



Economic Impact Analysis Virginia Department of Planning and Budget

12 VAC 5-510 – Guidelines for General Assembly Nursing Scholarships
Department of Health
February 5, 2012

Summary of the Proposed Amendments to Regulation

The Virginia Department of Health administers the Nursing Scholarship program, which provides annual nursing scholarships for students enrolled part-time and/or full-time in undergraduate and graduate nursing programs. Selected recipients agree to promptly begin and thereafter engage continuously in nursing practice in the Commonwealth in a region with a critical shortage of nurses for a period of time based on the total amount of scholarship awarded.

The Nursing Scholarship Program has been in existence for over twenty years. Although the field of nursing has evolved since that time, the regulations have not kept up with these changes. Amendments are being proposed to ensure that this program is consistent with how the industry has evolved over time. This includes more realistic expectations pertaining to the length of time required to find full time employment upon graduation. Under the current regulations the recipient of a scholarship currently has 60 days after graduation to report on the status of full-time employment in the state. This time frame is not consistent with the time frame needed to take the licensure exam, receive a license and seek and find full time employment. The Board of Health (Board) proposes to allow the recipient up to 180 days after graduation before being required to report on the status of full-time or part-time employment in the state. Additionally, the Board proposes to add longstanding elements of the contract signed by the scholarship recipient to the regulations for clarity. Finally, amendments are being proposed to change the definition of full time employment from 40 hours per week to 32 or more hours per week to be consistent with industry standards.

Result of Analysis

The benefits likely exceed the costs for all proposed changes.

Estimated Economic Impact

The proposed amendments will make it easier for scholarship recipients to comply with requirements without risk or harm to the program. Thus the proposed amendments produce a net benefit.

Businesses and Entities Affected

The proposed amendments affect nursing students and prospective nursing students interested applying for a General Assembly nursing scholarship.

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.

Small Businesses: Costs and Other Effects

The proposed amendments are unlikely to significantly affect small businesses.

Small Businesses: Alternative Method that Minimizes Adverse Impact

The proposed regulations do not adversely affect small businesses.

Real Estate Development Costs

The proposed regulations are unlikely to significantly affect real estate development costs.

Legal Mandate

The Department of Planning and Budget (DPB) has analyzed the economic impact of this proposed regulation in accordance with Section 2.2-4007.04 of the Administrative Process Act

and Executive Order Number 14 (10). Section 2.2-4007.04 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 2.2-4007.04 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.