

Office of Regulatory Management
Economic Review Form

Agency name	Auctioneers Board
Virginia Administrative Code (VAC) Chapter citation(s)	18 VAC 25-21
VAC Chapter title(s)	Regulations of the Virginia Auctioneers Board
Action title	General Regulatory Reduction Initiative
Date this document prepared	July 24, 2024
Regulatory Stage (including Issuance of Guidance Documents)	Proposed (Action 6153 / Stage 10437)

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)

<p>(1) Direct & Indirect Costs & Benefits (Monetized)</p>	<p>1. This action significantly revises entry requirements pertaining to prior criminal history to reduce the “look back” period for prior criminal convictions that may be potentially disqualifying to an applicant.</p> <p>2. This action removes a requirement for an auctioneer to include the auctioneer’s or auction firm’s name and license number in all advertisements.</p> <p>3. This action removes a requirement that an auctioneer carry a copy of the auctioneer’s license on their person and produce the document upon request; and removes a similar requirement that auction firms must display at the auction firm’s license at the licensee’s address of record.</p> <p>4. This action reduces the period for an auctioneer to retain records related to an auction from four (4) years to three (3) years.</p> <p>5. This action changes requirements regarding instructors of auction schools to establish a minimum experience standard; replacing a requirement that mandated a school have a fixed number of licensed auctioneer instructors.</p> <p>Direct Costs: There are no monetizable direct costs associated with this regulatory change.</p> <p>Indirect Costs: There are no monetizable indirect costs associated with this regulatory change.</p> <p>Direct Benefits: There are no monetizable direct benefits associated with this regulatory change.</p> <p>Indirect Benefits: There are no monetizable indirect benefits associated with this regulatory change.</p>	
<p>(2) Present Monetized Values</p>	<p>Direct & Indirect Costs</p>	<p>Direct & Indirect Benefits</p>
	<p>(a) \$0</p>	<p>(b) \$0</p>
<p>(3) Net Monetized Benefit</p>	<p>\$0</p>	
<p>(4) Other Costs & Benefits (Non-Monetized)</p>	<p>Costs: There are no anticipated non-monetizable direct or indirect costs associated with this change.</p> <p>Benefits:</p> <ul style="list-style-type: none"> The action potentially allows for more individuals with a prior criminal history to qualify for licensure without the need to have these individuals’ applications reviewed by the Board. On average, it can take about six (6) to eight (8) months from when 	

	<p>an application is received by the Board for an applicant with a prior criminal history to have the application reviewed and considered by the Board before it may be approved. This change would result in a substantial time savings for such individuals.</p> <ul style="list-style-type: none"> • This action reduces administrative and paperwork burdens on licensees. These include reducing the record retention period and removing requirements for individuals and firms to display their licenses. • This action potentially allows for more auction courses to be approved by the Board as the requirements for course instructors are reduced.
(5) Information Sources	Board program staff.

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

(1) Direct & Indirect Costs & Benefits (Monetized)	<p>Direct Costs: There are no new monetizable direct costs associated with maintaining the status quo.</p> <p>Indirect Costs: There are no new monetizable indirect costs associated with maintaining the status quo.</p> <p>Direct Benefits: There are no new monetizable direct benefits associated with maintaining the status quo.</p> <p>Indirect Benefits: There are no new monetizable indirect benefits associated with maintaining the status quo.</p>	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) \$0	(b) \$0
(3) Net Monetized Benefit	\$0	
(4) Other Costs & Benefits (Non-Monetized)	There are no new non-monetizable costs or benefits associated with maintaining the status quo.	
(5) Information Sources	N/A	

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

(1) Direct & Indirect Costs & Benefits (Monetized)	See Box #4.	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) N/A	(b) N/A
(3) Net Monetized Benefit	N/A	
(4) Other Costs & Benefits (Non-Monetized)	No less intrusive or less costly alternatives to achieve the purpose of the regulatory change were identified.	
(5) Information Sources	N/A	

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)	Refer to Box #3.	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) N/A	(b) N/A
(3) Other Costs & Benefits (Non-Monetized)	There are no anticipated direct or indirect costs to local partners. There are no anticipated direct or indirect benefits to local partners	
(4) Assistance	N/A	
(5) Information Sources	N/A	

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)	Refer to Box #3.	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) N/A	(b) N/A
(3) Other Costs & Benefits (Non-Monetized)	There are no anticipated direct or indirect costs to families. There are no anticipated direct or indirect benefits to families.	
(4) Information Sources	N/A	

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)	See Box #3.	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) N/A	(b) N/A
(3) Other Costs & Benefits (Non-Monetized)	As noted in the ABD, licenses issued under this regulation are issued to both individuals and business entities. Many licensed business entities are likely to be business entities that meet the definition of "small business" in § 2.2-4007.1 of the Code of Virginia. In addition, many individual licensees are likely to be owners or employees of business entities that fall within the meaning of "small business."	

	The costs and benefits of this regulatory change are identified in Table 1(a). To the extent that any additional costs are assumed by a small business entities owned by licensees or that employ licensees, this regulatory change would impact small businesses.
(4) Alternatives	No less intrusive or less costly alternatives to achieve the purpose of the regulatory change were identified.
(5) Information Sources	N/A

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
21-20	(M/A):	1	1	1	0
	(D/A):	2	3	2	+1
	(M/R):	4	9	2	+7
	(D/R):	4	4	3	+1
21-40	(M/A):	1	0	0	0
	(D/A):	2	0	1	-1
	(M/R):	2	0	1	-1
	(D/R):	0	0	0	0
21-50	(M/A):	1	1	1	0
	(D/A):	4	2	4	-2
	(M/R):	2	0	0	0
	(D/R):	6	4	5	-1
21-60*	(M/A):	0	0	0	0
	(D/A):	0	0	0	0
	(M/R):	0	0	0	0
	(D/R):	11	0	11	-11
21-80	(M/A):	0	0	0	0
	(D/A):	1	0	1	-1
	(M/R):	0	0	0	0
	(D/R):	4	0	1	-1
21-90	(M/A):	0	0	0	0
	(D/A):	3	0	1	-1
	(M/R):	1	0	0	0
	(D/R):	9	0	0	0
21-100	(M/A):	0	0	0	0
	(D/A):	0	0	0	0
	(M/R):	1	0	1	-1
	(D/R):	3	0	3	-3
21-110	(M/A):	0	0	0	0
	(D/A):	0	0	0	0
	(M/R):	0	0	0	0
	(D/R):	22	4	2	+2

21-130	(M/A):	0	0	0	0
	(D/A):	0	0	0	0
	(M/R):	0	0	0	0
	(D/R):	4	0	4	-4
21-140	(M/A):	0	0	0	0
	(D/A):	0	0	0	0
	(M/R):	0	0	0	0
	(D/R):	1	0	3	+3
21-150	(M/A):	0	0	0	0
	(D/A):	0	0	0	0
	(M/R):	0	0	0	0
	(D/R):	19	0	2	-2
21-160	(M/A):	0	0	0	0
	(D/A):	0	0	0	0
	(M/R):	0	0	0	0
	(D/R):	5	0	5	-5
21-180	(M/A):	2	0	0	0
	(D/A):	2	0	0	0
	(M/R):	0	0	0	0
	(D/R):	6	0	1	-1
21-190	(M/A):	0	0	0	0
	(D/A):	0	0	0	0
	(M/R):	0	0	0	0
	(D/R):	10	15	2	+13
21-200	(M/A):	0	0	0	0
	(D/A):	0	0	0	0
	(M/R):	0	0	0	0
	(D/R):	13	0	13	-13
21-210	(M/A):	0	0	0	0
	(D/A):	0	0	0	0
	(M/R):	0	0	0	0
	(D/R):	2	0	2	-2
21-220	(M/A):	0	0	0	0
	(D/A):	0	0	0	0
	(M/R):	0	0	0	0
	(D/R):	1	0	1	-1

* The revised baseline report filed in August 2023 for this section contains an error. The baseline report indicates there are zero (0) requirements for this section. However, this section contains regulatory requirements. The correct number calculated by agency staff is reported on this form.

Grand Total of Changes in Requirements:	(M/A): 0
	(D/A): +4
	(M/R): +5
	(D/R): -25

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)

VAC Section(s) Involved*	Description of Regulatory Requirement	Initial Cost	New Cost	Overall Cost Savings/Increases
N/A	N/A	N/A	N/A	N/A

Other Decreases or Increases in Regulatory Stringency (if applicable)

VAC Section(s) Involved*	Description of Regulatory Change	Overview of How It Reduces or Increases Regulatory Burden
21-20 21-50	<p>Criminal history qualifications for licensure are revised to reduce the “look back” period for prior criminal offenses that may disqualify an applicant for licensure.</p> <p>Applicants will be required to report (i) all felony convictions within 10 years of the date of application; and (ii) any non-marijuana misdemeanors involving moral turpitude, sexual offense, drug distribution, or physical injury within three (3) years of the date of application.</p> <p>Currently, an application may be denied for any prior criminal conviction, no matter how long ago the conviction occurred. Such applicants must have their applications reviewed by the Board before being granted a license.</p>	<p>Applicants with older criminal convictions that fall outside the new “look back” window would not be required to disclose this prior criminal history to the Board and could be approved for a license without the need for the application to be reviewed by the Board.</p> <p>The changes apply to two D/R requirements in section -20; and two D/R requirements in section -50.</p>

<p>21-20 21-50</p>	<p>The criminal history qualification for misdemeanor convictions is revised to expand the scope of potentially disqualifying misdemeanor offenses.</p> <p>An applicant will be required to disclose non-marijuana misdemeanors involving moral turpitude, sexual offense, drug distribution, or physical injury.</p> <p>Currently, an applicant may be potentially disqualified with any misdemeanor involving moral turpitude.</p>	<p>The change partially increases the restrictiveness of the entry qualification for individuals with prior misdemeanor convictions.</p> <p>The changes apply to one D/R requirement in section -20; and one D/R requirement in section -50.</p>
<p>21-140 21-160</p>	<p>The record retention period for a licensee to keep records of transactions is reduced from four (4) years to three (3) years.</p>	<p>The change reduces the stringency of the current requirement by 25%.</p> <p>The change applies to one D/R requirement that is currently in section -160, but will be relocated to section -140.</p>
<p>21-150</p>	<p>The deadline for an auctioneer to deposit proceeds of a personal property auction in escrow is revised to require that an auctioneer deposit the proceeds in escrow on either the next banking day following the date of auction or the sale of the goods.</p> <p>Currently, an auctioneer must make the deposit on the next banking day following whichever event (date of auction or sale of goods) occurs first.</p>	<p>The change reduces the stringency of the current deposit requirement.</p> <p>The change applies to one D/R requirement in the section.</p>

<p>21-190 21-200</p>	<p>The application requirements for auction schools are revised to provide that a school provide the names of Virginia licensed auctioneer instructors and confirmation of participation in the various aspects of a minimum of 50 auctions.</p> <p>The current requirement is that a school must have at least five (5) instructors who have been licensed for at least five (5) years and who specialize in different fields in the auction business.</p>	<p>The change reduces the stringency of the current requirement by providing a more flexible standard.</p> <p>A school is not required to have a minimum number of instructors (beyond at least one).</p> <p>The experience requirement change would potentially allow for schools to employ as instructors licensed auctioneers who have been licensed less than five years but meet the 50 auctions experience requirement and qualify for course approval from the Board.</p> <p>The change applies to one D/R requirement in section -200, which is being relocated to section -190.</p>
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Length of Guidance Documents (only applicable if guidance document is being revised)

Title of Guidance Document	Original Word Count	New Word Count	Net Change in Word Count
N/A	N/A	N/A	N/A

*If the agency is modifying a guidance document that has regulatory requirements, it should report any change in requirements in the appropriate chart(s).