

Office of Regulatory Management  
Economic Review Form

<b>Agency name</b>	Department of Health
<b>Virginia Administrative Code (VAC) Chapter citation(s)</b>	12 VAC 5- 421
<b>VAC Chapter title(s)</b>	Food Regulations
<b>Action title</b>	Fast Track Amendments to Update APA Language and Remove DIBR
<b>Date this document prepared</b>	1/19/2024
<b>Regulatory Stage (including Issuance of Guidance Documents)</b>	Fast Track

**Cost Benefit Analysis**

Complete Tables 1a and 1b for all regulatory actions. You do not need to complete Table 1c if the regulatory action is required by state statute or federal statute or regulation and leaves no discretion in its implementation.

Table 1a should provide analysis for the regulatory approach you are taking. Table 1b should provide analysis for the approach of leaving the current regulations intact (i.e., no further change is implemented). Table 1c should provide analysis for at least one alternative approach. You should not limit yourself to one alternative, however, and can add additional charts as needed.

Report both direct and indirect costs and benefits that can be monetized in Boxes 1 and 2. Report direct and indirect costs and benefits that cannot be monetized in Box 4. See the ORM Regulatory Economic Analysis Manual for additional guidance.

**Table 1a: Costs and Benefits of the Proposed Changes (Primary Option)**

(1) Direct & Indirect Costs & Benefits (Monetized)	<p>Direct Costs: There are no direct costs associated with this proposed change.</p> <p>Indirect Costs: There are no indirect costs associated with this proposed change.</p> <p>Direct Benefits: Indeterminate; will likely allow the agency greater expediency in scheduling informal enforcement conferences and releasing impounded foods, which may save time and effort, reducing the regulatory burden on families and businesses.</p> <p>Indirect Benefits: None</p>	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) None	(b) Indeterminate
(3) Net Monetized Benefit	Indeterminate Net Benefit	
(4) Other Costs & Benefits (Non-Monetized)	<p>Changing the language describing an informal conference allows the department greater flexibility in providing a presiding officer. In current language, an informal conference must be presided over by the district health director. This often causes scheduling delays as Health Directors have many obligations. Health Directors may also have to recuse themselves from presiding over conferences when they have been significantly involved in decision making in a case prior to the informal conference. Allowing the presiding officer to release impounded food after an informal conference removes the restriction that the Health Director perform this action.</p> <p>Removing the DIBR is a correction to a previous regulatory action (Action 5460 / Stage 8866) which removed the reference to this document from the text. At that time this DIBR should have been stricken.</p>	
(5) Information Sources	NA	

**Table 1b: Costs and Benefits under the Status Quo (No change to the regulation)**

(1) Direct & Indirect Costs &	Direct Costs: There are no direct benefits associated with the status quo.
-------------------------------	--

Benefits (Monetized)	Indirect Costs: There are no indirect benefits associated with the status quo.  Direct Benefits: None  Indirect Benefits: None	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) None	(b) None
(3) Net Monetized Benefit	NA	
(4) Other Costs & Benefits (Non-Monetized)	There is no benefit to maintaining the status quo.	
(5) Information Sources	NA	

**Table 1c: Costs and Benefits under Alternative Approach(es)**

(1) Direct & Indirect Costs & Benefits (Monetized)	Direct Costs: There is no known alternate approach.  Indirect Costs: There is no known alternate approach.  Direct Benefits: There is no known alternate approach.  Indirect Benefits: There is no known alternate approach.	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) NA	(b) NA
(3) Net Monetized Benefit	NA	
(4) Other Costs & Benefits (Non-Monetized)	NA	
(5) Information Sources	NA	

**Impact on Local Partners**

Use this chart to describe impacts on local partners. See Part 8 of the ORM Cost Impact Analysis Guidance for additional guidance.

**Table 2: Impact on Local Partners**

(1) Direct & Indirect Costs & Benefits (Monetized)	<p>Direct Costs: There is no direct cost to local partners.</p> <p>Indirect Costs: There is no indirect cost to local partners.</p> <p>Direct Benefits: Indeterminate. If local partners are involved in informal proceedings, this change may save time and effort, and ease regulatory burden.</p> <p>Indirect Benefits: None.</p>	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) None	(b) Indeterminate
(3) Other Costs & Benefits (Non-Monetized)	None	
(4) Assistance	NA	
(5) Information Sources	NA	

**Impacts on Families**

Use this chart to describe impacts on families. See Part 8 of the ORM Cost Impact Analysis Guidance for additional guidance.

**Table 3: Impact on Families**

(1) Direct & Indirect Costs & Benefits (Monetized)	<p>Direct Costs: There is no direct cost to families.</p> <p>Indirect Costs: There is no indirect cost to families.</p>	
--	---	--

	<p>Direct Benefits: Indeterminate. If a local family-owned business was involved in enforcement proceedings, this change may save the business time and effort, and ease regulatory burden.</p> <p>Indirect Benefits: None</p>	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) None	(b) Indeterminate
(3) Other Costs & Benefits (Non-Monetized)	None	
(4) Information Sources	NA	

**Impacts on Small Businesses**

Use this chart to describe impacts on small businesses. See Part 8 of the ORM Cost Impact Analysis Guidance for additional guidance.

**Table 4: Impact on Small Businesses**

(1) Direct & Indirect Costs & Benefits (Monetized)	<p>Direct Costs: There is no direct cost to small businesses.</p> <p>Indirect Costs: There is no indirect cost to small businesses.</p> <p>Direct Benefits: Indeterminate. If a small businesses was involved in enforcement proceedings, this change may save the business time and effort, and ease regulatory burden.</p> <p>Indirect Benefits: None</p>	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) None	(b) Indeterminate
(3) Other Costs & Benefits (Non-Monetized)	None	
(4) Alternatives	None	

(5) Information Sources	NA
-------------------------	----

**Changes to Number of Regulatory Requirements**

**Table 5: Regulatory Reduction**

For each individual action, please fill out the appropriate chart to reflect any change in regulatory requirements, costs, regulatory stringency, or the overall length of any guidance documents.

*Change in Regulatory Requirements*

VAC Section(s) Involved*	Authority of Change	Initial Count	Additions	Subtractions	Total Net Change in Requirements
12VAC5-421-3966	(M/A):	1	0	0	0
	(D/A):	0	0	0	0
	(M/R):	2	0	0	0
	(D/R):	0	0	0	0
12VAC5-421-3970	(M/A):	3	0	0	0
	(D/A):	0	0	0	0
	(M/R):	13	0	0	0
	(D/R):	0	0	0	0
DIBR	(M/A):	0	0	0	0
	(D/A):	3	0	0	0
	(M/R):	0	0	0	0
	(D/R):	0	0	0	0
<b>Grand Total of Changes in Requirements:</b>					(M/A):0 (D/A):0 (M/R):0 (D/R):0

**Key:**

*Please use the following coding if change is mandatory or discretionary and whether it affects externally regulated parties or only the agency itself:*

**(M/A):** Mandatory requirements mandated by federal and/or state statute affecting the agency itself

**(D/A):** Discretionary requirements affecting agency itself

**(M/R):** Mandatory requirements mandated by federal and/or state statute affecting external parties, including other agencies

**(D/R):** Discretionary requirements affecting external parties, including other agencies

*Cost Reductions or Increases (if applicable)*

<b>VAC Section(s) Involved*</b>	<b>Description of Regulatory Requirement</b>	<b>Initial Cost</b>	<b>New Cost</b>	<b>Overall Cost Savings/Increases</b>
NA				

*Other Decreases or Increases in Regulatory Stringency (if applicable)*

<b>VAC Section(s) Involved*</b>	<b>Description of Regulatory Change</b>	<b>Overview of How It Reduces or Increases Regulatory Burden</b>
12VAC5-421-3966 and 12VAC5-421-3970	Removes the specific reference to local health directors, allowing other agency representatives to serve as presiding officers in IFFCs and subsequently to release impounded food.	This change will greatly improve the flexibility and timeliness for the scheduling of informal conferences and release of impounded foods. Local health directors may need to recuse themselves from presiding due to prior involvement in the case, so restricting presiding officers to the local health department poses an unnecessary obstacle and potential delay to proceedings that affect regulated businesses.