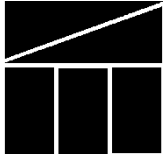


Adverse impact notification sent to Joint Commission on Administrative Rules, House Committee on Appropriations, and Senate Committee on Finance (COV § 2.2-4007.04.C): Yes¹ Not Needed

If/when this economic impact analysis (EIA) is published in the *Virginia Register of Regulations*, notification will be sent to each member of the General Assembly (COV § 2.2-4007.04.B).



Virginia Department of Planning and Budget Economic Impact Analysis

22 VAC 30-130 Adult Services Standards
Department for Aging and Rehabilitative Services
Town Hall Action/Stage: 4851 / 8246
October 17, 2019

Summary of the Proposed Amendments to Regulation

The Department for Aging and Rehabilitative Services (DARS) proposes to establish a regulation for adult services standards reflecting the same policy and practices currently followed under guidance manuals.

Background

In 2012, the General Assembly transferred the oversight responsibility and the enforcement division for adult services from the Department of Social Services to DARS effective July 2013.² Since then, DARS guidance manuals have been the basis of the standards that local departments of social services follow in providing adult services.

Estimated Benefits and Costs

According to DARS, the proposed regulation does not introduce any change in policy or practice that have been followed since 2013 under agency manuals. Therefore, the primary impact of this action is a stronger enforcement capability for DARS because the standards would be in a regulation that has the force of law rather than guidance manuals which do not. In addition, local departments of social services as well as the public would have ease of access to

¹ Adverse impact is indicated if there is any increase in net cost or reduction in net revenue for any entity, even if the benefits exceed the costs for all entities combined.

² <http://lis.virginia.gov/cgi-bin/legp604.exe?121+ful+CHAP0803>

and clarity about the standards, as well as the procedural benefits resulting from the promulgation of a regulation under the Administrative Process Act.

Businesses and Other Entities Affected

The proposed regulation applies to 120 local departments of social services. In fiscal year 2017, local departments handled 3,800 home-based services cases, 15,000 preadmission screenings, 12,000 annual guardian report reviews, and 2,500 assisted living facility assessments. The proposed regulation does not appear to impose costs.

Localities³ Affected⁴

The proposed regulation should not affect any locality more than others. The proposed regulation does not appear to introduce costs for local governments.

Projected Impact on Employment

The proposed regulation would not affect employment.

Effects on the Use and Value of Private Property

The proposed regulation would not affect the use and value of private property.

Adverse Effect on Small Businesses⁵:

The proposed regulation does not adversely affect small businesses.

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.

³ “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.

⁴ § 2.2-4007.04 defines “particularly affected” as bearing disproportionate material impact.

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.”

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 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.