even if the benefits exceed the costs for all entities combined.

² 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.”

³ “Locality” can refer to either local governments or the locations in the Commonwealth where the activities relevant to the regulatory change are most likely to occur.

⁴ § 2.2-4007.04 defines “particularly affected” as bearing disproportionate material impact.

Projected Impact on Employment

The proposed amendments do not appear to affect total employment.

Effects on the Use and Value of Private Property

The proposed changes may have a positive impact on the use of private property around the Capital Square due to the likelihood of improved preparation and coordination of large events. No significant impact on the value of private property or real estate development costs is expected.

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(D): 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.