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## Exempt Action Final Regulation Agency Background Document

<b>Agency name</b>	Virginia Department of Health
<b>Virginia Administrative Code (VAC) citation(s)</b>	12VAC5-221
<b>Regulation title(s)</b>	Regulations Governing Cooperative Agreements
<b>Action title</b>	Amend regulations to conform to Chapter 371 of 2018
<b>Final agency action date</b>	9/24/2018
<b>Date this document prepared</b>	9/18/2018

While a regulatory action may be exempt from executive branch review pursuant to § 2.2-4002 or § 2.2-4006 of the *Code of Virginia*, the agency is still encouraged to provide information to the public on the Regulatory Town Hall using this form. However, the agency may still be required to comply with the Virginia Register Act, Executive Order 14 (as amended, July 16, 2018), the Regulations for Filing and Publishing Agency Regulations (1 VAC7-10), and the *Virginia Register Form, Style, and Procedure Manual for Publication of Virginia Regulations*.

### Brief summary

*Please provide a brief summary (preferably no more than 2 or 3 paragraphs) of this regulatory change (i.e., new regulation, amendments to an existing regulation, or repeal of an existing regulation). Alert the reader to all substantive matters. If applicable, generally describe the existing regulation.*

House Bill 663 enacted by the 2018 General Assembly amends § 15.2-5384.1 of the Code of Virginia (Code) to require the Board of Health (Board) to include in the Regulations Governing Cooperative Agreements reimbursement of costs necessary to examine, review, and supervise a cooperative agreement. Parties to a cooperative agreement shall reimburse the State Health Commissioner (Commissioner) for all reasonable and actual costs incurred by the Virginia Department of Health (VDH) including the costs of experts and consultants retained by the Commissioner in the review of an application, and supervision of any cooperative agreement approved. Before contracting with experts or consultants, the Commissioner shall provide reasonable notice to the parties of a cooperative agreement of the anticipated costs of the experts and consultants as well as the proposed scope of work. The parties

shall be given a reasonable time period to provide to the Commissioner information related to possible alternatives to the use of such experts and consultants. The Commissioner shall consider the information submitted by the parties in determining whether to retain an expert or consultant. The Commissioner shall maintain detailed records of all costs incurred for which reimbursement is requested, and provide the parties with a quarterly report that includes all costs incurred for which the Commissioner seeks reimbursement.

**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.*

The Commissioner approved this Final Action regarding the Regulations Governing Cooperative Agreements, on behalf of the State Board of Health while the board was not in session on September 24, 2018.

**Periodic Review  
Small Business Impact Review Report of Findings**

*If you are using this form to report the result of a periodic review/small business impact review that is being conducted as part of this regulatory action, and was announced during the proposed stage, please indicate whether the regulatory change meets the criteria set out in Executive Order 14 (as amended, July 16, 2018), e.g., is necessary for the protection of public health, safety, and welfare; minimizes the economic impact on small businesses consistent with the stated objectives of applicable law; and is clearly written and easily understandable.*

*In addition, as required by § 2.2-4007.1 E and F of the Code of Virginia, include a discussion of the agency’s consideration of: (1) the continued need for the regulation; (2) the nature of complaints or comments received concerning the regulation from the public; (3) the complexity of the regulation; (4) the extent to which the regulation overlaps, duplicates, or conflicts with federal or state law or regulation; and (5) the length of time since the regulation has been evaluated or the degree to which technology, economic conditions, or other factors have changed in the area affected by the regulation.*

Commenter	Comment	Agency response

A periodic review was not performed. This is a legislative mandate.