Department of Planning and Budget 2025 General Assembly Session State Fiscal Impact Statement

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Bill Number: HB 2195 **Patron:** McQuinn

Bill Title: Mold inspectors and remediators; licensure, renames Board for Asbestos, Lead, & Home

Inspectors

Bill Summary: Renames the Virginia Board for Asbestos, Lead, and Home Inspectors as the Virginia Board for Asbestos, Lead, Mold, and Home Inspectors (the Board) and directs the Board to establish licensing requirements for the practice in the Commonwealth of mold inspection and mold remediation, as those terms are defined in the bill. The bill contains an emergency clause to repeal the provisions of the Virginia Consumer Protection Act passed during the 2024 Session that prohibited the selling or offering for sale services as a professional mold remediator to be performed upon any residential dwelling without holding a mold remediation certification from the Institute of Inspection, Cleaning, and Restoration Certification. Finally, the bill directs the Board to adopt emergency regulations to implement the provisions of the bill and adds one licensed mold inspector or mold remediator member to the Board, with a term to become effective on July 1, 2027.

Budget Amendment Necessary: No Items Impacted: None

Explanation: This bill will impact the Department of Professional and Occupational Regulation (DPOR),

however no budget action is needed.

Fiscal Summary: It is anticipated that any fiscal impact to DPOR can be absorbed within existing resources.

Nongeneral Fund Expenditure Impact:

<u>Agency</u>	FY2025	<u>FY2026</u>	FY2027	<u>FY2028</u>	<u>FY2029</u>	FY2030
DPOR	-	\$108,318	\$66,662	\$66,662	\$66,662	\$66,662
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TOTAL	-	\$108,318	\$66,662	\$66,662	\$66,662	\$66,662

Fiscal Analysis: The bill adds the professions of mold inspector and mold remediator to those requiring licensure by the Board for Asbestos, Lead, and Home Inspectors; renames the Board to include the word "Mold," adds one mold inspector or remediator to the Board, and directs the Board to promulgate regulations for the licensing of mold inspectors and remediators within 280 days of passage. The bill removes mold remediators from the Virginia Consumer Protection Act with an emergency clause for immediate effect.

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DPOR anticipates that four additional board meetings and two committee meetings will be required to develop licensure guidelines and review training programs at a total cost of \$6,481. Updates to software systems for licensing will be required, with an estimated one-time startup cost of \$40,000 and ongoing maintenance costs of \$4,825 annually. Additional staff time required to support the new regulants will be equal to one full time Pay Band 3 position, with a median cost of \$61,837 annually.

Applicants for mold remediation and inspection licenses would pay a fee to DPOR. The amount of revenue is dependent on the number of applicants and the fees established by the Board. DPOR expects approximately 1000 - 1,500 applicants and estimates that fees would need to be at least \$60 per applicant to recover the cost of administering the program. To comply with the Callahan Act, the Board would need to adjust fees if revenues are unable to support expenses, or if revenues exceed expenses by more than 20 percent.

This impact statement is preliminary and may be updated if additional information becomes available.

Other: The provisions of the bill requiring mold inspectors and remediators to hold a license from the Board come into effect prior to the Board's deadline for establishing requirements for the license. This may result in a period where firms and individuals currently working in these fields and certified under current law must suspend their work until the licensure requirements are established.

HB 2355 amends the Virginia Consumer Protection Act' credential requirements for mold remediators and mold inspectors.