

Department of Planning and Budget 2003 Fiscal Impact Statement

1. Bill Number HB2810

House of Origin ☐ Introduced ☐ Substitute ☐ Engrossed

Second House ☒ In Committee ☐ Substitute ☐ Enrolled

2. Patron Atthey

3. Committee Education and Health

4. Title Department of Health; regulation of bedding and upholstered furniture.

5. Summary/Purpose:

The substitute bill stipulates that upon receiving a complaint, the Commissioner of Health may order the return of any item of bedding or upholstered furniture or any filling material. Further, upon receiving a complaint relating to a violation of the laws pertaining to bedding and upholstered furniture, the Commissioner may require the inspection of a license or permit holder's premises. Any violation of the provisions of this article or regulations of the Board determined under such inspections will fall under the provisions of the Virginia Consumer Protection Act. The substitute bill does not limit the identification and inspection of unlicensed bedding and upholstered furniture businesses.

6. Fiscal Impact Estimates are: Not available (see fiscal implications of anticipated minimal revenue and expenditure impacts).

7. Budget amendment necessary: No.

8. Fiscal implications:

The FY2004 appropriation for the Virginia Department of Health's Bedding program's staff time and associated site travel costs is \$228,627 and is funded entirely by the annual fees charged to licensees and permit holders per Sections 32.1-216 through 32.1-218 of the *Code of Virginia*. This appropriation includes the current inspection of licensed and permitted vendors of bedding and upholstered furniture and filling materials, and the identification of unlicensed vendors and any associated health risks in those bedding operations.

Based on the substituted bill's provisions, current licensees and permit holders would continue to pay the annual fee and no negative revenue impact is anticipated.

Since license and permit holders' premises would only be inspected upon the receipt of a complaint under the substitute bill's provisions, a portion of staff time would be expected to shift from the inspection of licensed/permitted premises to the identification of additional unlicensed bedding and upholstered furniture businesses. The extent of this shift will be driven by the volume of complaints received on licensed vendors over time under a complaint-only inspection approach and cannot be determined at this time.

Any violation of the provisions of this article or regulations of the Board determined under such inspections will fall under the provisions of the Virginia Consumer Protection Act. The Virginia Department of Agriculture and Consumer Affairs (VDACS) enforces the provisions of the Consumer Protection Act. The costs of processing and investigating consumer complaints cannot be captured at this time. However, the additional work may create expenses in future biennia.

9. Specific agency or political subdivisions affected: Virginia Department of Health, Virginia Department of Agriculture and Consumer Services.

10. Technical amendment necessary: No.

11. Other comments: None.

Date: 2/18/03/laf

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cc: Secretary of Health and Human Resources