



Exempt Action Final Regulation Agency Background Document

Agency name	Virginia Department of Minority Business Enterprise
Virginia Administrative Code (VAC) citation	7 VAC 10 - 21
Regulation title	Regulations to Govern the Certification of Small, Women- and Minority-owned Businesses
Action title	Amend definitions, update eligible out-of-state business enterprise requirements, and remove "fee" reference for evaluating other certification programs.
Final agency action date	March 9, 2010
Document preparation date	March 9, 2010

When a regulatory action is exempt from executive branch review pursuant to § 2.2-4002 or § 2.2-4006 of the Virginia Administrative Process Act (APA), the agency is encouraged to provide information to the public on the Regulatory Town Hall using this form.

Note: While posting this form on the Town Hall is optional, the agency must comply with requirements of the Virginia Register Act, the *Virginia Register Form, Style, and Procedure Manual*, and Executive Orders 36 (06) and 58 (99).

Summary

Please provide a brief summary of all regulatory changes, including the rationale behind such changes. Alert the reader to all substantive matters or changes. If applicable, generally describe the existing regulation.

The definition of "Principal Place of Business" is being revised for clarification by requiring the "control" of a business's day-to-day operations to be consistent with the requirements for becoming SWaM certified, which include the business being owned and controlled by the applicable owners. The definition of "Virginia-based business" is also being revised to reflect the consistent use of one criterion (i.e., principal place of business) to determined eligibility for those states whose like-programs deny Virginia-based businesses from participating in their SWaM Programs. The revision is also made in the eligibility requirements section, 7 VAC 10-21-130, to reflect the use of the "Principal Place of Business" criterion, instead of also providing the other alternative criterion, i.e., state of incorporation. The references to fees not being charged are also removed for consistency with the Code of Virginia, Section 2.2-1403(8).

Statement of final agency action

Please provide a statement of the final action taken by the agency including (1) the date the action was taken, (2) the name of the agency taking the action, and (3) the title of the regulation.

The Department of Minority Business Enterprise hereby takes action on these changes to the regulations on March 9, 2010. The title of the regulation is Regulations to Govern the Certification of Small, Women- and Minority-owned Businesses.

Family impact

Assess the impact of this regulatory action on the institution of the family and family stability.

No direct family impact, however this amendment will help to improve the economic outlook for and equal treatment of Virginia-based businesses against out-of-state businesses seeking to compete for State of Virginia procurement opportunities.