



Economic Impact Analysis Virginia Department of Planning and Budget

18 VAC 10-20 – Board for Architects, Professional Engineers, Land Surveyors, Certified Interior Designers, and Landscape Architects Regulations
Department of Professional and Occupational Regulation
August 22, 2007

Summary of the Proposed Amendments to Regulation

The Board for Architects, Professional Engineers, Land Surveyors, Certified Interior Designers, and Landscape Architects (Board) proposes to permit architect licensure applicants, who are applying via examination, to begin taking divisions of the Architect Registration Examination (ARE) prior to completing the National Council of Architectural Registration Boards Intern Development Program (IDP). .

Result of Analysis

The benefits likely exceed the costs for all proposed changes.

Estimated Economic Impact

Under the current regulations architect licensure applicants must complete the National Council of Architectural Registration Boards Intern Development Program prior to taking the Architect Registration Examination. The Board proposes to permit licensure applicants to take parts or the entire ARE prior to completing the IDP.

Since applicants for licensure would still be required to pass the same examination and complete the same training as under the current regulations, the proposed amendment would not result in less-qualified individuals becoming licensed. By permitting applicants to start taking parts or the entire ARE sooner, some individuals may be able to start working as licensed architects as much as one or two years sooner. Thus there is a clear benefit with no cost to the public associated with the proposed amendment.

Businesses and Entities Affected

The proposed amendment potentially affects applicants for architecture licensure, the 600 architecture firms in the Commonwealth (all small businesses),¹ and their clients.

Localities Particularly Affected

No localities are particularly disproportionately affected by the proposed change.

Projected Impact on Employment

The proposed amendment will allow some individuals to start work as licensed architects as much as one or two years sooner. The reduction in total time it takes to earn licensure could encourage a small number of individuals to pursue the profession who may not have otherwise done so. Thus, the supply of architects may moderately increase. Unless the potential moderate increase in supply of architects helps create innovation that spurs the creation of new architecture services, the demand for architecture services will not change due to the amendment. The proposed amendment will not likely significantly affect the quantity of employment.

Effects on the Use and Value of Private Property

The proposed amendment will enable some individuals to start work as a licensed architect sooner. Thus, lifetime earnings for architects may moderately increase.

Small Businesses: Costs and Other Effects

The reduction in time cost of earning architecture licensure will benefit architecture firms.

Small Businesses: Alternative Method that Minimizes Adverse Impact

The proposed amendment does not adversely affect small business.

Real Estate Development Costs

The proposed amendment does not create additional costs related to the development of real estate for commercial or residential purposes.

¹ Source: Virginia Employment Commission

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.H of the Administrative Process Act and Executive Order Number 36 (06). Section 2.2-4007.H 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.H 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.