



Economic Impact Analysis Virginia Department of Planning and Budget

2 VAC 5-260 – Regulations Establishing the Virginia Quality Label
Department of Agriculture and Consumer Services
January 30, 2013

Summary of the Proposed Amendments to Regulation

The Department of Agriculture and Consumer Services proposes to repeal the *Regulations Establishing the Virginia Quality Label* (2 VAC 5-260), which describes the Virginia Quality Label as consisting of an outline map of the State of Virginia to be used for designating inspected agricultural products..

Result of Analysis

The benefits likely exceed the costs for all proposed changes.

Estimated Economic Impact

The Commonwealth offers agricultural producers official grading services for agricultural commodities including fruits and vegetables, peanuts, soybeans and grain, livestock, poultry and eggs. These grading and inspection services are based on official grades recommended or adopted by the U.S. Department of Agriculture (USDA). Since Virginia adopted and utilizes USDA grade standards and retains the authority to adopt other grades or standards in addition to or different from those recommended or adopted by the USDA, a separate Virginia Quality Label is not necessary. According to the Department of Agriculture and Consumer Services, the Virginia Quality Label has not been used for at least two decades. Thus the proposed repeal of these regulations will have no impact beyond perhaps reducing some confusion.

Businesses and Entities Affected

No businesses or entities are significantly affected by the proposed repeal of these regulations.

Localities Particularly Affected

The proposed repeal of these regulations does not particularly affect specific localities.

Projected Impact on Employment

The proposed repeal of these regulations will not affect employment.

Effects on the Use and Value of Private Property

The proposed repeal of these regulations will not significantly affect the use and value of private property.

Small Businesses: Costs and Other Effects

The proposed repeal of these regulations will not significantly affect costs for small businesses.

Small Businesses: Alternative Method that Minimizes Adverse Impact

The proposed repeal of these regulations does not adversely affect small businesses.

Real Estate Development Costs

The proposed repeal of these regulations will not 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 14 (10). Section 2.2-4007.04 requires that such economic impact analyses include, but need not be limited to, a determination of the public benefit, 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 an 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.