

Department of Planning and Budget 2019 Fiscal Impact Statement

1. Bill Number: HB2028

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

2. Patron: Campbell, R.R.

3. Committee: Passed Both Houses

4. Title: Legislation increasing or beginning regulation of an occupation; evaluation required.

5. Summary: Provides that when any legislative bill requiring the Department of Professional and Occupational Regulation to increase or begin regulation of an occupation is filed during any session of the General Assembly, the Board for Professional and Occupational Regulation shall prepare an evaluation of the legislation using criteria outlined in current law that the Board is required to use whenever the Board determines that a particular occupation should be regulated or that a different degree of regulation should be imposed on a currently regulated occupation.

6. Budget Amendment Necessary: No.

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

7a. Expenditure Impact:

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2019	\$0	0	n/a
2020	\$133,926	1.0	NGF
2021	\$131,723	1.0	NGF
2022	\$131,723	1.0	NGF
2023	\$131,723	1.0	NGF
2024	\$131,723	1.0	NGF
2025	\$131,723	1.0	NGF

8. Fiscal Implications: This bill increases the administrative responsibilities of the Department of Professional and Occupational Regulation (DPOR) by requiring the Board for Professional and Occupational Regulation (the Board) to prepare an evaluation of any legislation that increases or begins regulation of an occupation that is or will be under the responsibility of DPOR. DPOR staff would be required to complete extensive research, collect data, and prepare a report for the Board to consider, adopt, and issue the final evaluation. The Board will then forward the reports to the Clerk of the House of Delegates for House bills and to the Clerk of the Senate for Senate bills for transmittal to each patron of the legislation and to the chairman of each committee of the General Assembly.

Current DPOR staff responsible for legislation, board operations, and fiscal impact analysis has reached capacity and cannot absorb the additional responsibilities. Currently, the staff position tasked with legislative affairs and policy research and analysis also is responsible for overseeing the Communications and Board Operations division. As noted in the JLARC report dated October 2018, the Deputy Director cannot absorb the additional duties resulting from this bill involving the evaluations and studies that would be required during the legislative session. The JLARC report recommends creating one or more positions to handle responsibilities for board communications and coordinating legislation and regulation. One classified Policy Planning Specialist is needed to complete extensive research, collect data, and prepare evaluation reports for Board review and approval. This staff position will need to be hired by July 1, 2019, in order to be trained prior to the 2020 General Assembly session. The cost of salary and benefits for the position, based on the mid-point for the Band 5 salary range is expected to be \$110,326 in FY 2020 (assuming 23 pay periods) and \$115,123 annually beginning in FY 2021. This is a recurring cost that will continue into future years. DPOR will need to purchase furniture and equipment for the new position at an estimated cost of \$7,000. This is a one-time expenditure that will not continue into future years. Other operating costs beginning in FY 2020 and recurring in future years include telephone, employee development, computer operating support, and supplies. These costs are estimated at \$16,600 each year. The Board is anticipated to conduct at least two additional meetings annually. Currently, the Board meets rarely, on an as-needed basis during the calendar year. This bill would require the Board to meet during session at least twice to analyze and evaluate any new programs proposed by the General Assembly, and during the interim more frequently to conduct any follow-up study responsibilities. It is anticipated that DPOR can absorb these costs within existing appropriations.

It is anticipated that any costs the Division of Legislative Services may incur in providing information and assistance as the Board may request in preparing the evaluation can be absorbed within existing resources.

9. Specific Agency or Political Subdivisions Affected: Department of Professional and Occupational Regulation; all departments; agencies; Division of Legislative Services.

10. Technical Amendment Necessary: No.

11. Other Comments: None.