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Periodic Review and Small Business Impact Review Report of Findings

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| Agency name | Board of Agriculture and Consumer Services |
| Virginia Administrative Code (VAC) Chapter citation(s) | 2 VAC 5-610 |
| VAC Chapter title(s) | Rules Governing the Solicitation of Contributions |
| Date this document prepared | June 29, 2020 |

This information is required for executive branch review and the Virginia Registrar of Regulations, pursuant to the Virginia Administrative Process Act (APA), Executive Order 14 (as amended, July 16, 2018), the Regulations for Filing and Publishing Agency Regulations (1VAC7-10), and the **Form and Style Requirements for the Virginia Register of Regulations and Virginia Administrative Code**.

Acronyms and Definitions

Define all acronyms used in this Report, and any technical terms that are not also defined in the "Definitions" section of the regulation.

"Board" means the Board of Agriculture and Consumer Services

"VDACS" means the Virginia Department of Agriculture and Consumer Services.

"VSOC" means the Virginia Solicitation of Contributions Law (Va. Code § 57-48 et seq.)

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 or 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.

Section 3.2-109 of the Code of Virginia (Code) establishes the Board of Agriculture and Consumer Services (Board) as a policy board.

Section 57-66 of the Code authorizes the Board to make and publish rules and regulations for the enforcement of the Virginia Solicitation of Contributions Law (Va. Code § 57-48 et seq.).

Alternatives to Regulation

Describe any viable alternatives for achieving the purpose of the regulation that were considered as part of the periodic review. Include an explanation of why such alternatives were rejected and why this regulation is the least burdensome alternative available for achieving its purpose.

The agency has determined that no viable alternatives exist for this regulation.

The regulation prescribes (i) the specific information charitable organizations must provide in order to complete a new or renewal registration or to receive an exemption from annual registration, (ii) the requirements for reporting contributions received, (iii) the information that professional solicitors and fund-raising counsel must provide in order to complete registration, (iv) the specific information that professional solicitors must disclose in the course of soliciting contributions, and (v) the requirements regarding the financial reports that must be filed with VDACS. The agency determined these requirements are not unnecessarily burdensome and are the best alternative available to achieve the purpose of this regulation.

Public Comment

Summarize all comments received during the public comment period following the publication of the Notice of Periodic Review, and provide the agency response. Be sure to include all comments submitted: including those received on Town Hall, in a public hearing, or submitted directly to the agency. Indicate if an informal advisory group was formed for purposes of assisting in the periodic review.

No comments were received during the public comment period that following the publication of the Notice of Periodic Review on April 27, 2020, and an informal advisory group was not formed for the purpose of assisting in the periodic review.

Effectiveness

Pursuant to § 2.2-4017 of the Code of Virginia, indicate whether the regulation meets the criteria set out in Executive Order 14 (as amended, July 16, 2018), including why the regulation is (a) necessary for the protection of public health, safety, and welfare, and (b) is clearly written and easily understandable.

This regulation provides specific registration and reporting requirements that clarify the general requirements prescribed in the VSOC and provides for uniform reporting, which protects public safety and economic welfare by improving charitable donation decision making by the public. The regulation is clearly written and easily understandable.

Decision

Explain the basis for the promulgating agency's decision (retain the regulation as is without making changes, amend the regulation, or repeal the regulation).

The agency recommends that the regulation stay in effect without change as it provides clarifications to the general requirements prescribed in VSOC, provides an important means to ensure uniform reporting for charitable organizations that are soliciting contributions from the public, and improves the information that is available to the public to inform their charitable donation decisions. There have been no changes in the industry that necessitate amendments to the current regulation.

Small Business Impact

As required by § 2.2-4007.1 E and F of the Code of Virginia, discuss the agency's consideration of: (1) the continued need for the regulation; (2) the nature of complaints or comments received concerning the regulation; (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. Also, discuss why the agency's decision, consistent with applicable law, will minimize the economic impact of regulations on small businesses.

The agency has determined that this regulation continues to be necessary. The requirements established in the regulation are not unnecessarily burdensome. The regulation provides protection to the welfare of Virginia citizens by assisting VDACS in providing the public with information that enables them to make educated financial decisions regarding their charitable contributions. There have been no complaints or comments received from the public regarding this regulation. The agency has determined that this regulation is not unnecessarily complex and that the complexity of this regulation will not have an economic impact on small businesses.

The regulation does not appear to overlap, duplicate, or conflict with any federal or state law or regulation. The regulation was last amended in November 2015. The agency has determined that no change in the affected industry has occurred since the regulation was last amended that would necessitate amending or repealing this regulation.
