



Exempt Action Final Regulation Agency Background Document

Agency name	Department of Agriculture and Consumer Services
Virginia Administrative Code (VAC) citation	2 VAC 5-460
Regulation title	Rules and Regulations for the Enforcement of the Virginia Petroleum Products Franchise Act
Action title	Repeal of regulation pursuant to Chapter 351 of the 2012 Acts of Assembly
Final agency action date	May 24, 2012
Document preparation date	June 5, 2012

When a regulatory action is exempt from executive branch review pursuant to § 2.2-4002 or § 2.2-4006 of the Virginia Administrative Process Act (APA), the agency is encouraged to provide information to the public on the Regulatory Town Hall using this form.

Note: While posting this form on the Town Hall is optional, the agency must comply with requirements of the Virginia Register Act, Executive Orders 14 (2010) and 58 (1999), and the *Virginia Register Form, Style, and Procedure Manual*.

Summary

Please provide a brief summary of all regulatory changes, including the rationale behind such changes. Alert the reader to all substantive matters or changes. If applicable, generally describe the existing regulation.

This action will repeal 2VAC5-460, *Rules and Regulations for the Enforcement of the Virginia Petroleum Products Franchise Act*.

The Virginia Petroleum Products Franchise Act (Act) (Va Code § 59.1-21.8 et seq.) was first enacted in 1973 when motor fuels were primarily sold from retail outlets operated by franchise dealers. The intent of the Act was, in part, to protect small independent motor fuel retailers from encroachment by refiner-owned retail operations by prohibiting refiners from operating a retail outlet less than 1.5 miles away from a retail outlet that is operated by a franchise dealer. One of the provisions of the Act requires the Commissioner of Agriculture and Consumer Services to adopt regulations that, in part, require refiners and franchise dealers to file with the Department of Agriculture and Consumer Services a list of retail outlets they operate. The resulting regulations, 2VAC5-460, *Rules and Regulations for the Enforcement of the Virginia Petroleum Products Franchise Act*, were promulgated in 1986 and subsequently amended in 1988.

Today, most franchise dealers have exited the market and motor fuels in Virginia are sold almost exclusively from retail outlets that are owned or operated by distributors. Consequently, Chapter 351 of the 2012 Acts of Assembly amended the Act to eliminate the requirement for these regulations. As such, 2VAC5-460, *Rules and Regulations for the Enforcement of the Virginia Petroleum Products Franchise Act*, is no longer required by statute and must be repealed.

Statement of final agency action

Please provide a statement of the final action taken by the agency including (1) the date the action was taken, (2) the name of the agency taking the action, and (3) the title of the regulation.

On May 24, 2012, the Board of Agriculture and Consumer Services authorized the Department of Agriculture and Consumer Services to repeal 2VAC5-460, *Rules and Regulations for the Enforcement of the Virginia Petroleum Products Franchise Act*.

Family impact

Assess the impact of this regulatory action on the institution of the family and family stability.

This regulatory action will have no impact on the institution of the family and family stability.