

Department of Planning and Budget 2023 Fiscal Impact Statement

1. Bill Number: SB 786

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

2. Patron: Spruill, Sr.

3. Committee: General Laws and Technology

4. Title: Mold inspectors and mold remediators; licensure.

5. Summary: Provides for the licensure and regulation of mold inspectors and mold remediators by the Board for Asbestos, Lead, and Home Inspectors, which is renamed in the bill as the Board for Asbestos, Lead, Mold, and Home Inspectors. The bill increases the membership of the Board by one member to include a mold inspector or a mold remediator.

6. Budget Amendment Necessary: No.

7. Fiscal Impact Estimates: Preliminary.

7a. Expenditure Impact:

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2023	0	0	NGF
2024	2,746	0	NGF
2025	52,644	0	NGF
2026	43,644	0	NGF
2027	43,644	0	NGF
2028	43,644	0	NGF
2029	43,644	0	NGF

7b. Revenue Impact:

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Fund</i>
2023	0	NGF
2024	0	NGF
2025	60,000	NGF
2026	90,375	NGF
2027	69,110	NGF
2028	67,490	NGF
2029	66,050	NGF

8. Fiscal Implications: This bill increases the administrative and regulatory responsibilities of the Department of Professional and Occupational Regulation (DPOR) by assigning responsibility for developing, implementing, and administering a licensing requirement for mold inspection and remediation. The licensing program would be added to the Board for Asbestos, Lead, and Home Inspectors. The Department estimates that approximately 1,000-1,500 individuals would

be licensed through this program. DPOR estimates that one additional part time licensing specialist will be needed to process license applications, training programs, and renewals. Based on similar positions within the Department, the staff cost is estimated at \$25,836 in FY 2025 and each year thereafter.

DPOR anticipates the need to purchase furniture and equipment for the new position at an estimated cost of \$9,000. This is a one-time expenditure in FY 2025 that will not continue into future years. Other operating costs beginning in FY 2025 include telephone, rent, information technology support, supplies, postage, and other operating costs, and are estimated at \$14,850 each year. These are recurring costs that will continue into future years.

Board regulations will be revised to reflect the new requirements, requiring 4 additional Board meetings in FY 2024 at a cost of \$2,746 and an additional board member beginning in FY25 and continuing in future years at a cost of \$2,958. Approximately, two additional committee meetings are needed to review training programs.

Total costs are projected to be \$2,746 in FY 2024; \$52,644 in FY 2025; and \$43,644 in each year thereafter. These costs will be offset by the revenue detailed below, therefore a budget amendment is not needed.

Revenue: In accordance with the provisions of § 54.1-201.4 and § 54.1-113 of the Code of Virginia, licensing fees are established to sufficiently cover all expenses for the administration and operation of the regulatory board and a proportionate share of the expenses of the Department and the Board for Professional and Occupational Regulation. The application and renewal fees for the mold remediators and inspectors are expected to be the same as other professions within the Board. The Board's current fee for an individual initial application is \$80, and the annual renewal fee is \$45. Approximately, 750 new applications are expected in both FY 2025 and FY 2026 and 100 each year thereafter. Approximately 675 renewals are expected in FY 2026 and 1,358 in FY 2027. Similar renewal levels are expected in future years.

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

10. Technical Amendment Necessary: No.

11. Other Comments: None.