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## Periodic Review Report of Findings

<b>Agency name</b>	Department of the Treasury
<b>Virginia Administrative Code (VAC) citation</b>	1 VAC75-20
<b>Regulation title</b>	Virginia Security for Public Deposits Act Regulations
<b>Date this document prepared</b>	April 1, 2019

This information is required for executive branch review and the Virginia Registrar of Regulations, pursuant to the Virginia Administrative Process Act (APA), Executive Order 14 (as amended, July 16, 2018), the Regulations for Filing and Publishing Agency Regulations (1 VAC7-10), and the *Virginia Register Form, Style, and Procedure Manual for Publication of Virginia Regulations*.

## Acronyms and Definitions

*Please define all acronyms used in this Report. Also, please define any technical terms that are used in the document that are not also defined in the "Definition" section of the regulations.*

COV = Code of Virginia  
SPDA = Security for Public Deposits Act

## Legal Basis

*Please identify (1) the agency or other promulgating entity, and (2) the state and/or federal legal authority for the regulatory change, including the most relevant citations to the Code of Virginia or Acts of Assembly chapter number(s), if applicable. Your citation must include a specific provision, if any, authorizing the promulgating entity to regulate this specific subject or program, as well as a reference to the agency or promulgating entity's overall regulatory authority.*

Department of the Treasury's regulatory authority for this action can be found at: Code of Virginia §§ 2.2-4400 et seq, Virginia Security for Public Deposits Act (specifically § 2.2-4405 Powers of Treasury Board relating to the administration of this chapter) and

§ 2.2-2416 Powers and duties of Treasury Board.

### Alternatives

*Please describe any viable alternatives for achieving the purpose of the regulation that were considered as part of the periodic review. Include an explanation of why such alternatives were rejected and why this regulation is the least burdensome alternative available for achieving its purpose.*

COV §§ 2.2-4400 et seq. requires the Department of the Treasury to adopt regulations to protect Virginia public deposits held in financial institutions. Revision of the existing regulations is the least burdensome alternative. The intent of these revisions is to bring the regulatory language fully in line with the SPDA and current Treasury Board guidelines.

### 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. Ensure to include all comments submitted: including those received on Town Hall, in a public hearing, or submitted directly to the agency or board. Please indicate if an informal advisory group was formed for purposes of assisting in the periodic review.*

Commenter	Comment	Agency response
	No public comments were received.	

### Effectiveness

*Pursuant to § 2.2-4017, please indicate whether the regulation meets the criteria set out in Executive Order 14 (as amended, July 16, 2018), including why the regulation is (a) necessary for the protection of public health, safety, and welfare, and (b) is clearly written and easily understandable.*

The regulation meets the criteria set out in Executive Order 14 (2018) as is it necessary for the protection of public health, safety and welfare of the citizens of the Commonwealth, and is clearly written and easily understandable. The regulation protects the financial stability of the Commonwealth and citizens by ensuring public deposits of the Commonwealth of Virginia and its counties, cities, towns and other public entities are adequately protected against the failure of a financial institution holding public funds.

### Decision

*Please explain the basis for the rulemaking entity’s decision (retain the regulation as is without making changes, amend the regulation, or repeal the regulation).*

Department of the Treasury will amend the regulation to: revise the statutory authority, which has changed from COV Title 2.1 (repealed in 2001) to Title 2.2 (replaced Title 2.1 in 2001); and bring the

regulatory language in line with the current SPDA, Treasury Board guidelines, and other changes determined to be required by the agency.

### Small Business Impact

*As required by § 2.2-4007.1 E and F of the Code of Virginia, include 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, discuss why the agency's decision, consistent with the stated objectives of applicable law, will minimize the economic impact of regulations on small businesses.*

There is a continued need for the regulations as they are mandated by law in COV §§ 2.2-4400 et seq. for the proper protection of public deposits necessary to protect public health, safety and welfare. The regulation is not complex and does not conflict with federal or state law or regulation. No complaints or comments were received during the periodic review. The SPDA and these regulations have been revised to better administer the SPDA to accommodate the needs of Virginia's banking community and public institutions while ensuring the protection of public funds.