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Periodic Review and Small Business Impact Review Report of Findings

Agency name	Department of the Treasury
Virginia Administrative Code (VAC) Chapter citation(s)	1 VAC75-20
VAC Chapter title(s)	Virginia Security for Public Deposits Act Regulations
Date this document prepared	10/7/25

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*.

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.

COV = Code of Virginia
SPDA = Security for Public Deposits Act

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.

Department of the Treasury's regulatory authority for this action can be found at:

Code of Virginia §§ 2.2-4400 et seq, Virginia Security for Public Deposits Act (specifically § 2.2-4405 Powers of Treasury Board relating to the administration of this chapter) and § 2.2-2416 Powers and duties of Treasury Board.

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.

COV §§ 2.2-4400 et seq. requires the Department of the Treasury to adopt regulations to protect Virginia public deposits held in financial institutions. Revision of the existing regulations is the least burdensome alternative. The intent of these revisions is to bring the regulatory language fully in line with the SPDA and current Treasury Board guidelines.

Public Comment

Summarize all comments received during the public comment period following the publication of the Notice of Periodic Review, and provide the agency's 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.

Commenter	Comment	Agency response
	No public comments were received.	

Effectiveness

Pursuant to § 2.2-4017 of the Code of Virginia, indicate whether the regulation meets the criteria set out in the ORM procedures, including why the regulation is (a) necessary for the protection of public health, safety, and welfare, and (b) is clearly written and easily understandable.

The regulation meets the criteria set out in Executive Order 14 (2018) as it is necessary for the protection of public health, safety and welfare of the citizens of the Commonwealth, and is clearly written and easily understandable. The regulation protects the financial stability of the Commonwealth and citizens by ensuring public deposits of the Commonwealth of Virginia and its counties, cities, towns and other public entities are adequately protected against the failure of a financial institution holding public funds.

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).

If the result of the periodic review is to retain the regulation as is, complete the ORM Economic Impact form.

The Department of the Treasury will retain the regulation as they currently are without making changes. The SPDA regulations were updated in 2023 in collaboration with the banking community. This periodic review received no comments from Virginia's banking community, public institutions, or the public.

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.

There is a continued need for the regulations as they are mandated by law in COV §§ 2.2-4400 et seq. for the proper protection of public deposits necessary to protect public health, safety and welfare. The regulation is not complex and does not conflict with federal or state law or regulation. No complaints or comments were received during the periodic review. The SPDA and these regulations have been revised to better administer the SPDA to accommodate the needs of Virginia's banking community and public institutions while ensuring the protection of public funds.