ORM REGULATORY MODERNIZATION HIGHLIGHTS



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For working professionals across the Commonwealth, one of the most important assets they possess is their professional license. For non-health professions, most professional licenses are issued by the Department of Professional and Occupational Regulation (DPOR).

In response to <u>Executive Order 19</u>'s mandate to streamline regulations, DPOR has undertaken numerous regulatory actions that reduce regulatory burdens associated with professional licenses. An action approved this week increases citizens' earnings potential by over **\$14 million** per year, and DPOR's regulatory reduction efforts to date are expected to save over **\$274 million** per year.



Department of Professional and Occupational Regulation

The Board for Contractors adopts changes that increase contractors' earnings potential by \$14 million per year.

The Board for Contractors (which is one of the boards housed within DPOR) recently determined that the experience requirements for Class C

licensees (which perform "handyman" type repairs) were too high. The Board therefore <u>has proposed reducing</u> the experience requirement from 2 years to 1 years.

In addition, the Board created a new pathway for licensure, among several other changes. All told, these updates will result in \$14 million in increased earnings for Virginia's contractors. The change should also help alleviate the acute labor shortage in the construction industry, which should save Virginia citizens additional money.

Other DPOR actions have produced \$274 million in annual savings or increased earnings potential.

The Board for Contractors action is merely one of numerous actions that DPOR has recently undertaken that produce considerable savings for Virginia citizens. Other recent changes include:

- Creating a new type of <u>residential tradesman license</u> for the HVAC and plumbing trades that involves less burdensome entry requirements (**\$27 million/year** in reduced costs and increased earnings)
- Implementing universal license recognition (\$25 million/year in increased earnings potential)
- Translating contractor exams into Spanish, thereby expanding the pool of applicants (**\$25 million/year** in potential income)

In addition to these and other targeted changes, DPOR has achieved major reductions in processing times across all license types. Licenses now take **5 days** to process on average, as opposed to 33 days in the past. The increased processing speed allows newly licensed professionals to enter the marketplace sooner and will create **\$179 million** in increased earnings potential.