

Office of Regulatory Management  
Economic Review Form

<b>Agency name</b>	Board of Agriculture and Consumer Services
<b>Virginia Administrative Code (VAC) Chapter citation(s)</b>	2 VAC 5-336
<b>VAC Chapter title(s)</b>	Regulations for Enforcement of the Virginia Tree and Crop Pests Law - Spotted Lanternfly Quarantine
<b>Action title</b>	Periodic Review of 2 VAC 5-336
<b>Date this document prepared</b>	July 17, 2023
<b>Regulatory Stage (including Issuance of Guidance Documents)</b>	Periodic Review

**Cost Benefit Analysis**

Complete Tables 1a and 1b for all regulatory actions. You do not need to complete Table 1c if the regulatory action is required by state statute or federal statute or regulation and leaves no discretion in its implementation.

Table 1a should provide analysis for the regulatory approach you are taking. Table 1b should provide analysis for the approach of leaving the current regulations intact (i.e., no further change is implemented). Table 1c should provide analysis for at least one alternative approach. You should not limit yourself to one alternative, however, and can add additional charts as needed.

Report both direct and indirect costs and benefits that can be monetized in Boxes 1 and 2. Report direct and indirect costs and benefits that cannot be monetized in Box 4. See the ORM Regulatory Economic Analysis Manual for additional guidance.

**Table 1a: Costs and Benefits of the Proposed Changes (Primary Option)**

Omitted pursuant to ORM Regulatory Economic Analysis Manual

**Table 1b: Costs and Benefits under the Status Quo (No change to the regulation)**

Omitted pursuant to ORM Regulatory Economic Analysis Manual

**Table 1c: Costs and Benefits under Alternative Approach(es)**

Omitted pursuant to ORM Regulatory Economic Analysis Manual

**Impact on Local Partners**

Use this chart to describe impacts on local partners. See Part 8 of the ORM Cost Impact Analysis Guidance for additional guidance.

**Table 2: Impact on Local Partners**

(1) Direct & Indirect Costs & Benefits (Monetized)	<p>Direct Costs:</p> <ul style="list-style-type: none"> <li>Localities that will move regulated articles out of the regulated area must complete VDACS-approved online training at a cost of \$6.00 and obtain a permit (no cost) from VDACS. The regulation requires localities to inspect regulated articles to ensure that such articles are free from spotted lanternfly before moving out of the regulated area. It is anticipated that localities will be able to absorb associated costs and would require no additional funding or FTEs.</li> </ul> <p>Direct Benefits:</p> <ul style="list-style-type: none"> <li>Reduction in the artificial spread of spotted lanternfly will benefit those localities that are not currently infested with spotted lanternfly, which is known to feed on grapes, apples, hops, and some ornamental trees.</li> </ul> <p>The agency is not aware of any indirect impact on local partners associated with this regulation.</p>	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) \$6.00	(b) N/A
(3) Other Costs & Benefits (Non-Monetized)	N/A	
(4) Assistance	N/A	

(5) Information Sources	N/A
-------------------------	-----

**Impacts on Families**

Use this chart to describe impacts on families. See Part 8 of the ORM Cost Impact Analysis Guidance for additional guidance.

**Table 3: Impact on Families**

(1) Direct & Indirect Costs & Benefits (Monetized)	<p>VDACS estimates that Virginia families do not incur any direct or indirect costs as a result of this regulation.</p> <p>Implementation of invasive species quarantines, such as the spotted lanternfly quarantine, raises awareness of problems created by the spotted lanternfly, providing an indirect benefit to families by reducing the rate of spread and therefore increasing the amount of time it takes before the spotted lanternfly impacts various crops that are consumed or used by families.</p> <p>VDACS is not aware of a direct benefit on families associated with this regulation.</p>	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) N/A	(b) N/A
(3) Other Costs & Benefits (Non-Monetized)	N/A	
(4) Information Sources	N/A	

**Impacts on Small Businesses**

Use this chart to describe impacts on small businesses. See Part 8 of the ORM Cost Impact Analysis Guidance for additional guidance.

**Table 4: Impact on Small Businesses**

(1) Direct & Indirect Costs & Benefits (Monetized)	<p>Direct Costs:</p> <ul style="list-style-type: none"> <li>Businesses in a regulated area that move regulated articles out of the regulated area must complete VDACS-approved online training at a cost of \$6.00, which supports Virginia Tech’s</li> </ul>
--	---

	<p>development and hosting of the training, and obtain a permit (no cost) from VDACS. Additionally, the regulation requires businesses to inspect regulated articles to ensure that such articles are free from spotted lanternfly before moving out of the regulated area.</p> <ul style="list-style-type: none"> <li>• VDACS does not have reliable data on which to base an estimate as to the number of businesses that will need to move regulated articles out of the regulated area and, as such, is unable to provide a reasonable estimated dollar amount for this direct cost.</li> </ul> <p>Direct Benefits:</p> <ul style="list-style-type: none"> <li>• As a result of the quarantine established in this regulation, shipments traveling from Virginia will be allowed to enter other states with spotted lanternfly quarantines that restrict the movement of regulated articles originating from infested areas in Virginia. VDACS does not have reliable data on which to base a reasonable estimated dollar amount for this direct benefit.</li> <li>• Reduction in the artificial spread of spotted lanternfly, an invasive pest that is a threat to Virginia’s grape, apple, hops, and forestry industries, will reduce the crop loss or pest management costs that could be associated with a spotted lanternfly infestation. VDACS does not have reliable data on which to base a reasonable estimated dollar amount for this direct benefit. However, apples are one of Virginia’s top 20 agricultural commodities, and Virginia’s 2021 apple crop was valued at \$35,631,000. Additionally, Virginia’s 2019 wine-grape crop was valued at \$17,800,000.</li> </ul> <p>Indirect Costs and Benefits:</p> <ul style="list-style-type: none"> <li>• Implementation of invasive species quarantines, such as the spotted lanternfly quarantine, raises awareness of the plant pest, which can assist in reducing the artificial spread of these pests.</li> </ul>	
--	--	--

(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) \$6.00	(b) N/A
(3) Other Costs & Benefits (Non-Monetized)	N/A	
(4) Alternatives	N/A	

<p>(5) Information Sources</p>	<p>Apple crop value: U.S. Department of Agriculture, Economic Research Service</p> <p>Wine-grape crop value: The Economic Impact of the Wine and Wine Grape Industries on the Virginia Economy, 2019 Summary Report (Economic Forensics and Analytics, Inc.)</p>
--------------------------------	--

**Changes to Number of Regulatory Requirements**

**Table 5: Regulatory Reduction**

For each individual action, please fill out the appropriate chart to reflect any change in regulatory requirements, costs, regulatory stringency, or the overall length of any guidance documents.

*Change in Regulatory Requirements*

“G/D” means discretionary regulatory requirements governing agency/agencies.

“R/D” means discretionary regulatory requirements governing regulated parties.

<b>VAC Section(s) Involved</b>	<b>Initial Count</b>	<b>Additions</b>	<b>Subtractions</b>	<b>Net Change</b>
2 VAC 5-336	5 G/D; 25 R/D	N/A	N/A	N/A

*Cost Reductions or Increases (if applicable)*

<b>VAC Section(s) Involved</b>	<b>Description of Regulatory Requirement</b>	<b>Initial Cost</b>	<b>New Cost</b>	<b>Overall Cost Savings/Increases</b>
N/A				

*Other Decreases or Increases in Regulatory Stringency (if applicable)*

<b>VAC Section(s) Involved</b>	<b>Description of Regulatory Change</b>	<b>Overview of How It Reduces or Increases Regulatory Burden</b>
N/A		

*Length of Guidance Documents (only applicable if guidance document is being revised)*

<b>Title of Guidance Document</b>	<b>Original Length</b>	<b>New Length</b>	<b>Net Change in Length</b>
N/A			