



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

22 VAC 30-50 Policies and Procedures for Administering Commonwealth Neurotrauma Initiative Trust Fund

Department for Aging and Rehabilitative Services

Town Hall Action/Stage: 5668 / 9169

February 10, 2021

Summary of the Proposed Amendments to Regulation

Following a periodic review,¹ the Department for Aging and Rehabilitative Services (DARS) proposes to clarify existing regulatory text.

Background

This regulation establishes: (i) policies and procedures for soliciting and receiving applications for grants from the Commonwealth Neurotrauma Initiative (CNI) Trust Fund, (ii) criteria for reviewing and ranking such applications, and (iii) procedures for distributing moneys in the fund.

The CNI Trust Fund is a special non-reverting fund established in the Code of Virginia (§§ 51.5-178 et seq.) that provides funding to Virginia-based organizations, institutions and researchers to address the needs of people with acquired neurotrauma. Neurotrauma is defined as “injury to the central nervous system (i.e., a traumatic spinal cord or brain injury) that results in loss of physical functions, cognitive functions, or both.” The source of revenue for the CNI Trust Fund is a portion of the reinstatement fees that are charged before restoring an operator's license to any person whose driver's license has been revoked or suspended upon conviction for specified dangerous driving offenses.

According to DARS, almost all research or service projects are solicited through a Request for Proposals depending on the availability of funds. Most projects are funded for three years. Individual grants cannot exceed \$300,000.

¹ <https://townhall.virginia.gov/l/ViewPReview.cfm?PRid=2004>

Estimated Benefits and Costs

The proposed changes in this action are strictly clarifying in nature and are not expected to affect the program's operation. Thus, no significant economic impact other than improving the clarity of the existing requirements is expected.

Businesses and Other Entities Affected

The CNI Trust Fund Program currently funds 11 ongoing projects. Seven projects are based in Virginia higher education institutions, which may include Virginia's public universities.² Four projects are based in community organizations or private research entities. However, there are no projected costs or impacts on the funded organizations or institutions who may seek CNI Trust Funds. Thus, no adverse³ or disproportionate economic impact is indicated.

Small Businesses⁴ Affected:

Although small businesses may qualify for grants from the fund, none of the current 11 recipients is believed to be a for-profit small business. In addition, the proposed changes do not introduce costs or other effects for any entities. Thus, proposed amendments do not appear to adversely affect small businesses.

Localities⁵ Affected⁶

The proposed amendments do not disproportionately affect any localities, or introduce costs for local governments.

Projected Impact on Employment

The proposed amendments do not affect employment.

Effects on the Use and Value of Private Property

The proposed amendments do not affect real estate development costs.

Legal Mandates

² Data source: Virginia Employment Commission

³ 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.

⁴ 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."

⁵ "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.

⁶ § 2.2-4007.04 defines "particularly affected" as bearing disproportionate material impact.

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 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.