



Economic Impact Analysis Virginia Department of Planning and Budget

4 VAC 25-40 – Safety and Health Regulations for Mineral Mining
Department of Mines, Minerals and Energy
January 29, 2013

Summary of the Proposed Amendments to Regulation

The Department of Mines, Minerals and Energy (DMME) proposes to repeal several sections of these regulations.

Result of Analysis

The benefits likely exceed the costs for all proposed changes.

Estimated Economic Impact

Most of the language proposed for repeal is redundant with language in other regulations. The repeal of this language should have no impact.

The current regulations state that “The total pounds of explosives and blasting agents in any blast shall not exceed 40,000 pounds without the approval of the director.” DMME also proposes to repeal this sentence. The agency points out that since all blasts are monitored by seismograph and must meet established ground vibration and air-blast limits, current blasting technology does not warrant this restriction. Eliminating this requirement would be beneficial in that it will save time for both the miners (staff time spent asking for approval) and DMME (staff time spent granting approval).

Businesses and Entities Affected

There are 433 mineral operations currently in the Commonwealth of Virginia. Approximately 90% of these (roughly 390) would qualify as small businesses.¹

¹ Data source: Department of Mines, Minerals and Energy

Localities Particularly Affected

The proposed regulations will affect all localities in the Commonwealth that have mineral mines. According to DMME, 91% of Virginia's counties have mineral mines governed by these regulations.

Projected Impact on Employment

The proposed amendments will not significantly affect employment.

Effects on the Use and Value of Private Property

The proposed repeal of the requirement that approval be received from DMME's director prior to blasts exceeding 40,000 total pounds of explosives and blasting agents will save a small amount of time for mining staff.

Small Businesses: Costs and Other Effects

The proposed amendments will not significantly affect costs for small businesses beyond a small savings in staff time as described above.

Small Businesses: Alternative Method that Minimizes Adverse Impact

The proposed amendments do not adversely affect small businesses.

Real Estate Development Costs

The proposed amendments 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, a determination of the public benefit, 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 an 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.