



Economic Impact Analysis Virginia Department of Planning and Budget

24 VAC 20-50 – Rules and Regulations for Motorcycle Rider Safety Training Center Program
Department of Motor Vehicles
June 29, 2013

Summary of the Proposed Amendments to Regulation

The Commissioner of the Department of Motor Vehicles (Department) proposes to repeal these regulations.

Result of Analysis

For the most part, the proposed repeal of these regulations will have no significant impact. The repeal of curricula requirements in regulation is: 1) potentially advantageous in that it will enable the Department to more quickly change such requirements when deemed necessary, and 2) potentially disadvantageous in that it would likely involve less public participation in policy formation and less outside analysis that could perhaps detect unintended consequences.

Estimated Economic Impact

Prior to the 2013 General Assembly, the Code of Virginia (Code) gave the Department broad discretion to add additional requirements beyond those specified in the Code. For example, § 46.2-1190 (E) stated that “Training centers shall ensure that instructors maintain the minimum qualifications and meet any other instructor requirements established in this article **or otherwise established by the Department.**”¹ Chapter 226 of the 2013 Acts of Assembly removed explicit statements indicating that the Department may add additional requirements. Further, most of the provisions of these regulations are also specifically addressed in the Code. Thus, the proposed repeal of these regulations may not have much impact.

¹ Bold added.

One exception concerning discretion for requirements outside of the Code is curricula. The Code specifies that the Department shall approve the curricula used by training centers; and for the most part the Code does not address necessary attributes of the curricula. The current regulations specify approved curricula. For example, for experienced rider training the regulations state that “The curriculum used to train experienced riders shall be the most current version of the Better Biking Program (BBP) developed by the MSF, or DMV-approved equivalent.”

Repealing the regulations would remove the specification of approved curricula from the law. The Department keeps the specification of approved curricula in guidance documents that are available to the public. Having curricula requirements in guidance documents rather than regulations is advantageous in one respect, but disadvantageous in another.

If the Department determines that the curricula requirements should be changed, such changes can essentially be implemented immediately when the requirements are in guidance documents but not regulations. If the change in curricula requirements creates a net benefit for the public, the beneficial change can be implemented sooner than if the requirements were in regulation. It takes months to change regulations since the rules of the Administrative Process Act must be followed. On the other hand, following the requirements of the Administrative Process Act does provide value in that it provides for significant public participation and reduces the probability of policy with unintended consequences being implemented due to the increased analysis of the policy change by more interested parties and analysts.

Businesses and Entities Affected

According to the Department, there are 36 motor cycle rider training centers that train about 16,000 students in the Commonwealth.

Localities Particularly Affected

The proposed repeal does not disproportionately affect particular localities.

Projected Impact on Employment

The proposal repeal will most likely not significantly affect employment.

Effects on the Use and Value of Private Property

Initially at least, the proposed repeal is unlikely to significantly affect the use and value of private property. In the long run, the reduced public participation and outside analysis in policy development may result in different and perhaps more frequent changes in curricula requirements for private motorcycle rider safety training centers.

Small Businesses: Costs and Other Effects

Initially at least, the proposed repeal is unlikely to significantly affect small businesses. In the long run, the reduced public participation of small businesses and outside analysis in policy development may result in different and perhaps more frequent changes in curricula requirements for small private motorcycle rider safety training centers.

Small Businesses: Alternative Method that Minimizes Adverse Impact

Retaining the approved curricula in regulation would help assure small businesses' ability to participate in curricula policy development.

Real Estate Development Costs

The proposed repeal is unlikely to 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.