

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>	Rules and Regulations for the Enforcement of the Virginia Tree and Crop Pests Law – Spotted Lanternfly Quarantine
<b>Action title</b>	Repeal of 2 VAC 5-336
<b>Date this document prepared</b>	July 23, 2024
<b>Regulatory Stage (including Issuance of Guidance Documents)</b>	Fast-Track

**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)**

<p>(1) Direct &amp; Indirect Costs &amp; Benefits (Monetized)</p>	<p>The proposed regulatory action will repeal <i>Rules and Regulations for Enforcement of the Virginia Tree and Crop Pests Law – Spotted Lanternfly Quarantine</i> (2 VAC 5-336 <i>et seq.</i>). The requirements of the regulation have not prevented the spotted lanternfly from spreading to un-infested areas. Repeal of the regulation will benefit those who must currently comply with the regulation’s requirements for moving regulated articles out of the regulated area, while having no impact on the rate at which spotted lanternfly moves to un-infested areas of the Commonwealth.</p> <p><b>Direct &amp; Indirect Costs:</b> There are no monetizable direct or indirect costs associated with the repeal of this regulation.</p> <p><b>Direct Benefits:</b> Repealing this regulation will directly benefit (i) VDACS, (ii) those who are selling, transporting, or moving regulated articles from or through currently regulated localities, and (iii) out-of-state entities that ship regulated articles from an infested area into unregulated areas of the Commonwealth. Repeal of the regulation will eliminate the costs to individuals, businesses, and other entities associated with obtaining a spotted lanternfly permit, completing required training, recordkeeping, and conducting inspections. VDACS is unable to determine the number of businesses that will need to obtain a spotted lanternfly permit and comply with the regulation, should the regulation remain and expand in the future.</p> <p><b>Indirect Benefits:</b> The agency has not identified any monetizable indirect benefits.</p>	
<p>(2) Present Monetized Values</p>	<p>Direct &amp; Indirect Costs</p> <p>(a) N/A</p>	<p>Direct &amp; Indirect Benefits</p> <p>(b) There are 416 businesses that currently have a spotted lanternfly permit. Spotted lanternfly permit holders must complete online training developed by Virginia Tech, maintain records, and conduct spotted lanternfly inspections. The cost for the training is \$6.00 per person and paid to Virginia Tech. VDACS does not charge a fee for the issuance of the permit. Repeal of the regulation will eliminate the requirement that businesses obtain a spotted lanternfly permit and enable these businesses to eliminate expenses associated with the \$6.00 per person training fee,</p>

		maintaining records, and conducting inspections.
(3) Net Monetized Benefit	Unknown	
(4) Other Costs & Benefits (Non-Monetized)	None	
(5) Information Sources	N/A	

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

(1) Direct & Indirect Costs & Benefits (Monetized)	<p><b>Direct Costs:</b> VDACS will continue to incur costs associated with the administrative duties of issuing and maintaining permits and conducting inspections of permitted entities. Businesses transporting regulated articles would continue to have to comply with the regulation. VDACS issues a spotted lanternfly permit once a business completes online training, which is hosted by Virginia Tech. The business must pay a \$6 per person training fee to Virginia Tech. There is no cost to businesses for a spotted lanternfly permit; however, businesses would continue to incur expenses related to training, recordkeeping, and inspecting regulated articles that are being moved out of the regulated area.</p> <p><b>Indirect Costs:</b> The agency has not identified any monetizable indirect costs.</p> <p><b>Direct Benefits:</b> The agency has not identified any monetizable direct benefit.</p> <p><b>Indirect Benefits:</b> The agency has not identified any monetizable indirect benefit.</p>	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) The agency does not have data on which to base an estimate of the direct costs.	(b) N/A
(3) Net Monetized Benefit	Unknown	
(4) Other Costs & Benefits (Non-Monetized)	None	

(5) Information Sources	N/A
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**Table 1c: Costs and Benefits under Alternative Approach(es)**

(1) Direct & Indirect Costs & Benefits (Monetized)	The agency has not identified an appropriate alternative approach to repealing the regulation or maintaining the status quo. The agency has determined that the regulation is no longer needed, and there are no other alternatives less intrusive or costly than the proposed repeal of this regulation.	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) N/A	(b) N/A
(3) Net Monetized Benefit	N/A	
(4) Other Costs & Benefits (Non-Monetized)	N/A	
(5) Information Sources	N/A	

**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>Repeal of the regulation will positively impact local partners that move regulated articles out of the quarantined areas.</p> <p><b>Direct Benefits:</b> Repeal of the regulation will eliminate the costs associated with ensuring compliance with provisions of the regulation that are incurred by local partners that move regulated articles out of the quarantined areas.</p> <p>The agency is not aware of any direct or indirect cost or indirect benefit on local partners associated with the repeal of 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) 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)	The agency is not aware of any direct or indirect cost or benefit on families associated with the repeal of this regulation.	
(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**

<p>(1) Direct &amp; Indirect Costs &amp; Benefits (Monetized)</p>	<p>Repeal of the regulation will positively impact businesses that move regulated articles out of the quarantined areas. VDACS currently has 416 spotted lanternfly permits issued to businesses that move regulated articles. VDACS is unable to determine the number of these businesses that are small businesses, however it is likely that most of these entities meet the definition of a small business that will benefit from repeal of the regulation.</p> <p><b>Direct &amp; Indirect Costs:</b> The agency has not identified any monetizable direct or indirect costs.</p> <p><b>Direct Benefits:</b> Repeal of the regulation will eliminate the costs to individuals, businesses, and other entities associated with ensuring compliance with provisions of the regulation.</p> <p><b>Indirect Benefits:</b> The agency has not identified any monetizable indirect benefits.</p>	
<p>(2) Present Monetized Values</p>	<p>Direct &amp; Indirect Costs</p>	<p>Direct &amp; Indirect Benefits</p>
	<p>(a) N/A</p>	<p>(b) The agency does not have data on which to base an estimate of the monetizable direct benefits.</p>
<p>(3) Other Costs &amp; Benefits (Non-Monetized)</p>	<p>N/A</p>	
<p>(4) Alternatives</p>	<p>N/A</p>	
<p>(5) Information Sources</p>	<p>N/A</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*

<b>VAC Section(s) Involved*</b>	<b>Authority of Change</b>	<b>Initial Count</b>	<b>Additions</b>	<b>Subtractions</b>	<b>Total Net Change in Requirements</b>
2 VAC 5-336-10 through 2 VAC 5-336-130	<b>(M/A):</b>	0	0	0	0
	<b>(D/A):</b> Va. Code § 3.2-703	5	0	5	-5
	<b>(M/R):</b>	0	0	0	0
	<b>(D/R):</b> Va. Code § 3.2-703	25	0	25	-25
				<b>Grand Total of Changes in Requirements:</b>	<b>(M/A): 0</b>
					<b>(D/A): -5</b>
					<b>(M/R): 0</b>
					<b>(D/R): -25</b>

**Key:**

*Please use the following coding if change is mandatory or discretionary and whether it affects externally regulated parties or only the agency itself:*

**(M/A):** Mandatory requirements mandated by federal and/or state statute affecting the agency itself

**(D/A):** Discretionary requirements affecting agency itself

**(M/R):** Mandatory requirements mandated by federal and/or state statute affecting external parties, including other agencies

**(D/R):** Discretionary requirements affecting external parties, including other agencies

*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>
2 VAC 5-336-60	Requirements for persons conducting business: Obtain a spotted lanternfly permit; inspect regulated articles; perform and document inspection of regulated articles; and issuance of compliance agreements.	Permit is issued by VDACS for free. No cost for compliance agreements. Agency unable to estimate any additional related costs. Some administrative costs, but not significant.	0	Agency unable to estimate cost savings.
2 VAC 5-336-70	Requirements for persons not conducting business: Complete and document inspection of regulated articles; remove any spotted lanternfly found; permit not required.	Agency unable to estimate any related costs.	0	Agency unable to estimate cost savings.
2 VAC 5-336-80	Requirements to obtain and meet the conditions of the spotted lanternfly permit.	The spotted lanternfly permit requires a certified training, which costs \$6 for Virginia Tech training administration and website maintenance. Additionally, the business must train	0	Agency unable to estimate cost savings.



		staff, which may have a cost; however, the agency is unable to estimate the costs of a train-the-trainer program for businesses.		
2 VAC 5-336-90	Requirement for successfully completing training.	The spotted lanternfly permit requires a certified training, which costs \$6 for Virginia Tech training administration and website maintenance.	0	Agency unable to estimate cost savings.
2 VAC 5-336-100	Provision for VDACS inspector to have authority to inspect regulated articles and, if spotted lanternfly is found, seize, destroy, or otherwise dispose or require treatment of regulated articles infested.	There may be costs associated with disposing or treating infected articles, but the agency is unable to estimate these costs.	0	Agency unable to estimate cost savings.
2 VAC 5-336-110	Prohibition of regulated articles from entering Virginia.	Required permit or compliance agreement for regulated articles to enter Virginia would be at no cost to the agency. Agency unable to estimate any related costs.	0	Agency unable to estimate cost savings.

*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	N/A	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	N/A	N/A	N/A