

Department of Planning and Budget 2012 Fiscal Impact Statement

1. Bill Number: SB662

House of Origin ☐ Introduced ☐ Substitute ☐ Engrossed
Second House ☐ In Committee ☐ Substitute ☒ Enrolled

2. Patron: Smith, R. K.

3. Committee: Passed both houses.

4. Title: Board for Waterworks and Wastewater Works Operators and Onsite Sewage System Professionals.

5. Summary: This bill exempts conventional sewage system installers from having to pass an examination in order to be licensed by the Board for Waterworks and Wastewater Works Operators and Onsite Sewage System Professionals, provided that the applicant has performed the duties of an installer for at least 8 years within the 12-year period preceding the application date. The bill also requires the Board to develop regulations that divide sewage system installers into classes, one of which shall be restricted to the installation of conventional onsite sewage systems.

The provisions of this bill will expire on July 1, 2016.

6. Budget Amendment Necessary: No.

7. Fiscal Impact Estimates: Final. See item 8.

7a. Expenditure Impact: Minimal. See item 8.

7b. Revenue Impact:

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Fund</i>
2012	0	n/a
2013	\$10,000	Dedicated Special Revenue
2014	0	n/a
2015	\$8,000	Dedicated Special Revenue
2016	0	n/a
2017	\$8,000	Dedicated Special Revenue
2018	0	n/a

8. Fiscal Implications: This bill changes the administrative and regulatory responsibilities of the Department of Professional and Occupational Regulation (DPOR) by removing the examination requirement for installers of conventional onsite sewage systems to be licensed under the Board for Waterworks and Wastewater Works Operators and Onsite Sewage System Professionals. This provision will apply to applications received prior to July 1, 2016.

Currently, there are approximately 366 licensed professionals that install or operate conventional onsite sewage systems. With the exemption from the examination requirement for those conventional installer applicants who meet the provisions of this legislation, it is expected that approximately 100 new conventional installer applicants will apply and become licensed in FY 2013. According to the agency, many conventional installers defer from applying for licensure because of the examination requirement, although their work experience is adequate of the profession.

Per the agency, there is an immaterial reduction in costs due to this legislation.

Revenue: DPOR estimates that approximately 100 professionals will apply to be licensed in FY 2013 under this legislation. These new licensees are then expected to renew their license every two years thereafter, as licenses are valid for two years. The Board will receive approximately \$10,000 more in revenue in FY 2013 and \$8,000 every other year beginning in FY 2015. The current license fee is \$100, while the license renewal fee is \$80.

In the out-years, the agency believes there may be some applicants who apply; however, the number is likely to be very small and will only result in minimal additional revenue.

In accordance with the provisions of Section 54.1-113 (Callahan Act), Code of Virginia, licensing fees are established at rates adequate to cover a program's operating costs and a proportionate share of agency support costs.

9. Specific Agency or Political Subdivisions Affected: Department of Professional and Occupational Regulation.

10. Technical Amendment Necessary: No.

11. Other Comments: This bill is identical to HB 1262 as enrolled.

Date: 3/9/12

Document: G:\Legislation\2012 Session\SB662ER.DOC