

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 5-160 Rules and Regulations Governing the Transportation of Horses
Department of Agriculture and Consumer Services
Town Hall Action/Stage: 4544 / 7531
May 5, 2016

Summary of the Proposed Amendments to Regulation

The Board of Agriculture and Consumer Services (Board) proposes to repeal this regulation.

Result of Analysis

The benefits likely exceed the costs for all proposed changes.

Estimated Economic Impact

The existing regulation provides the rules regarding the transportation of loads of more than six horses being transported to a commercial slaughter facility in a vehicle. The regulation does not address the transportation of horses under other circumstances.

The regulation has not been utilized or applied since it was adopted over 25 years ago; also, the Department of Agriculture and Consumer Services cannot foresee a circumstance where the regulation would be needed in the future, as there are no longer any operating horse slaughter plants in the U.S. If horse slaughter plants were to reopen in the U.S., or if Virginia horses are transported outside of the U.S. for slaughter, the humane care of horses is covered under the

Virginia Comprehensive Animal Care Law.¹ Additionally, federal regulations pertaining to the commercial transportation of equines for slaughter can be found in 9 CFR, Part 88.

The repeal of this regulation will have no impact beyond potentially reducing the likelihood that readers may be misled into believing that the transport of horses to operating horse slaughter plants is currently done in Virginia. To the extent that the repeal of the regulation reduces the likelihood of such confusion, the proposed repeal would be beneficial.

Businesses and Entities Affected

Since there are no operating horse slaughter plants in the U.S. and this regulation has not been utilized or applied since it was adopted over 25 years ago, its repeal will not significantly affect any businesses or entities.

Localities Particularly Affected

The proposed repeal of the regulation does not disproportionately affect particular localities.

Projected Impact on Employment

The proposed repeal of the regulation does not affect employment.

Effects on the Use and Value of Private Property

The proposed repeal of the regulation does not affect the use and value of private property.

Real Estate Development Costs

The proposed repeal of the regulation does not affect real estate development costs.

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

The proposed repeal of the regulation does not affect small businesses.

¹ <http://law.lis.virginia.gov/vacode/title3.2/chapter65/>

Alternative Method that Minimizes Adverse Impact

The proposed repeal of the regulation does not affect small businesses.

Adverse Impacts:

Businesses:

The proposed repeal of the regulation will not adversely affect businesses.

Localities:

The proposed repeal of the regulation will not adversely affect localities.

Other Entities:

The proposed repeal of the 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.

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