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

**18 VAC 41-30 – Hair Braiding Regulations Department of Professional and Occupational Regulation**February 7, 2012

## **Summary of the Proposed Amendments to Regulation**

The Board of Barbers and Cosmetology (Board) proposes to delete the word attempting and add the word attempted to the section of its hair braiding regulations that allow the Board to refuse licensure to individuals who use false or fraudulent representations to gain licensure.

## **Result of Analysis**

Benefits will likely outweigh costs for this regulatory change.

## **Estimated Economic Impact**

Current regulations allow the Board to revoke or refuse to issue initial or subsequent licenses for many reasons; amongst these, the Board can revoke or refuse to issue these credentials if "the licensee or applicant attempting to obtain, obtained, renewed, or reinstated a license by false or fraudulent representation". The Board proposes to change "attempting to obtain" to "attempted to obtain" in this sentence. This change will not only make this sentence grammatically coherent but will also allow conformity with other Board licensure programs.

Since the Board is only changing the grammar, but not the meaning, of a regulatory requirement, no affected entity is likely to incur any additional costs. To the extent that this change allows better understanding for the public and appropriate regulatory conformity between Board programs, both the public and the Board's regulated entities will likely benefit.

#### **Businesses and Entities Affected**

The Department of Professional and Occupational Regulation (DPOR) reports that there are 30 entities currently licensed under these regulations. All of these entities will be affected by these regulatory changes.

## **Localities Particularly Affected**

No locality will be particularly affected by this proposed regulatory action.

#### **Projected Impact on Employment**

This regulatory action will likely have no impact on legal employment in the Commonwealth.

# **Effects on the Use and Value of Private Property**

This regulatory action will likely have no effect on the use or value of private property in the Commonwealth.

#### **Small Businesses: Costs and Other Effects**

DPOR reports that 13 small businesses will be affected by these proposed regulations. These businesses are unlikely to incur any costs on account of this regulatory change.

## **Small Businesses: Alternative Method that Minimizes Adverse Impact**

Affected small businesses are unlikely to incur any costs on account of this regulatory change.

## **Real Estate Development Costs**

This regulatory action will likely have no effect on real estate development costs in the Commonwealth.

## **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.