

Office of Regulatory Management  
Economic Review Form

<b>Agency name</b>	State Milk Commission
<b>Virginia Administrative Code (VAC) Chapter citation(s)</b>	2 VAC 15-20
<b>VAC Chapter title(s)</b>	Regulations for the Control and Supervision of Virginia's Milk Industry
<b>Action title</b>	Periodic review of 2 VAC 15-20
<b>Date this document prepared</b>	December 29, 2022
<b>Regulatory Stage (including Issuance of Guidance Documents)</b>	Periodic Review

**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)**

Omitted pursuant to ORM Regulatory Economic Analysis Manual

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

Omitted pursuant to ORM Regulatory Economic Analysis Manual

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

Omitted pursuant to ORM Regulatory Economic Analysis Manual

**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)	This regulation does not directly or indirectly impact local partners, which include local governments, school divisions, and other local or regional authorities, boards, or commissions.	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) N/A	(b) N/A
(3) Other Costs & Benefits (Non-Monetized)	N/A	
(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)	<p>The agency is not aware of a direct cost to families associated with this regulation.</p> <p>The indirect cost of this regulation on families is that any change in the cost of raw milk may be passed on from retailers to consumers. However, this would occur under the federal milk marketing system as well. In the absence of this regulation, Virginia would lose its current controls on retail pricing.</p> <p>The direct benefit of this regulation on families is generally lower retail milk prices than the prices in states that do not have a similar regulation.</p> <p>The agency is not aware of an indirect benefit to families associated with this regulation.</p>	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) The agency does not have sufficient data to estimate the indirect cost on families.	(b) The agency does not have sufficient data to estimate the direct benefit on families.
(3) Other Costs & Benefits (Non-Monetized)	N/A	
(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)	<p>The agency is not aware of a direct cost to small businesses associated with this regulation.</p> <p>Indirect costs to small retailers may be higher wholesale costs. However, this would be the case without the regulation, and the increased costs incentivize distributors to continue selling to the retailer versus no longer serving the retailer.</p> <p>Most dairy producers in Virginia are likely small businesses. Dairy producers directly benefit from the regulation through higher pay prices for their milk than are required by federal regulation.</p>
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	The agency is not aware of an indirect benefit to small businesses associated with this regulation.	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) The agency does not have sufficient data to estimate the direct and indirect costs on small businesses.	(b) The agency does not have sufficient data to estimate the direct and indirect benefits on small businesses.
(3) Other Costs & Benefits (Non-Monetized)	N/A	
(4) Alternatives	There are no alternatives to this regulation that could alleviate any regulatory burden on small businesses and continue to provide the same benefits.	
(5) Information Sources	N/A	

**Changes to Number of Regulatory Requirements**

*For each individual VAC Chapter amended, repealed, or promulgated by this regulatory action, list (a) the initial requirement count, (b) the count of requirements that this regulatory package is adding, (c) the count of requirements that this regulatory package is reducing, (d) the net change in the number of requirements. This count should be based upon the text as written when this stage was presented for executive branch review. Five rows have been provided, add or delete rows as needed. In the last row, indicate the total number for each column.*

**Table 5: Total Number of Requirements**

	Number of Requirements			
Chapter number	Initial Count	Additions	Subtractions	Net Change
2 VAC 15-20	48	0*	0*	0
<b>TOTAL</b>	48	0*	0*	0

\*As a result of this periodic review, the agency has decided this regulation should remain in effect without change.