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Periodic Review and Small Business Impact Findings Where Result is "Retain the Regulation As Is"

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| Agency name | Board of Agriculture and Consumer Services |
| Virginia Administrative Code (VAC) citation | 2 VAC 5-250 |
| Regulation title | Rules and Regulations Relating to Grain Dealers Licensing and Bonding Law |
| Date | November 15, 2016 |

This information is required pursuant to Executive Order 17 (2014).

Legal basis

Please identify the state and/or federal legal authority for the regulation, including: 1) the most relevant law and/or regulation; and 2) promulgating entity, i.e., agency, board, or person.

Section 3.2-109 of the Code of Virginia establishes the Board of Agriculture and Consumer Services (Board) as a policy board. Section 3.2-4759 authorizes the Board to establish recordkeeping requirements for grain dealers.

Alternatives

Please describe all viable alternatives for achieving the purpose of the existing regulation that have been considered as part of the periodic review process. Include an explanation of why such alternatives were rejected and why this regulation is the least burdensome alternative available for achieving the purpose of the regulation.

The alternative considered was to have no regulation at all. Without the records required by this regulation, the agency would be unable to assist in ensuring that farmers receive prompt

payment for their grain. The required records provide an accounting in the event of default by the grain dealer, which helps farmers document and get paid for their losses.

Public comment

Please summarize all comments received during the public comment period following the publication of the Notice of Periodic Review, and provide the agency response. Please indicate if an informal advisory group was formed for purposes of assisting in the periodic review.

No comments were received during the public comment period that followed the publication of the Notice of Periodic Review on September 5, 2016, and an informal advisory group was not formed for the purposes of assisting in the periodic review.

Effectiveness

Please indicate whether the regulation meets the criteria set out in Executive Order 17 (2014), e.g., is necessary for the protection of public health, safety, and welfare, and is clearly written and easily understandable.

This regulation specifies the information that must be recorded by grain dealers in grain transactions with farmers. Without the records required by this regulation, the agency would be unable to assist in ensuring that farmers receive prompt payment for their grain. The records provide an accounting of amounts owed in the event of non-payment of grain by the grain dealer. In many cases, these transactions are for large amounts of money. Therefore, this regulation implements a law that helps to protect farmers from the loss of income and supports their economic welfare. This regulation is clearly written and easily understandable.

Result

Please state that the reason why the agency is recommending that the regulation should stay in effect without change.

The agency is recommending that the regulation should stay in effect without change for the economic welfare of Virginia grain producers.

Small business impact

In order to minimize the economic impact of regulations on small business, please include, pursuant to § 2.2-4007.1 E and F, a discussion of the agency's consideration of: 1) the continued need for the regulation; 2) the nature of complaints or comments received concerning the regulation from the public; 3) the complexity of the regulation; 4) the extent to which the regulation overlaps, duplicates, or conflicts with federal or state law or regulation; and 5) the length of time since the regulation has been evaluated or the degree to which technology, economic conditions, or other factors have changed in the area affected by the regulation. Also, include a discussion of the basis for the agency's determination to retain

the regulation as is, consistent with the stated objectives of applicable law, to minimize the economic impact of regulations on small businesses.

Because the selling of grain in Virginia is tremendously important to the state's economy, there is a continued need for this regulation. The agency has determined that this regulation is effective in achieving its goals of protecting Virginia farmers against loss when selling their grain. The agency has not received any complaints or comments concerning this regulation. The regulation is not unnecessarily complex. The regulation does not conflict with state or federal law. The agency has determined that no change occurred in the area affected by the regulation subsequent to the agency's previous periodic review that would necessitate the amendment or repeal of this regulation. This regulation is still very important in ensuring fair and prompt payment for grain transactions between buyer and seller.