



Economic Impact Analysis Virginia Department of Planning and Budget

2 VAC 5-540 – Rules and Regulations Pertaining to Carbonated and Still Water Bottling Plants and Beverages
Department of Agriculture and Consumer Services
April 7, 2010

Summary of the Proposed Amendments to Regulation

The Virginia Department of Agriculture and Consumer Services (VDACS) proposes to repeal these regulations.

Result of Analysis

The benefits likely exceed the costs for all proposed changes.

Estimated Economic Impact

Almost all elements of these regulations are included in the Virginia Food Laws (Title 3.2, Chapter 51 of the Code of Virginia). One exception is the regulatory requirement for a separate syrup room. According to VDACS separate syrup rooms are not necessary to maintain sanitary conditions. Since requiring a separate syrup room can increase costs for firms and there is essentially no benefit to the requirement, eliminating this requirement with the proposed repeal of the regulations will produce a net benefit. Eliminating regulations that are duplicative of the Code of Virginia will have no impact beyond reducing potential future confusion when and if the Virginia Food Laws are amended.

Businesses and Entities Affected

The proposed amendments affect the 42 carbonated and still water bottling firms in Virginia.¹

¹ Data Source: Virginia Department of Agriculture and Consumer Services

Localities Particularly Affected

The proposed amendments do not disproportionately affect particular localities.

Projected Impact on Employment

The proposal amendments are unlikely to significantly affect employment.

Effects on the Use and Value of Private Property

The proposed amendments are unlikely to significantly affect the use and value of private property.

Small Businesses: Costs and Other Effects

The proposed amendments are unlikely to significantly affect small businesses.

Small Businesses: Alternative Method that Minimizes Adverse Impact

The proposed amendments are unlikely to significantly affect small businesses.

Real Estate Development Costs

The proposed amendments are unlikely to significantly affect real estate development costs.

Legal Mandate

The Department of Planning and Budget (DPB) has analyzed the economic impact of this proposed regulation in accordance with Section 2.2-4007.04 of the Administrative Process Act and Executive Order Number 107 (09). Section 2.2-4007.04 requires that such economic impact analyses include, but need not be limited to, the projected number of businesses or other entities to whom the regulation would apply, the identity of any localities and types of businesses or other entities particularly affected, the projected number of persons and employment positions to be affected, the projected costs to affected businesses or entities to implement or comply with the regulation, and the impact on the use and value of private property. Further, if the proposed regulation has adverse effect on small businesses, Section 2.2-4007.04 requires that such economic impact analyses include (i) an identification and estimate of the number of small businesses subject to the regulation; (ii) the projected reporting, recordkeeping, and other administrative costs required for small businesses to comply with the regulation, including the type of professional skills necessary for preparing required reports and other documents; (iii) a

statement of the probable effect of the regulation on affected small businesses; and (iv) a description of any less intrusive or less costly alternative methods of achieving the purpose of the regulation. The analysis presented above represents DPB's best estimate of these economic impacts.