

## **18 VAC 47-20 – CEMETERY BOARD REGULATIONS**

### **DEPARTMENT OF PROFESSIONAL AND OCCUPATIONAL REGULATION**

#### **Agency Response to Economic Impact Analysis (EIA) Performed by the Virginia Department of Planning and Budget (DPB):**

Concur with the approval. However, we do not agree with the statements made by DPB in the EIA regarding the new licensing system as well as some of the statements regarding fees. The fees were reduced in 2006 not 2000 as 2000 was the first year we regulated the program. In the 02-04 biennium, most regulants paid \$50.00 and the highest fee paid was \$600.00. The Board kept the fees low for the last 6 years. With regard to the licensing system, the new software package is being purchased to replace an unsustainable legacy system that is currently over two decades old, and operating on an unsupported operating platform created by the Digital Corporation and currently owned by Hewlett-Packard. Migration from the old system to the new system is necessitated by the need to sustain licensing operations.

The legacy system had twenty years of programming customizations built into the system, and those customizations resulted in significant automation of processes, constructing many business rules into system operations, and allowed for the development and institutionalizing of training and operating that system. The new, commercial off the shelf (COTS), solution does not include many of our automated processes, handles information differently, and has made all of the agency's staff novices at understanding and operating the system. As a result of these realities we don't expect to be operating with less staff or as efficiently in the next few years. We are clearly more optimistic in hoping the continued unfolding of the new licensing system offers substantial improvements in service times, ease of access for citizens, and reduced staff time by making the licensing process paperless. Further, once the development and implementation of the new system is complete, DPOR will be provided the source code for the new system by the vendor and will be able to maintain, customize, and respond to the near certain changing requirements of our mission for decades to come.

The projected Callahan percentages are the result of consideration of projected expenses and the effect on the Board's budget that a single unforeseen expense could create. As there is a small regulant population for this Board (and the resulting revenue stream is small as well), any unforeseen expense would adversely affect the financial status of this program and quickly create a deficit situation.

In regard to the correlation of enforcement activity to fees for this particular occupation, it is not the intent to establish fees that cover the cost of any specific process at the occupation level. Fees for each board are established at amounts that will provide total revenues sufficient but not excessive to meet all operating and allocated expenses of the board (see §54.1-113 and §54.1-308 of the Code of Virginia).

Finally, DPOR was directed by VITA to purchase a commercial off the shelf

(COTS) product to replace our legacy system. After going through the procurement process, the new product was selected based on the criteria established for the solicitation. In conclusion, DPOR cannot continue to rely on our existing, legacy system as it runs on an unsupported platform. Further, commencing another procurement to select and purchase another system would add additional expense and time to this effort with no assurance of a different outcome and would also likely involve time consuming and costly litigation in terminating the current contract.