



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

24 VAC 20-80 Overload Permit Regulations
24 VAC 20-81 Hauling Permit Regulation
Department of Motor Vehicles
Town Hall Action/Stage: 5626/9261
July 14, 2021

Summary of the Proposed Amendments to Regulation

Pursuant to prior periodic reviews¹, the Department of Motor Vehicles (DMV) seeks to repeal 24 VAC 20-80 *Overload Permit Regulations* and 24 VAC 20-81 *Hauling Permit Regulation* in their entirety and replace them with a new chapter 24 VAC 20-82 *Permit Regulations*. Since both chapters 80 and 81 prescribe requirements for obtaining permits to operate overweight vehicles, these requirements would be combined in the new chapter 82 for consistency and ease of reference.

Background

Chapters 80 and 81 were last amended in 1988 and 2007 respectively.² A 2020 periodic review of both chapters found that the changes in technology and business practices, and in the Code of Virginia (specifically Chapter 10 of Title 46.2, henceforth Code) and federal regulations that had occurred in the interim had been sufficiently significant to warrant their repeal.³ DMV proposes to create a new chapter that would contain updated definitions and requirements and conform to statute and current practices.

¹ See <https://townhall.virginia.gov/L/ViewPReview.cfm?PRid=1763> and <https://townhall.virginia.gov/L/ViewPReview.cfm?PRid=1764>

² Agency Background Document (ABD), page 2. See https://townhall.virginia.gov/L/GetFile.cfm?File=68\5626\9261\AgencyStatement_DMV_9261_v2.pdf. The changes to chapter 80 pre-date Town Hall; chapter 81 became effective in 2009 under <https://townhall.virginia.gov/L/ViewAction.cfm?actionid=1675>.

³ See <https://townhall.virginia.gov/L/ViewPReview.cfm?PRid=1763> and <https://townhall.virginia.gov/L/ViewPReview.cfm?PRid=1764>.

Since DMV's permitting program has a long history, their primary objective in promulgating the new regulation is to ensure that it would continue to remain applicable and up to date for a long time to come. DMV further reports that applicants seeking oversize and hauling permits are generally aware that the most accurate and relevant information regarding requirements and fees originate in statute, and often refer to manuals produced by the DMV to obtain this information.⁴ These requirements and fees are primarily updated through legislation rather than the regulatory process. Thus, although chapters 80 and 81 contain statutory requirements for obtaining permits (many of which are out-of-date) as well as details regarding the application process for the permit, the proposed chapter 82 would not contain statutory requirements. Instead, it would solely provide applicants with practical details regarding the permit application process, including the required forms.

Estimated Benefits and Costs

The proposed changes are intended to improve clarity and ease of use for readers of the regulation, while conforming the regulation to statute. DMV reports that the proposed regulation would not increase either their own or the Virginia Department of Transportation's (VDOT) responsibilities with regard to approving and issuing permits. To the extent that the new chapter makes it easier to understand the requirements to apply for and obtain a permit, the proposed changes would benefit applicants for oversize-load and hauling permits.

Businesses and Other Entities Affected

The proposed amendments would affect DMV employees who issue overload and hauling permits and VDOT employees who conduct engineering analysis (if indicated as a permit requirement by statute) to the extent that they clarify what is required of them. The proposed amendments would also benefit businesses involved in transporting oversize or overweight vehicles to the extent that they ensure that permit applicants understand their responsibilities with regard to making permit applications and operating under an approved permit.

⁴ See for example the DMV website <https://www.dmv.virginia.gov/commercial/#mcs/programs/overload/index.asp>, and this booklet <https://www.dmv.virginia.gov/webdoc/pdf/dmv109.pdf>.

Small Businesses⁵ Affected

The proposed amendments are unlikely to adversely affect any small businesses since they serve to remove obsolete requirements and clarify the permit application process under current statutory requirements. The number of small businesses involved in transport oversize or overweight vehicles is unknown.

Localities⁶ Affected⁷

The proposed amendments do not introduce new costs for local governments and are unlikely to affect any locality in particular.

Projected Impact on Employment

The proposed amendments are unlikely to impact the number of individuals employed in the transportation industry or by DMV or VDOT.

Effects on the Use and Value of Private Property

The proposed amendments would not affect the use or value of private property. Real estate development costs are not affected.

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

⁵ 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.”

⁶ “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.

⁷ § 2.2-4007.04 defines “particularly affected” as bearing disproportionate material impact.

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.