

Department of Planning and Budget

2014 Fiscal Impact Statement

1. Bill Number: HB 409

House of Origin	<input checked="" type="checkbox"/> Introduced	<input type="checkbox"/> Substitute	<input type="checkbox"/> Engrossed
Second House	<input type="checkbox"/> In Committee	<input type="checkbox"/> Substitute	<input type="checkbox"/> Enrolled

2. Patron: Webert

3. Committee: Health, Welfare and Institutions

4. Title: Onsite sewage system design report

5. Summary: This bill requires the Department of Health to convene a work group consisting of representatives from the Department of Health; the Board for Waterworks and Wastewater Works Operators and Onsite Sewage System Professionals; the Board for Architects, Professional Engineers, Land Surveyors, Certified Interior Designers and Landscape Architects; private sector engineering and design firms; and other interested stakeholders identified by the Department of Health to (i) identify and examine any engineering and design services related to the design of onsite septic systems currently offered by the department to the public that are in inappropriate direct competition with private sector engineering and design firms, (ii) define the role of the department in services related to onsite sewage system design to avoid inappropriate direct competition, (iii) develop a plan to wind up services offered by the department deemed to be in direct competition, and (iv) identify any necessary legislative or regulatory changes to implement the plan. The work group shall report its findings and recommendations to the General Assembly and the Board of Health by October 1, 2014.

6. Budget Amendment Necessary: No.

7. Fiscal Impact Estimates: Minimal.

8. Fiscal Implications: This bill would have a minimal fiscal impact on the Commonwealth. This bill requires the Department of Health to convene a workgroup that would require additional staff time to conduct. Due to the professional expertise required and complexity of the issue the agency believes use of a third party facilitator is the best way to convene this workgroup. Based on data from past stakeholder meetings, the agency estimates the cost of the facilitator would be \$93,912 for their services. Furthermore, if the agency were to facilitate these meetings using only existing staff, the cost to the agency would be approximately \$2,500 for reimbursement of travel costs, based on a similar effort undertaken in 2011. Additionally, the agency expects that the extra staff time needed for this workgroup could impact the agency's ability to perform other necessary work that protects public health and ground water supplies. However, since the bill does not require the use of a facilitator and the agency's staff could facilitate the workgroup, no budget amendment is needed.

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

10. Technical Amendment Necessary: No.

11. Other Comments: No.