

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 5-490
<b>VAC Chapter title(s)</b>	Regulations Governing Grade "A" Milk
<b>Action title</b>	Amendments to adopt the U.S. Food and Drug Administration's 2023 Pasteurized Milk Ordinance by reference and revise state-specific provisions to clarify requirements.
<b>Date this document prepared</b>	December 12, 2025
<b>Regulatory Stage (including Issuance of Guidance Documents)</b>	Exempt, Proposed

### **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)**

(1) Direct & Indirect Costs & Benefits (Monetized)	<p>Direct Costs: The agency has not identified any direct costs.</p> <p>Indirect Costs: The agency has not identified any indirect costs.</p> <p>Direct Benefit: The agency has not identified any direct benefits.</p> <p>Indirect Benefits: The proposed amendments in Section 30 remove the requirement that the cancellation of certain permits requires the signatures of the persons whose names appear on the license and the principals of the business entity. As these individuals may not be readily available for physical signatures, regulated entities will likely experience an indirect benefit associated with time savings related to the proposed amendments.</p>	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) None	(b) The agency does not have any data on which to base an estimate of indirect benefits
(3) Net Monetized Benefit	Unknown	
(4) Other Costs & Benefits (Non-Monetized)	<p>The primary advantage to the agency and Commonwealth is that the regulation ensures that the Commonwealth can adequately protect the public from milk cooled, stored, or transported in an unsafe manner. The requirements will also result in the continued intrastate and interstate sales of milk on a more competitive basis, which will ultimately benefit Virginia’s economy.</p>	
(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>Direct Costs: The agency has not identified any direct costs.</p> <p>Indirect Costs: Under the status quo, permit holders would continue to be subject to obtaining signatures from persons that may not be readily available on a continual basis in order to cancel a permit.</p>	
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	Direct Benefits: The agency has not identified any direct benefits. Indirect Benefits: The agency has not identified any indirect benefits.	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) The agency does not have any data on which to base an estimate of the indirect costs	(b) None
(3) Net Monetized Benefit	Unknown	
(4) Other Costs & Benefits (Non-Monetized)	Under the status quo, Virginia’s regulatory scheme for pasteurization, storing, and transport of milk would fall out of line with the FDA’s standards in the 2023 Pasteurized Milk Ordinance and would affect the ability of the Virginia dairy industry to continue to participate in interstate commerce.	
(5) Information Sources	N/A	

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

(1) Direct & Indirect Costs & Benefits (Monetized)	There are no known alternative approaches to the amendments proposed in this regulatory action.	
(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)	The proposed amendments will have no direct or indirect costs or benefits on local partners.	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) None	(b) None
(3) Other Costs & Benefits (Non-Monetized)	None	
(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 has not identified any direct or indirect costs or benefits on families associated with the proposed amendments.	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) None	(b) None
(3) Other Costs & Benefits (Non-Monetized)	None	

(4) Information Sources	N/A
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**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)	The agency has not identified any direct or indirect costs or benefits on small businesses associated with the proposed amendments.	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) None	(b) None
(3) Other Costs & Benefits (Non-Monetized)	Economic benefits include consistent regulation with surrounding states, thus facilitating more effective and efficient integration into interstate commerce by Virginia’s dairy industry. This allows for a level playing field for small businesses to openly compete with larger businesses in a free market. Benefits also include the continued availability of safe and wholesome milk for intrastate and interstate sale.	
(4) Alternatives	N/A	
(5) Information Sources	N/A	

**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 5-490-5	(M/A): 3.2-5206	0	0	0	0
	(D/A): 3.2-5206	0	0	0	0
	(M/R): 3.2-5206	0	0	0	0
	(D/R): 3.2-5206	0	0	0	0
2 VAC 5-490-10	(M/A): 3.2-5206	0	0	0	0
	(D/A): 3.2-5206	0	0	0	0
	(M/R): 3.2-5206	0	0	0	0
	(D/R): 3.2-5206	0	0	0	0
2 VAC 5-490-25	(M/A): 3.2-5206	0	0	0	0
	(D/A): 3.2-5206	1	0	0	0
	(M/R): 3.2-5206	0	0	0	0
	(D/R): 3.2-5206	0	0	0	0
2 VAC 5-490-30	(M/A): 3.2-5206	0	0	0	0
	(D/A): 3.2-5206	0	0	0	0
	(M/R): 3.2-5206	1	0	0	0
	(D/R): 3.2-5206	12	0	0	0
2 VAC 5-490-32	(M/A): 3.2-5206	0	0	0	0
	(D/A): 3.2-5206	0	0	0	0

	(M/R): 3.2-5206	0	0	0	0
	(D/R): 3.2-5206	1	0	1	-1
2 VAC 5-490-35	(M/A): 3.2-5206	0	0	0	0
	(D/A): 3.2-5206	2	0	0	0
	(M/R): 3.2-5206	0	0	0	0
	(D/R): 3.2-5206	3	0	0	0
2 VAC 5-490-36	(M/A): 3.2-5206	0	0	0	0
	(D/A): 3.2-5206	0	0	0	0
	(M/R): 3.2-5206	0	0	0	0
	(D/R): 3.2-5206	46	0	0	0
2 VAC 5-490-37	(M/A): 3.2-5206	0	0	0	0
	(D/A): 3.2-5206	0	0	0	0
	(M/R): 3.2-5206	0	0	0	0
	(D/R): 3.2-5206	29	0	0	0
2 VAC 5-490-40	(M/A): 3.2-5206	0	0	0	0
	(D/A): 3.2-5206	0	0	0	0
	(M/R): 3.2-5206	0	0	0	0
	(D/R): 3.2-5206	23	0	16	-16
2 VAC 5-490-50	(M/A): 3.2-5206	0	0	0	0
	(D/A): 3.2-5206	0	0	0	0
	(M/R): 3.2-5206	0	0	0	0
	(D/R): 3.2-5206	11	0	1	-1
	(M/A): 3.2-5206	0	0	0	0

2 VAC 5-490-75	(D/A): 3.2-5206	0	0	0	0
	(M/R): 3.2-5206	0	0	0	0
	(D/R): 3.2-5206	1	0	0	0
2 VAC 5-490-131	(M/A): 3.2-5206	0	0	0	0
	(D/A): 3.2-5206	0	0	0	0
	(M/R): 3.2-5206	0	0	0	0
	(D/R): 3.2-5206	2	0	2	-2
2 VAC 5-490-132	(M/A): 3.2-5206	0	0	0	0
	(D/A): 3.2-5206	0	0	0	0
	(M/R): 3.2-5206	0	0	0	0
	(D/R): 3.2-5206	1	0	1	-1
				<b>Grand Total of Changes in Requirements:</b>	(M/A): 0
				(D/A): 0	
				(M/R): 0	
				(D/R): -21	

**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)*

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

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

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

\*If the agency is modifying a guidance document that has regulatory requirements, it should report any change in requirements in the appropriate chart(s).