

Adverse impact notification sent to Joint Commission on Administrative Rules, House Committee on Appropriations, and Senate Committee on Finance (COV § 2.2-4007.04.C): Yes Not Needed

If/when this economic impact analysis (EIA) is published in the *Virginia Register of Regulations*, notification will be sent to each member of the General Assembly (COV § 2.2-4007.04.B).



Virginia Department of Planning and Budget Economic Impact Analysis

2 VAC 5-115 Regulations for Determining Whether a Private Animal Shelter Meets the Purpose of Finding Permanent Adoptive Homes for Animals
Department of Agriculture and Consumer Services
Town Hall Action/Stage: 4622/7917
August 31, 2017

Summary of the Proposed Amendments to Regulation

Pursuant to Chapter 319 of the 2016 Acts of Assembly¹, the Board of Agriculture and Consumer Services (the Board) proposes criteria to determine whether a private animal shelter meets the purpose of finding permanent adoptive homes for animals.

Result of Analysis

The benefits likely exceed the costs for all proposed changes.

Estimated Economic Impact

Pursuant to Chapter 319 of the 2016 Acts of Assembly, the Board proposes the following:

“A facility that is operated for the purpose of finding permanent adoptive homes for animals shall annually (i) find permanent adoptive homes for animals and (ii) conduct at least three of the following activities:

- 1. Be accessible to the public to view animals available for adoption;*
- 2. Advertise to the general public animals that are available for adoption;*
- 3. Transfer animals available for adoption to a releasing agency;*

¹ <http://lis.virginia.gov/cgi-bin/legp604.exe?161+ful+CHAP0319>

4. *Utilize a foster care provider for animals temporarily awaiting placement in permanent adoptive homes; or*

5. *Offer services to the public in an effort to keep animals in their permanent homes.*”

Of the five activities, the first one is already required by Virginia Code §3.2-6548(A)² which refers to §3.2-6546 (B).³ As a result, a facility may, in effect, be deemed to meet the purpose by conducting two of the four remaining activities. There are currently 44 private animal shelters operating in Virginia. The Board staff believes only a handful of them may not be fully meeting the proposed regulation. Those that do not meet the criteria may comply with the regulation by conducting any two of the activities listed in the regulation. Most of the proposed activities do not involve significant costs. For example, establishing a Facebook page stating that animals are available for adoption would satisfy the second activity.⁴ Thus, the proposed regulation is not expected to create any significant cost for the private animal shelters currently out of compliance. The proposed regulation is beneficial in the sense that it establishes how a facility may be deemed to meet the purpose of finding permanent adoptive homes for animals as required by the statute.

Businesses and Entities Affected

There are currently 44 private animal shelters. In 2016, 42,897 animals were adopted, transferred, or euthanized at these facilities.

Localities Particularly Affected

The proposed regulation applies statewide.

Projected Impact on Employment

No significant impact on employment is expected.

Effects on the Use and Value of Private Property

No significant impact on the use and value of private property is expected.

Real Estate Development Costs

No impact on real estate development costs is expected.

² <https://law.lis.virginia.gov/vacode/title3.2/chapter65/section3.2-6548/>

³ <https://law.lis.virginia.gov/vacode/title3.2/chapter65/section3.2-6546/>

⁴ Source: Department of Agriculture and Consumer Services

Small Businesses:**Definition**

Pursuant to § 2.2-4007.04 of the Code of Virginia, small business is defined as “a business entity, including its affiliates, that (i) is independently owned and operated and (ii) employs fewer than 500 full-time employees or has gross annual sales of less than \$6 million.”

Costs and Other Effects

All of the private animal shelters are nonprofit organizations. Thus, there is no costs and other effects on small businesses.

Alternative Method that Minimizes Adverse Impact

There is no adverse impact on small businesses.

Adverse Impacts:**Businesses:**

The proposed regulation will not have an adverse impact on non-small businesses.

Localities:

The proposed regulation is not expected to adversely affect localities.

Other Entities:

The proposed regulation will not adversely affect other entities.

Legal Mandates

General: The Department of Planning and Budget has analyzed the economic impact of this proposed regulation in accordance with § 2.2-4007.04 of the Code of Virginia (Code) and Executive Order Number 17 (2014). Code § 2.2-4007.04 requires that such economic impact analyses determine the public benefits and costs of the proposed amendments. Further the report should include but not be limited to: (1) the projected number of businesses or other entities to whom the proposed regulatory action would apply, (2) the identity of any localities and types of businesses or other entities particularly affected, (3) the projected number of persons and employment positions to be affected, (4) the projected costs to affected businesses or entities to implement or comply with the regulation, and (5) the impact on the use and value of private property.

Adverse impacts: Pursuant to Code § 2.2-4007.04(C): In the event this economic impact analysis reveals that the proposed regulation would have an adverse economic impact on businesses or would impose a significant adverse economic impact on a locality, business, or entity particularly affected, the Department of Planning and Budget shall advise the Joint Commission on Administrative Rules, the House Committee on Appropriations, and the Senate Committee on Finance within the 45-day period.

If the proposed regulatory action may have an adverse effect on small businesses, Code § 2.2-4007.04 requires that such economic impact analyses include: (1) an identification and estimate of the number of small businesses subject to the proposed regulation, (2) the projected reporting, recordkeeping, and other administrative costs required for

small businesses to comply with the proposed regulation, including the type of professional skills necessary for preparing required reports and other documents, (3) a statement of the probable effect of the proposed regulation on affected small businesses, and (4) a description of any less intrusive or less costly alternative methods of achieving the purpose of the proposed regulation. Additionally, pursuant to Code § 2.2-4007.1, if there is a finding that a proposed regulation may have an adverse impact on small business, the Joint Commission on Administrative Rules shall be notified.

000