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:** General Laws and Technology

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

5. **Summary:** This bill removes conventional sewage system installers from the requirement to be licensed by the Board for Waterworks and Wastewater Works Operators and Onsite Sewage System Professionals. Alternative septic system installers and alternative and conventional onsite soil evaluators are still required to be licensed.

6. **Budget Amendment Necessary**: No.

7. **Fiscal Impact Estimates:** Preliminary. See item 8.

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

   7b. Revenue Impact:

Fiscal Year	*Dollars*	*Fund*
2012	0	n/a
2013	($15,600)	Dedicated Special Revenue
2014	($15,600)	Dedicated Special Revenue
2015	($15,600)	Dedicated Special Revenue
2016	($15,600)	Dedicated Special Revenue
2017	($15,600)	Dedicated Special Revenue
2018	($15,600)	Dedicated Special Revenue

8. **Fiscal Implications:** This bill decreases the administrative and regulatory responsibilities of the Department of Professional and Occupational Regulation (DPOR) by removing the requirement for installers and operators of conventional onsite sewage systems to be licensed under the Board for Waterworks and Wastewater Works Operators and Onsite Sewage System Professionals (the Board). Currently, there are approximately 366 licensed professionals that install or operate conventional onsite sewage systems.

   Per the agency, there is an immaterial reduction in costs due to this legislation, with minimal savings resulting from such actions as no longer mailing renewal notices.

Revenue: According to DPOR, roughly 24 professionals apply to be licensed and approximately 165 professionals renew their installer or operator of conventional onsite sewage system licenses each year. The agency expects that without the licensure requirement, the Board could receive approximately $15,600 less in nongeneral fund revenue each year, beginning in FY 2013. The current license fee is $100, while the license renewal fee is $80. Licenses are valid for two years.

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. Under this requirement, the Board is expecting to raise the licensing fees by FY 2016. With fewer required licensees and the related loss of revenue, the Board may need to increase its fees one year earlier, by FY 2015.

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 HB1262, as introduced.

Date: 1/26/12
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