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**Exempt Action Final Regulation
Agency Background Document**

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| Agency name | Department of Small Business and Supplier Diversity |
| Virginia Administrative Code (VAC) citation(s) | 7 VAC13-20-100 |
| Regulation title(s) | Regulations to Govern the Certification of Small, Women-Owned, and Minority-Owned Businesses |
| Action title | Regulations to Govern the Certification of Small, Women-Owned, and Minority-Owned Businesses |
| Final agency action date | February 8, 2017 |
| Date this document prepared | February 8, 2017 |

When a regulatory action is exempt from executive branch review pursuant to § 2.2-4002 or § 2.2-4006 of the Virginia Administrative Process Act (APA) or an agency's basic statute, the agency is not required, however, is encouraged to provide information to the public on the Regulatory Town Hall using this form. Note: While posting this form on the Town Hall is optional, the agency must comply with requirements of the Virginia Register Act, Executive Orders 17 (2014) and 58 (1999), and the *Virginia Register Form, Style, and Procedure Manual*.

Brief summary

Please provide a brief summary of the proposed new regulation, proposed amendments to the existing regulation, or the regulation proposed to be repealed. Alert the reader to all substantive matters or changes. If applicable, generally describe the existing regulation.

The purposes of the Regulations to Govern the Certification of Small, Women- and Minority-Owned Businesses, 7VAC13-20, are (i) to establish minimum requirements for the certification of small, women- and minority-owned (SWaM) businesses pursuant to Chapter 16.1 (§ 2.2-1603 et seq.) of Title 2.2 of the Code of Virginia, and (ii) to provide a process for evaluating local, state, private sector, and federal certification programs that meet those requirements.

This regulatory action amends 7VAC13-20-100, 7VAC13-20-210 and 7VAC13-20-220. The amendment to 7VAC13-20-100 adds a description and an explanation of the ownership requirements which must be satisfied before a wholly owned subsidiary may be certified as a SWaM business. The amendment to

7VAC13-20-210 explains the process involved in a revocation of a SwaM Certification. The amendment to 7VAC13-20-220 explains the reapplication process for a business that has received a denial of an initial SWaM Certification application.

Statement of final agency action

Please provide a statement of the final action taken by the agency including: 1) the date the action was taken; 2) the name of the agency taking the action; and 3) the title of the regulation.

The Department of Small Business and Supplier Diversity submitted this regulatory action on February 8, 2017 to amend 7VAC13-20-100, 7VAC13-20-210 and 7VAC13-20-220 of the Regulations to Govern the Certification of Small, Women-Owned, and Minority-Owned Businesses.

Family impact

Please assess the impact of this regulatory action on the institution of the family and family stability including to what extent the regulatory action will: 1) strengthen or erode the authority and rights of parents in the education, nurturing, and supervision of their children; 2) encourage or discourage economic self-sufficiency, self-pride, and the assumption of responsibility for oneself, one's spouse, and one's children and/or elderly parents; 3) strengthen or erode the marital commitment; and 4) increase or decrease disposable family income.

The Department of Small Business and Supplier Diversity does not anticipate that this regulatory action will have a negative impact on the institution of the family and family stability. This action will probably be entirely neutral regarding: 1) strengthening or eroding the authority and rights of parents in the education, nurturing, and supervision of their children; 2) encouraging or discouraging economic self-sufficiency, self-pride, and the assumption of responsibility for oneself, one's spouse, and one's children and/or elderly parents; 3) strengthening or eroding the marital commitment; and 4) increasing or decreasing disposable family income.
