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## Notice of Intended Regulatory Action (NOIRA) Agency Background Document

<b>Agency name</b>	Motor Vehicle Dealer Board
<b>Virginia Administrative Code (VAC) Chapter citation(s)</b>	24 VAC 22 – 10 through 70
<b>VAC Chapter title(s)</b>	Chapter 40
<b>Action title</b>	Remove Chapter 40 Independent Dealer-Operator Recertification Regulation
<b>Date this document prepared</b>	10/03/2022

This information is required for executive branch review and the Virginia Registrar of Regulations, pursuant to the Virginia Administrative Process Act (APA), Executive Order 19 (2022) (EO 19), any instructions or procedures issued by the Office of Regulatory Management (ORM) or the Department of Planning and Budget (DPB) pursuant to EO 19, the Regulations for Filing and Publishing Agency Regulations (1 VAC 7-10), and the *Form and Style Requirements for the Virginia Register of Regulations and Virginia Administrative Code*.

### Brief Summary

*Provide a brief summary (preferably no more than 2 or 3 paragraphs) of the subject matter, intent, and goals of this regulatory change (i.e., new regulation, amendments to an existing regulation, or repeal of an existing regulation).*

The 2022 General Assembly passed HB 316, which codifies existing Motor Vehicle Dealer Board Dealer-Operator recertification regulations (24VAC22-10 through 24VAC22-70) to Virginia Code §§ 46.2-1583 -46.2-1589. The regulation is posted in the Virginia Register Volume 26, Issue 24. The MVDB will remove regulation 24VAC22-40-10 through 70.

### Acronyms and Definitions

*Define all acronyms or technical definitions used in this form.*

N/A

### Mandate and Impetus

*Identify the mandate for this regulatory change and any other impetus that specifically prompted its initiation, (e.g., new, or modified mandate, petition for rulemaking, periodic review, or board decision). For purposes of executive branch review, “mandate” has the same meaning as defined in the ORM procedures, “a directive from the General Assembly, the federal government, or a court that requires that a regulation be promulgated, amended, or repealed in whole or part.”*

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The 2022 General Assembly passed HB 316, which codifies existing Motor Vehicle Dealer Board Dealer-Operator recertification regulations 24VAC22-10 through 24VAC22-70) to Virginia Code §§ 46.2-1583 -46.2-1589. This action repeals 24VAC22-10 through 70.

### Legal Basis

*Identify (1) the promulgating agency, and (2) the state and/or federal legal authority for the regulatory change, including the most relevant citations to the Code of Virginia and Acts of Assembly chapter number(s), if applicable. Your citation must include a specific provision, if any, authorizing the promulgating agency to regulate this specific subject or program, as well as a reference to the agency’s overall regulatory authority.*

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24VAC22. Motor Vehicle Dealer Board  
VAC Agency No. 22  
46.2-1511  
46.2-1583 through 46.2-1589  
2.2-4006 A.4.a  
2.2-4007.01

### Purpose

*Describe the specific reasons why the agency has determined that this regulation is essential to protect the health, safety, or welfare of citizens. In addition, explain any potential issues that may need to be addressed as the regulation is developed.*

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The regulation is now in Chapter 15 of the Virginia Code

### Substance

*Briefly identify and explain the new substantive provisions that are being considered, the substantive changes to existing sections that are being considered, or both.*

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46.2-1586 46.2-1589 changes the process established by regulation by (i) changing recertification from every 36 months to every 24 months; (ii) changing the training requirement from a six-hour course to a live four-hour instructor-led course and a requirement to pass an examination; (iii) increasing the permissible course fee from \$250 to \$300; and (iv) increasing the recertification application fee from \$25 to \$50.

### Alternatives to Regulation

*Describe any viable alternatives to the regulatory change that were considered, and the rationale used by the agency to select the least burdensome or intrusive alternative that meets the essential purpose of the regulatory change. Also, include discussion of less intrusive or less costly alternatives for small businesses, as defined in § 2.2-4007.1 of the Code of Virginia, of achieving the purpose of the regulatory change.*

This was a legislative mandate.

### Periodic Review and Small Business Impact Review Announcement

*If you wish to use this regulatory action to conduct, and this NOIRA to announce, a periodic review (pursuant to § 2.2-4017 of the Code of Virginia and the ORM procedures), and a small business impact review (§ 2.2-4007.1 of the Code of Virginia) of this regulation, keep the following text. Modify it as necessary for your agency. Otherwise, delete the paragraph below and insert “This NOIRA is not being used to announce a periodic review or a small business impact review.”*

This NOIRA is not being used to announce a periodic review or a small business impact review.

### Public Participation

*Indicate how the public should contact the agency to submit comments on this regulation, and whether a public hearing will be held, by completing the text below. In addition, as required by § 2.2-4007.02 of the Code of Virginia, describe any other means that will be used to identify and notify interested parties and seek their input, such as regulatory advisory panels or general notices.*

The Motor Vehicle Dealer Board is providing an opportunity for comments on this regulatory proposal, including but not limited to (i) the costs and benefits of the regulatory proposal, (ii) any alternative approaches, and (iii) the potential impacts of the regulation.

Anyone wishing to submit written comments for the public comment file may do so through the Public Comment Forums feature of the Virginia Regulatory Town Hall web site at: <https://townhall.virginia.gov>. Comments may also be submitted by mail, email or fax to William Childress, Executive Director, Motor Vehicle Dealer Board, 2201 W. Broad Street, Suite 104, Richmond, Virginia. 23220; [William.Childress@MVDB.Virginia.gov](mailto:William.Childress@MVDB.Virginia.gov); or 804-367-1053. In order to be considered, comments must be received by 11:59 pm on the last day of the public comment period.

A public hearing will not be held following the publication of the proposed stage of this regulatory action.