

Office of Regulatory Management
Economic Review Form

Agency name	Board of Agriculture and Consumer Services
Virginia Administrative Code (VAC) Chapter citation(s)	2 VAC 5-501
VAC Chapter title(s)	Regulations Governing the Cooling, Storing, Sampling, and Transporting of Milk
Action title	Amendments to adopt the U.S. Food and Drug Administration's 2023 Pasteurized Milk Ordinance by reference and update Virginia-specific provisions.
Date this document prepared	December 12, 2025
Regulatory Stage (including Issuance of Guidance Documents)	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)

(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 Benefits: The agency has not identified any direct benefits.</p> <p>Indirect Benefits: The proposed amendments in Section 30 removes the requirement that certain permits must expire on an annual basis and subsequently be renewed. The proposed amendments will also remove state specific regulations that a permit is required by certain individuals who sample milk for processing plants. There is no fee for any of these permits. Regulated entities may experience an indirect benefit associated with time savings due to no longer having to fill out and mail in renewals for permit that expire annually.</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 the indirect benefits.
(3) Net Monetized Benefit	N/A	
(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 annual permit expiration and renewal requirements.</p> <p>Direct Benefits: The agency has not identified any direct benefits.</p> <p>Indirect Benefits: The agency has not identified any indirect benefits.</p>	
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(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) There is no fee for any permit required by this chapter. The agency does not have any data on which to base an estimate of the indirect cost associated with the time regulants spend applying for a permit renewal.	(b) None
(3) Net Monetized Benefit	Unknown	
(4) Other Costs & Benefits (Non-Monetized)	The non-monetary cost of maintaining the status quo would be to affect the Virginia dairy industry's participation in interstate commerce by falling out of line with expected federal minimum standards.	
(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)	<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 Benefits: The agency has not identified any direct benefits.</p> <p>Indirect Benefits: The proposed amendments in Section 30 remove the requirement that permits expire and must be renewed on annual basis. It also removes the requirements that certain people who are employed by a Grade A milk plant obtain a permit.</p> <p>Firms that are small businesses, such as contract milk haulers and some Grade A milk plants, will no longer be subject to permit expiration and renewal requirements. Grade A milk plants that are small businesses will also no longer need to ensure that certain employees, such as dairy plant samplers, obtain permits to perform their daily job duties of sampling milk at the plant.</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 the indirect benefits
(3) Other Costs & Benefits (Non-Monetized)	Updating this regulation to conform with the 2023 PMO will benefit small businesses in Virginia’s dairy industry by ensuring they can participate on an equal basis in the interstate market.	
(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

VAC Section(s) Involved*	Authority of Change	Initial Count	Additions	Subtractions	Total Net Change in Requirements
2 VAC 5-501-5	(M/A): 3.2-5224	0	0	0	0
	(D/A): 3.2-5224	0	0	0	0
	(M/R): 3.2-5224	0	0	0	0
	(D/R): 3.2-5224	0	0	0	0
2 VAC 5-501-10	(M/A): 3.2-5224	0	0	0	0
	(D/A): 3.2-5224	0	0	0	0
	(M/R): 3.2-5224	0	0	0	0
	(D/R): 3.2-5224	0	0	0	0
2 VAC 5-501-30	(M/A): 3.2-5224	0	0	0	0
	(D/A): 3.2-5224	4	0	1	-1
	(M/R): 3.2-5224	0	0	0	0
	(D/R): 3.2-5224	32	0	7	-7
2 VAC 5-501-40	(M/A): 3.2-5224	0	0	0	0
	(D/A): 3.2-5224	0	0	0	0
	(M/R): 3.2-5224	0	0	0	0
	(D/R): 3.2-5224	44	0	29	-29
2 VAC 5-501-60	(M/A): 3.2-5224	0	0	0	0
	(D/A): 3.2-5224	1	0	0	0

	(M/R): 3.2-5224	0	0	0	0
	(D/R): 3.2-5224	339	0	1	-1
2 VAC 5-501-80	(M/A): 3.2-5224	0	0	0	0
	(D/A): 3.2-5224	0	0	0	0
	(M/R): 3.2-5224	0	0	0	0
	(D/R): 3.2-5224	72	0	0	0
				Grand Total of Changes in Requirements:	(M/A): 0
					(D/A): -1
					(M/R): 0
					(D/R): -37

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

Other Decreases or Increases in Regulatory Stringency (if applicable)

VAC Section(s) Involved*	Description of Regulatory Change	Overview of How It Reduces or Increases Regulatory Burden

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

Title of Guidance Document	Original Word Count	New Word Count	Net Change in Word Count
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).