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Virginia Code Commission_

http://register.dls.virginia.gov

THE VIRGINIA REGISTER INFORMATION PAGE

THE VIRGINIA REGISTER OF REGULATIONS is an official state publication issued every other week throughout the year. Indexes are published quarterly, and are cumulative for the year. The Virginia Register has several functions. The new and amended sections of regulations, both as proposed and as finally adopted, are required by law to be published in the Virginia Register. In addition, the Virginia Register is a source of other information about state government, including petitions for rulemaking, emergency regulations, executive orders issued by the Governor, and notices of public hearings on regulations.

ADOPTION, AMENDMENT, AND REPEAL OF REGULATIONS

Unless exempted by law, an agency wishing to adopt, amend, or repeal regulations must follow the procedures in the Administrative Process Act (§ 2.2-4000 et seq. of the Code of Virginia). Typically, this includes first publishing in the *Virginia Register* a notice of intended regulatory action; a basis, purpose, substance and issues statement; an economic impact analysis prepared by the Department of Planning and Budget; the agency's response to the economic impact analysis; a summary; a notice giving the public an opportunity to comment on the proposal; and the text of the proposed regulation.

Following publication of the proposed regulation in the *Virginia Register*, the promulgating agency receives public comments for a minimum of 60 days. The Governor reviews the proposed regulation to determine if it is necessary to protect the public health, safety, and welfare, and if it is clearly written and easily understandable. If the Governor chooses to comment on the proposed regulation, his comments must be transmitted to the agency and the Registrar of Regulations no later than 15 days following the completion of the 60-day public comment period. The Governor's comments, if any, will be published in the *Virginia Register*. Not less than 15 days following the completion of the 60-day public comment period, the agency may adopt the proposed regulation.

The Joint Commission on Administrative Rules or the appropriate standing committee of each house of the General Assembly may meet during the promulgation or final adoption process and file an objection with the Registrar and the promulgating agency. The objection will be published in the *Virginia Register*. Within 21 days after receipt by the agency of a legislative objection, the agency shall file a response with the Registrar, the objecting legislative body, and the Governor.

When final action is taken, the agency again publishes the text of the regulation as adopted, highlighting all changes made to the proposed regulation and explaining any substantial changes made since publication of the proposal. A 30-day final adoption period begins upon final publication in the *Virginia Register*.

The Governor may review the final regulation during this time and, if he objects, forward his objection to the Registrar and the agency. In addition to or in lieu of filing a formal objection, the Governor may suspend the effective date of a portion or all of a regulation until the end of the next regular General Assembly session by issuing a directive signed by a majority of the members of the appropriate legislative body and the Governor. The Governor's objection or suspension of the regulation, or both, will be published in the *Virginia Register*.

If the Governor finds that the final regulation contains changes made after publication of the proposed regulation that have substantial impact, he may require the agency to provide an additional 30-day public comment period on the changes. Notice of the additional public comment period required by the Governor will be published in the *Virginia Register*. Pursuant to § 2.2-4007.06 of the Code of Virginia, any person may request that the agency solicit additional public comment on certain changes made after publication of the proposed regulation. The agency shall suspend the regulatory process for 30 days upon such request from 25 or more individuals, unless the agency determines that the changes have minor or inconsequential impact.

A regulation becomes effective at the conclusion of the 30-day final adoption period, or at any other later date specified by the promulgating agency, unless (i) a legislative objection has been filed, in which event the regulation, unless withdrawn, becomes effective on the date specified, which shall be after the expiration of the 21-day objection period; (ii) the Governor exercises his

authority to require the agency to provide for additional public comment, in which event the regulation, unless withdrawn, becomes effective on the date specified, which shall be after the expiration of the period for which the Governor has provided for additional public comment; (iii) the Governor and the General Assembly exercise their authority to suspend the effective date of a regulation until the end of the next regular legislative session; or (iv) the agency suspends the regulatory process, in which event the regulation, unless withdrawn, becomes effective on the date specified, which shall be after the expiration of the 30-day public comment period and no earlier than 15 days from publication of the readopted action.

A regulatory action may be withdrawn by the promulgating agency at any time before the regulation becomes final.

FAST-TRACK RULEMAKING PROCESS

Section 2.2-4012.1 of the Code of Virginia provides an alternative to the standard process set forth in the Administrative Process Act for regulations deemed by the Governor to be noncontroversial. To use this process, the Governor's concurrence is required and advance notice must be provided to certain legislative committees. Fast-track regulations become effective on the date noted in the regulatory action if fewer than 10 persons object to using the process in accordance with § 2.2-4012.1.

EMERGENCY REGULATIONS

Pursuant to § 2.2-4011 of the Code of Virginia, an agency may adopt emergency regulations if necessitated by an emergency situation or when Virginia statutory law or the appropriation act or federal law or federal regulation requires that a regulation be effective in 280 days or fewer from its enactment. In either situation, approval of the Governor is required. The emergency regulation is effective upon its filing with the Registrar of Regulations, unless a later date is specified per § 2.2-4012 of the Code of Virginia. Emergency regulations are limited to no more than 18 months in duration; however, may be extended for six months under the circumstances noted in § 2.2-4011 D. Emergency regulations are published as soon as possible in the *Virginia Register* and are on the Register of Regulations website at https://register.dls.virginia.gov.

During the time the emergency regulation is in effect, the agency may proceed with the adoption of permanent regulations in accordance with the Administrative Process Act. If the agency chooses not to adopt the regulations, the emergency status ends when the prescribed time limit expires.

STATEMENT

The foregoing constitutes a generalized statement of the procedures to be followed. For specific statutory language, it is suggested that Article 2 (§ 2.2-4006 et seq.) of Chapter 40 of Title 2.2 of the Code of Virginia be examined carefully.

CITATION TO THE VIRGINIA REGISTER

The *Virginia Register* is cited by volume, issue, page number, and date. **34:8 VA.R. 763-832 December 11, 2017,** refers to Volume 34, Issue 8, pages 763 through 832 of the *Virginia Register* issued on December 11, 2017.

The Virginia Register of Regulations is published pursuant to Article 6 (§ 2.2-4031 et seq.) of Chapter 40 of Title 2.2 of the Code of Virginia.

Members of the Virginia Code Commission: Marcus B. Simon, Chair; Russet W. Perry, Vice Chair; Katrina E. Callsen; Nicole Cheuk; Richard E. Gardiner; Ryan T. McDougle; Michael Mullin; Christopher R. Nolen; Steven Popps; Charles S. Sharp; Malfourd W. Trumbo; Amigo R. Wade.

<u>Staff of the Virginia Register:</u> Holly Trice, Registrar of Regulations; Anne Bloomsburg, Assistant Registrar; Nikki Clemons, Managing Editor; Erin Comerford, Regulations Analyst

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PUBLICATION SCHEDULE AND DEADLINES

This schedule is available on the Virginia Register of Regulations website (http://register.dls.virginia.gov).

September 2025 through October 2026

Volume: Issue	Material Submitted By Noon*	Will Be Published On
42:3	September 3, 2025	September 22, 2025
42:4	September 17, 2025	October 6, 2025
42:5	October 1, 2025	October 20, 2025
42:6	October 15, 2025	November 3, 2025
42:7	October 29, 2025	November 17, 2025
42:8	November 10, 2025 (Monday)	December 1, 2025
42:9	November 24, 2025 (Monday)	December 15, 2025
42:10	December 9, 2025	December 29, 2025
42:11	December 22, 2025 (Monday)	January 12, 2026
42:12	January 6, 2026 (Tuesday)	January 26, 2026
42:13	January 21, 2026	February 9, 2026
42:14	February 4, 2026	February 23, 2026
42:15	February 18, 2026	March 9, 2026
42:16	March 4, 2026	March 23, 2026
42:17	March 18, 2026	April 6, 2026
42:18	April 1, 2026	April 20, 2026
42:19	April 15, 2026	May 4, 2026
42:20	April 29, 2026	May 18, 2026
42:21	May 13, 2026	June 1, 2026
42:22	May 27, 2026	June 15, 2026
42:23	June 10, 2026	June 29, 2026
42:24	June 24, 2026	July 13, 2026
42:25	July 8, 2026	July 27, 2026
42:26	July 22, 2026	August 10, 2026
43:1	August 5, 2026	August 24, 2026
43:2	August 19, 2026	September 7, 2026
43:3	September 2, 2026	September 21, 2026
43:4	September 16, 2026	October 5, 2026

^{*}Filing deadlines are Wednesdays unless otherwise specified.

PERIODIC REVIEWS AND SMALL BUSINESS IMPACT REVIEWS

TITLE 22. SOCIAL SERVICES

STATE BOARD OF SOCIAL SERVICES

Report of Findings

Pursuant to §§ 2.2-4007.1 and 2.2-4017 of the Code of Virginia, the State Board of Social Services conducted a periodic review and a small business impact review of **22VAC40-12**, **Public Participation Guidelines**, and determined that this regulation should be retained as is. The board is publishing its report of findings dated August 6, 2025, to support this decision.

The regulation provides the board with an effective means of including public participation as part of developing regulations that are necessary to the health, safety and welfare of citizens. The agency recommends that the regulation be retained with no changes. It is up to date and remains an effective tool to make regulatory actions known to the public.

The regulation continues to be necessary as it is required by § 2.2-4007.02 of the Code of Virginia and establishes the mechanisms by which the public is notified of the agency's regulatory actions. No complaints or comments were received during the periodic review public comment period. The regulation is not complex and does not overlap or duplicate federal or state laws or regulations. It was last reviewed and amended in 2017. No factors have changed that would impact the regulation, and it has no economic impact on small businesses.

<u>Contact Information:</u> Karin Clark, Legislative Liaison, Department of Social Services, 5600 Cox Road, Glen Allen, VA 23060, telephone (804) 840-3679, or email karin.clark@dss.virginia.gov.

REGULATIONS

For information concerning the different types of regulations, see the Information Page.

Symbol Key

Roman type indicates existing text of regulations. Underscored language indicates proposed new text.

Language that has been stricken indicates proposed text for deletion. Brackets are used in final regulations to indicate changes from the proposed regulation.

TITLE 2. AGRICULTURE

BOARD OF AGRICULTURE AND CONSUMER SERVICES

Forms

REGISTRAR'S NOTICE: Forms used in administering the regulation have been filed by the agency. The forms are not being published; however, online users of this issue of the Virginia Register of Regulations may click on the name of a form with a hyperlink to access it. The forms are also available from the agency contact or may be viewed at the Office of the Registrar of Regulations, General Assembly Building, 201 North Ninth Street, Fourth Floor, Richmond, Virginia 23219.

<u>Title of Regulation:</u> **2VAC5-230. Rules and Regulations Applicable to Controlled Atmosphere (CA) Apples.**

Agency Contact: Olivia Wilson, Director, Division of Commodity Services, Department of Agriculture and Consumer Services, 102 Governor Street, Richmond, VA 23219, telephone (804) 786-2112, or email olivia.wilson@vdacs.virginia.gov.

FORMS (2VAC5-230)

Controlled Atmosphere Registration Application (Apples), eff. 1994.

CA Sealing Report for Controlled Atmosphere Storage Apples, eff. 1994.

Controlled Atmosphere Registration Application (rev. 1/2025)

Controlled Atmosphere Sealing Report (rev. 9/2020)

VA.R. Doc. No. R26-8382; Filed August 14, 2025, 10:45 a.m.

TITLE 8. EDUCATION

STATE BOARD OF EDUCATION

Fast-Track Regulation

<u>Title of Regulation:</u> 8VAC20-30. Regulations Governing Adult High School Programs (amending 8VAC20-30-20).

Statutory Authority: §§ 22.1-16 and 22.1-224 of the Code of Virginia.

<u>Public Hearing Information:</u> No public hearing is currently scheduled.

Public Comment Deadline: October 8, 2025.

Effective Date: October 23, 2025.

Agency Contact: Jim Chapman, Director of Board Relations, Department of Education, James Monroe Building, 101 North 14th Street, 25th Floor, Richmond, VA 23219, telephone (804) 750-8750, or email jim.chapman@doe.virginia.gov.

<u>Basis:</u> Section 22.1-224 of the Code of Virginia requires the State Board of Education to require the development of adult education programs in every school division and promulgate appropriate standards and guidelines for adult education programs.

<u>Purpose:</u> This action advances public health, safety, and welfare by allowing the board to approve additional adult education programs as the opportunity arises to do so, as well as achieving regulatory reduction.

Rationale for Using Fast-Track Rulemaking Action: This action is expected to be noncontroversial and appropriate for the fast-track rulemaking process because the amendments implement the board's decision following the most recent periodic review.

<u>Substance:</u> The amendments remove a document incorporated by reference, National External Diploma Program Competencies, and replace the reference to this document with a requirement that an adult student demonstrate full mastery of a program approved by the board.

<u>Issues:</u> The primary advantage to the public and the Commonwealth is that the regulation will be consistent with the current statutory language and provide accurate information and references. There are no disadvantages.

<u>Department of Planning and Budget Economic Impact Analysis:</u>

The Department of Planning and Budget (DPB) has analyzed the economic impact of this proposed regulation in accordance with § 2.2-4007.04 of the Code of Virginia and Executive Order 19. The analysis presented represents DPB's best estimate of the potential economic impacts as of the date of this analysis. ¹

Summary of the Proposed Amendments to Regulation. The Board of Education (board) proposes to amend language concerning one method for an adult to earn a high school diploma, so that obsolete information is eliminated.

Background. There are several different ways for an adult to earn a high school diploma or certificate in Virginia. Under subdivision 3 c of 8VAC20-30-20, one of the options is as follows: An adult high school diploma shall be awarded to an adult student who demonstrates through applied performance assessment full mastery of the National External Diploma Program

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Competencies, version 5.0, January 2013, a CASAS [Comprehensive Adult Student Assessment Systems] program, as promulgated by the American Council on Education and validated and endorsed by the U.S. Department of Education. According to the Department of Education (DOE), CASAS has decided to no longer publish specific versions of the National External Diploma Program Competencies, but instead constantly updates the same set of competencies without maintaining specific versions. Consequently, the Board proposes to amend the text of subdivision 3 c of 8VAC20-30-20 to say an adult high school diploma shall be awarded to an adult student who demonstrates through full mastery of an applied performance assessment of a program that has been approved by the Virginia Board of Education. Although not stated in the regulation, the Agency Background Document notes that the Board will approve the National External Diploma Program as meeting the requirements of subdivision 3 c of 8VAC20-30-20. DOE also states that this change will also allow the Board to approve similar demonstrations of competency for use by school divisions.

Estimated Benefits and Costs. The proposed amendment would have no impact on what occurs in practice. A review of the CASAS website indicates that version 5.0 was superseded in July 2019. Therefore, this change may be moderately beneficial in that readers of the regulation would not be misled into believing that an obsolete version of the competencies was still in use. To the extent that other demonstrations of competency are approved, school divisions and adult learners may also benefit from an expanded array of options.

Businesses and Other Entities Affected. The regulation pertains to adult high school programs in all 131 school divisions in the Commonwealth. The Code of Virginia requires DPB to assess whether an adverse impact may result from the proposed regulation.² An adverse impact is indicated if there is any increase in net cost or reduction in net benefit for any entity, even if the benefits exceed the costs for all entities combined.³ As the proposed amendment neither increases net cost nor reduces net benefit for any entity, no adverse impact is indicated.

Small Businesses⁴ Affected.⁵ The proposed amendment does not adversely affect small businesses.

Localities⁶ Affected.⁷ The proposed amendment neither disproportionally affects particular localities nor affects costs for local governments.

Projected Impact on Employment. The proposed amendment does not affect employment.

Effects on the Use and Value of Private Property. The proposed amendment neither affects the use and value of private property nor costs related to the development of real estate.

Agency Response to Economic Impact Analysis: The State Board of Education thanks the Department of Planning and Budget for its thorough economic impact analysis.

Summary:

The amendments (i) remove a document incorporated by reference, National External Diploma Program Competencies, and (ii) replace the reference to the document with a requirement that an adult student demonstrate full mastery of a program approved by the board to be awarded a high school diploma.

8VAC20-30-20. Minimum requirements for adult high school programs.

Adult high school programs are not part of the 9 through 12 high school program and shall meet the following minimum requirements:

- 1. Age. Only those students who are not subject to the compulsory attendance requirements of § 22.1-254 of the Code of Virginia shall be enrolled in an adult high school program.
- 2. Credit.
 - a. Satisfactory completion of 108 hours of classroom

¹ Section 2.2-4007.04 of the Code of Virginia requires that such economic impact analyses determine the public benefits and costs of the proposed amendments. Further the analysis 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.

² Pursuant to § 2.2-4007.04 D: 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. Statute does not define "adverse impact," state whether only Virginia entities should be considered, nor indicate whether an adverse impact results from regulatory requirements mandated by legislation.

³ Statute does not define "adverse impact," state whether only Virginia entities should be considered, nor indicate whether an adverse impact results from regulatory requirements mandated by legislation. As a result, DPB has adopted a definition of adverse impact that assesses changes in net costs and benefits for each affected Virginia entity that directly results from discretionary changes to the regulation.

⁴ Pursuant to § 2.2-4007.04, 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."

⁵ If the proposed regulatory action may have an adverse effect on small businesses, § 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 § 2.2-4007.1 of the Code of Virginia, 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.

⁶ "Locality" can refer to either local governments or the locations in the Commonwealth where the activities relevant to the regulatory change are most likely to occur.

 $^{^7}$ Section 2.2-4007.04 defines "particularly affected" as bearing disproportionate material impact.

instruction in a subject shall constitute sufficient evidence for one unit of credit toward a high school diploma.

- b. When, in the judgment of the principal or the superintendent, an adult not regularly enrolled in the grades 9 through 12 high school program is able to demonstrate by examination or other objective evidence satisfactory completion of the work, he the adult may receive credit in accordance with policies adopted by the local school board. It is the responsibility of the school issuing the credit to document the types of examinations employed or other objective evidence used, the testing or assessment procedures, and the extent of progress in each case.
- c. Credits earned in adult high school programs shall be transferable as prescribed in the Virginia Standards of Accreditation within the sponsoring school division and shall be transferable to public secondary schools outside of the sponsoring school division.

3. Diplomas.

- a. A diploma, as provided in 8VAC20-132-50, shall be awarded to an adult student who completes all requirements of the diploma regulated by the <u>State</u> Board of Education, with the exception of health and physical education requirements, in effect at the time he the adult student will graduate.
- b. An adult high school diploma shall be awarded to an adult student who completes the course credit requirements in effect for any <u>State</u> Board of Education diploma, with the exception of health and physical education course requirements, at the time <u>he the adult student</u> first entered the ninth grade. The requirement for specific assessments may be waived if the assessments are no longer administered to students in Virginia public schools.
- c. An adult high school diploma shall be awarded to an adult student who demonstrates through <u>an</u> applied performance assessment full mastery of the National External Diploma Program Competencies, version 5.0, January 2013, a CASAS program, as promulgated by the American Council on Education and validated and endorsed by the U.S. Department of Education a program that has been approved by the State Board of Education.
- d. A general achievement adult high school diploma shall be awarded to a student who is not subject to the compulsory attendance requirements of § 22.1-254 of the Code of Virginia and who:
- (1) Successfully completes a high school equivalency examination approved by the <u>State</u> Board of Education;
- (2) Earns a <u>State</u> Board of Education-approved career and technical education credential, such as the successful completion of an industry certification, a state licensure examination, a national occupational competency

assessment, or the Virginia Workplace Readiness Skills Assessment; and

(3) Successfully completes the following courses that incorporate or exceed the applicable Standards of Learning:

Discipline Area	Standard Units of Credit Required
English	4
Mathematics	3
Science	2
History and Social Sciences	2
Electives	9
TOTAL	20

Courses completed to satisfy the requirements in mathematics and science shall include content in courses that incorporate or exceed the content of courses approved by the State Board of Education to satisfy any other board-recognized diploma.

Courses completed to satisfy the history and social sciences requirements shall include one unit of credit in Virginia and U.S. history and one unit of credit in Virginia and U.S. government in courses that incorporate or exceed the content of courses approved by the <u>State</u> Board of Education to satisfy any other board-recognized diploma.

Courses completed to satisfy the electives requirement shall include at least two sequential electives in an area of concentration or specialization, which may include career and technical education and training.

DOCUMENTS INCORPORATED BY REFERENCE (8VAC20-30)

National External Diploma Program Competencies, version 5.0, January 2013, a CASAS program, as promulgated by the American Council on Education and validated and endorsed by the U.S. Department of Education

No document is currently incorporated by reference into this regulation.

VA.R. Doc. No. R25-8020; Filed August 19, 2025, 2:59 p.m.

Fast-Track Regulation

<u>Title of Regulation:</u> **8VAC20-70. Regulations Governing Pupil Transportation** (amending **8VAC20-70-130**, **8VAC20-70-380**).

<u>Statutory Authority:</u> §§ 22.1-16 and 22.1-177 of the Code of Virginia.

<u>Public Hearing Information:</u> No public hearing is currently scheduled.

Public Comment Deadline: October 8, 2025.

Effective Date: October 23, 2025.

Agency Contact: Jim Chapman, Director of Board Relations, Department of Education, James Monroe Building, 101 North 14th Street, 25th Floor, Richmond, VA 23219, telephone (804) 750-8750, or email jim.chapman@doe.virginia.gov.

<u>Basis:</u> Section 22.1-16 of the Code of Virginia authorizes the State Board of Education to promulgate regulations necessary to carry out its powers and duties and the provisions of Title 22.1 of the Code of Virginia. Sections 22.1-176 and 22.1-177 of the Code of Virginia authorize the board to promulgate regulations concerning the transportation of pupils and the construction, design, operation, equipment, and color of public school buses.

<u>Purpose:</u> This action is essential to public health, safety, and welfare because the amendments clarify how the public should use the Preventive Maintenance Manual for Virginia School Buses.

Rationale for Using Fast-Track Rulemaking Action: The action is expected to be noncontroversial because it does not change underlying board policy. Instead the amendments remove a document incorporated by reference (DIBR) and associated requirements.

<u>Substance:</u> This action removes a DIBR, Preventive Maintenance Manual for Virginia School Buses, and all references to it.

<u>Issues:</u> The primary advantage to the public is that this change makes it clear that the provisions in the Preventive Maintenance Manual for Virginia School Buses are not requirements. The primary advantage to the board is that the contents of the manual no longer regulatory requirements. There are no disadvantages to the regulatory change.

Department of Planning and Budget Economic Impact Analysis:

The Department of Planning and Budget (DPB) has analyzed the economic impact of this proposed regulation in accordance with § 2.2-4007.04 of the Code of Virginia and Executive Order 19. The analysis presented represents DPB's best estimate of the potential economic impacts as of the date of this analysis. ¹

Summary of the Proposed Amendments to Regulation. The Board of Education (board) proposes to remove a document incorporated by reference (DIBR), and references to the DIBR, from Regulations Governing Pupil Transportation (8VAC20-70).

Background. The (8VAC20-70) Documents Incorporated By Reference lists one DIBR, the Preventive Maintenance Manual for Virginia School Buses, Rev. September 2012, Virginia Department of Education. The board proposes to repeal this section, then later issue the Preventive Maintenance Manual for Virginia School Buses, Rev. September 2012 as a guidance document. This DIBR is referred to in two other sections of the regulation. 8VAC20-70-130, which says the inspections and maintenance shall be conducted in accordance with provisions of the Preventive Maintenance Manual for Virginia School Buses (September 2012) and recorded on the prescribed inspection forms or in a format approved by the Department of Education. The

board proposes to remove the middle of that sentence so that it becomes "The inspections and maintenance shall be in a format approved by the Department of Education." 8VAC20-70-380 also refers to the DIBR, saying that prior to the initial transporting of children each day, the drivers of school and activity buses shall perform a daily pre-trip safety inspection of the vehicle. The items checked and recorded shall be at least equal to the pre-trip inspection procedure in the Preventive Maintenance Manual for Virginia School Buses (September 2012) issued by the Department of Education. The board proposes to amend the second sentence to say the inspection shall be recorded in a format approved by the Department of Education.

Estimated Benefits and Costs. Removing the DIBR has the legal effect of removing regulatory requirements from the text of the regulation. However, according to the Department of Education (DOE), under the status quo, the agency does not require that local school divisions follow the Preventive Maintenance Manual for Virginia School Buses (September 2012) precisely, just that they do inspections and maintenance at the required times and that they record the inspections and maintenance in a format approved by DOE. Since the proposed text reflects current practice, the proposed amendments should not have a substantive impact but may be beneficial in that it better informs the public of current practice.

Businesses and Other Entities Affected. The proposed amendments pertain to the 131 school divisions in the Commonwealth, and in particular their mechanics and bus drivers. The Code of Virginia requires DPB to assess whether an adverse impact may result from the proposed regulation.² An adverse impact is indicated if there is any for any entity, even if the benefits exceed the costs for all entities combined.³ As the proposed amendments neither increase cost nor reduce benefit, no adverse impact is indicated.

Small Businesses⁴ Affected.⁵ The proposed amendments do not adversely affect small businesses.

Localities⁶ Affected.⁷ The proposed amendments neither disproportionally affect particular localities nor affect costs for local governments.

Projected Impact on Employment. The proposed amendments do not affect employment.

Effects on the Use and Value of Private Property. The proposed amendments neither affect the use and value of private property nor costs related to the development of real estate.

1

¹ Section 2.2-4007.04 of the Code of Virginia requires that such economic impact analyses determine the public benefits and costs of the proposed amendments. Further the analysis 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.

² Pursuant to § 2.2-4007.04 D: 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. Statute does not define "adverse impact," state whether only Virginia entities should be considered, nor indicate whether an adverse impact results from regulatory requirements mandated by legislation.

- ³ Statute does not define "adverse impact," state whether only Virginia entities should be considered, nor indicate whether an adverse impact results from regulatory requirements mandated by legislation. As a result, DPB has adopted a definition of adverse impact that assesses changes in net costs and benefits for each affected Virginia entity that directly results from discretionary changes to the regulation.
- ⁴ Pursuant to § 2.2-4007.04, 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."
- ⁵ If the proposed regulatory action may have an adverse effect on small businesses, § 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 § 2.2-4007.1 of the Code of Virginia, 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.
- ⁶ "Locality" can refer to either local governments or the locations in the Commonwealth where the activities relevant to the regulatory change are most likely to occur.
- Section 2.2-4007.04 defines "particularly affected" as bearing disproportionate material impact.

<u>Agency Response to Economic Impact Analysis:</u> The State Board of Education thanks the Department of Planning and Budget for its thorough economic impact analysis.

Summary:

The amendments remove a document incorporated by reference, Preventive Maintenance Manual for Virginia School Buses, and all references to the document.

8VAC20-70-130. Maintenance inspection.

All school buses and school activity buses used to transport public school pupils to and from school and school activity events shall be inspected and maintained by competent mechanics at least once every 45 school days, with "school days" as determined by the school division's approved yearly calendar or modifications in the calendar as approved by the division superintendent or designee, or every 5,000 miles. Any bus that is removed from service or deadlined so as to disrupt the scheduled maintenance shall be inspected prior to being returned to service. At no point shall any bus go without an inspection during the school semester and such inspections shall be no more than 90 school days apart, excluding summer sessions. The inspections and maintenance shall be conducted in accordance with provisions of the Preventive Maintenance Manual for Virginia School Buses (September 2012) and

recorded on the prescribed inspection forms or in a format approved by the Department of Education. Additional Original Equipment Manufacturer (OEM) inspection and maintenance recommendations should be maintained during the service life of each bus to ensure safety and warranty requirements are met. Maintenance consideration should be given to buses operated during the summer session. If the inspection and maintenance are not made in a shop operated by the school board or the local governing body, the school board shall designate one or more inspection centers to make the inspections and require a copy of the results of the inspections to be furnished to the division superintendent. School division compliance with the foregoing maintenance inspection requirements shall be subject to verification by the Department of Education.

Subject to funds being available, the Department of Education shall conduct operational assessments of the-school divisions' division's pupil transportation operations on an ongoing basis to ensure applicable statutes, regulations, and specifications are being met. The Department of Education shall establish procedures for conducting the operational assessments and shall conduct the assessments in school divisions on a periodic cycle as resources permit. As part of the operational assessments, the Department of Education shall provide technical assistance to school divisions in a manner that will assist them the school divisions with achieving and maintaining compliance with applicable statutes, regulations, and specifications.

Maintenance and service personnel shall be encouraged to attend approved workshops or training institutes and shall receive all necessary service and maintenance publications for equipment serviced.

8VAC20-70-380. Pre-trip safety inspection.

Prior to the initial transporting of children each day, the drivers of school and activity buses shall perform a daily pretrip safety inspection of the vehicle. The items checked and inspection shall be recorded shall be at least equal to the pretrip inspection procedure in the Preventive Maintenance Manual for Virginia School Buses (September 2012) issued in a format approved by the Department of Education.

DOCUMENTS INCORPORATED BY REFERENCE (8VAC20-70)

Preventive Maintenance Manual for Virginia School Buses, Rev. September 2012, Virginia Department of Education.

No document is currently incorporated by reference into this regulation.

VA.R. Doc. No. R26-8272; Filed August 19, 2025, 2:33 p.m.

TITLE 9. ENVIRONMENT

STATE WATER CONTROL BOARD

Final Regulation

REGISTRAR'S NOTICE: The State Water Control Board is claiming an exemption from Article 2 of the Administrative Process Act in accordance with § 2.2-4006 A 14 of the Code of Virginia, which exempts adoption, amendment, or repeal of wasteload allocations by the State Water Control Board pursuant to State Water Control Law (§ 62.1-44.2 et seq. of the Code of Virginia) if the board (i) provides public notice in the Virginia Register; (ii) if requested by the public during the initial public notice 30-day comment period, forms an advisory group composed of relevant stakeholders; (iii) receives and provides summary response to written comments; and (iv) conducts at least one public meeting.

<u>Title of Regulation:</u> 9VAC25-720. Water Quality Management Planning Regulation (amending 9VAC25-720-60, 9VAC25-720-90).

Statutory Authority: § 62.1-44.15 of the Code of Virginia.

Effective Date: October 8, 2025.

Agency Contact: Justin Williams, Department of Environmental Quality, 1111 East Main Street, Suite 1400, P.O. Box 1105, Richmond, VA 23218, telephone (804) 659-1125, or email justin.williams@deq.virginia.gov.

Summary:

The amendments add (i) four new total maximum daily load (TMDL) wasteload allocations (WLAs) in the James River Basin and (ii) three new TMDL WLAs in the Tennessee-Big Sandy River Basin.

EDITOR'S NOTE: Rows 1 through 193 of 9VAC25-720-60 A are not amended; therefore, the text of those rows is not set

9VAC25-720-60. James River Basin.

A. Total maximum daily loads (TMDLs).

out.							
TMDL #	Stream Name	TMDL Title	City/County	WBID	Pollutant	WLA ¹	Units
<u>194.</u>	Non-tidal James River above Bent Creek	PCB Total Maximum Daily Load Development for the Middle and Upper James River, Maury River, and Jackson River Watersheds	Botetourt, Rockbridge	<u>I18, I24,</u> <u>I27, I28,</u> <u>I37, H01,</u> <u>H03, H05</u>	<u>PCB</u>	<u>190,000</u>	mg/year
<u>195.</u>	Non-tidal James River below Bent Creek	PCB Total Maximum Daily Load Development for the Middle and Upper James River, Maury River, and Jackson River Watersheds	Amherst, Bedford, Campbell, Appomattox, Nelson, Buckingham, Albemarle, Fluvanna, Cumberland, Goochland, Powhatan, Henrico, Chesterfield Counties and Cities of Lynchburg and Richmond	H08, H14, H17, H19, H20, H22, H33, H38, H39	<u>PCB</u>	160,000	mg/year
<u>196.</u>	Maury River	PCB Total Maximum Daily Load Development for the Middle and Upper James River, Maury River, and Jackson River Watersheds	Rockbridge, Buena Vista	<u>137</u>	<u>PCB</u>	<u>4,100</u>	mg/year

<u>197.</u>	Jackson River	PCB Total Maximum Daily Load Development for the Middle and Upper James River, Maury River, and Jackson River Watersheds	Alleghany, Covington	<u>104, 109</u>	<u>PCB</u>	170,000	mg/year
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Notes:

EDITOR'S NOTE: Subsection B of 9VAC25-720-60 is not amended; therefore, the text of that subsection is not set out.

9VAC25-720-90. Tennessee-Big Sandy River Basin.

A. Total maximum daily loads (TMDLs).

EDITOR'S NOTE: Rows 1 through 78 of 9VAC25-720-90 A are not amended; therefore, the text of those rows is not set out.							
TMDL #	Stream Name	TMDL Title	City/County	WBID	Pollutant	WLA1	Units
<u>79.</u>	<u>Greendale</u> <u>Creek</u>	Benthic TMDL Development for Greendale Creek and Unnamed Tributary to Fleenor Branch located in Washington County, Virginia	Washington	<u>O12</u>	Sediment	28,000	<u>lbs/year</u>
<u>80.</u>	UT to Fleenor Branch	Benthic TMDL Development for Greendale Creek and Unnamed Tributary to Fleenor Branch located in Washington County, Virginia	Washington	<u>O12</u>	Sediment	<u>440</u>	lbs/year
<u>81.</u>	UT to Fleenor Branch	Benthic TMDL Development for Greendale Creek and Unnamed Tributary to Fleenor Branch located in Washington County, Virginia	Washington	<u>O12</u>	Phosphorus	<u>2,400</u>	lbs/year

Notes:

1 The total WLA can be increased prior to modification provided that DEQ tracks these changes for bacteria TMDLs where the permit is consistent with water quality standards for bacteria.

B. Non-TMDL wasteload allocations.

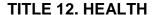
Water Body	Permit No.	Facility Name	Receiving Stream	River Mile	Outfall No.	Parameter Description	WLA	Units WLA
						CBOD ₅ , JUN- NOV	28	KG/D
VAS- Q13R	VA0061913	Pound WWTP	Pound River	33.26	001	CBOD ₅ , DEC- MAY	47	KG/D
						TKN, JUN- NOV	28	KG/D
VAS- Q14R	VA0026565	Clintwood WWTP	Cranes Nest River	9.77	001	BOD ₅	30	KG/D
VAS- O06R	VA0026531	Wolf Creek Water Reclamation Facility	Wolf Creek	7.26	001	CBOD ₅	249.8	KG/D

¹ The total WLA can be increased prior to modification provided that the Department of Environmental Quality tracks these changes for bacteria TMDLs where the permit is consistent with water quality standards for bacteria.

²GS means growing season.

VAS- P01R	VA0026298	Tazewell WWTP	Clinch River	346.26	001	CBOD ₅ , JUN- NOV	76	KG/D
VAS- P03R	VA0021199	Richlands Regional WWTF	Clinch River	317.45	001	BOD ₅ , JUN- NOV	273	KG/D
VAS- P06R	VA0020745	Lebanon WWTP	Big Cedar Creek	5.22	001	BOD ₅	91	KG/D
VAS-	VA0077828	Coeburn Norton Wise	Guest River	7.56	001	CBOD ₅ , JUN- NOV	303	KG/D
P11R	VA0077828	Regional WWTP	7	7.30	001	CBOD ₅ , DEC- MAY	379	KG/D
VAS- P15R	VA0029564	Duffield Industrial Park WWTP	North Fork Clinch River	21.02	001	BOD ₅	36	KG/D
VAS- P17R	VA0020940	Big Stone Gap Regional WWTP	Powell River	177.38	001	CBOD ₅ , JUN- NOV	110	KG/D

VA.R. Doc. No. R26-8297; Filed August 7, 2025, 3:04 p.m.



STATE BOARD OF HEALTH

Proposed Regulation

<u>Title of Regulation:</u> 12VAC5-219. Prescription Drug Price Transparency Regulation (adding 12VAC5-219-10 through 12VAC5-219-140).

<u>Statutory Authority:</u> §§ 32.1-12 and 32.1-23.4 of the Code of Virginia.

<u>Public Hearing Information:</u> No public hearing is currently scheduled.

Public Comment Deadline: November 7, 2025.

Agency Contact: Kindall Bundy, Policy Planning Specialist II, Office of Information Management, Virginia Department of Health, 109 Governor Street, Richmond, VA 23219, telephone (804) 986-5270, or email kindall.bundy@vdh.virginia.gov.

<u>Basis:</u> Section 32.1-23.4 of the Code of Virginia requires the State Board of Health to adopt regulations that include (i) provisions related to the specification of prescription drugs for the purpose of data collection and procedures for auditing information provided by health carriers, pharmacy benefits managers, wholesale distributors, and manufacturers and (ii) a schedule of civil penalties for failure to report information required pursuant to § 32.1-23.4, 38.2-3407.15:6, 54.1-3436.1, or 54.1-3442.02 of the Code of Virginia, which shall be based on the level of severity of the violation.

<u>Purpose</u>: This action is essential to protect the health, safety, and welfare of citizens because the new regulation requires that reporting entities provide vital information about prescription drug pricing, which is a driver of increased health care costs in the Commonwealth.

<u>Substance:</u> This action proposes a new chapter that (i) sets out reporting requirements of prescription drug price information for health carriers, pharmacy benefits managers, wholesale distributors, and manufacturers and (ii) establishes a schedule of civil penalties based on the severity of the violation for failure to report the required information.

<u>Issues:</u> The primary advantage of this action to the public is increased transparency about prescription drug pricing. The primary disadvantage to the public is that businesses subject to the reporting requirements may incur increased expenses for compliance. There are no disadvantages to individual private citizens. The primary advantage to the board and the Commonwealth is increased transparency about prescription drug pricing and the availability of data for research. The primary disadvantage to the board and the Commonwealth is the fiscal impact of data collection and of adjudication in the event a reporting entity fails to comply.

Department of Planning and Budget Economic Impact Analysis:

The Department of Planning and Budget (DPB) has analyzed the economic impact of this proposed regulation in accordance with § 2.2-4007.04 of the Code of Virginia and Executive Order 19. The analysis presented represents DPB's best estimate of the potential economic impacts as of the date of this analysis. ¹

Summary of the Proposed Amendments to Regulation. As the result of a 2021 legislative mandate, the Virginia Department of Health (VDH) proposes to make permanent an emergency regulation that establishes new prescription drug pricing reporting requirements.

Background. Chapter 304 of the 2021 Acts of Assembly, Special Session I² directed VDH to enter into a contract or an agreement with a nonprofit data services organization (NDSO) to annually collect, compile, and make available information about prescription drug pricing to appear on its website. The legislation also requires every carrier,³ pharmacy benefits manager,⁴ and drug manufacturer to report information about prescription drug prices to this organization. Additionally, it allows VDH to require wholesale distributors to report certain data about prescription drug costs when VDH determines that the data provided by the other entities is insufficient. For carriers, the legislation directs annual reporting to the NDSO of the following information on spending on prescription drugs in total, before enrollee cost sharing, for each health benefit plan offered by the carrier in the Commonwealth: (i) for covered outpatient prescription drugs that were prescribed to enrollees during the calendar year, the names of the 25 most frequently prescribed outpatient prescription drugs, the names of the 25 outpatient prescription drugs covered at the greatest cost, calculated using the total annual spending by such health benefit plan for each outpatient prescription drug covered by the health benefit plan; and the 25 outpatient prescription drugs that experienced the greatest year-over-year increase in cost, calculated using the total annual spending by such health benefit plan for each outpatient prescription drug covered by the health benefit plan; (ii) the percent increase in annual net spending for prescription drugs after accounting for aggregated rebates, discounts, or other reductions in price; (iii) the percent increase in premiums that were attributable to each health care service, including prescription drugs; (iv) the percentage of specialty drugs with utilization management requirements; and (v) the premium reductions that were attributable to specialty drug utilization management. The legislation specifies that every carrier offering a health benefit plan shall require each pharmacy benefits manager with which it enters into a contract to report to the NDSO annually the following information for each drug reported by the carrier: (i) the aggregate amount of rebates received by the pharmacy benefits manager; (ii) the aggregate amount of rebates distributed to the relevant health benefit plan; and (iii) the aggregate amount of rebates passed on to enrollees of each health benefit plan at the point of sale that reduced an enrollee's applicable deductible, copayment, coinsurance, or other cost-sharing amount. For manufacturers, specific annual reporting requirements (to the NDSO) in the legislation include the following for each (i) brandname drug and biologic other than a biosimilar with a wholesale acquisition cost of \$100 or more for a 30-day supply or a single course of treatment and any increase of 15% or more in the wholesale acquisition cost of such brand-name drug or biologic over the preceding calendar year; (ii) biosimilar with an initial wholesale acquisition cost that is not at least 15% less than the wholesale acquisition cost of the referenced brand biologic at the time the biosimilar is launched; and (iii) generic drug with a price increase that results in an increase in the wholesale acquisition cost of such generic drug that is equal to 200% or more during the preceding 12-month period, when the wholesale acquisition cost of such generic drug is equal to or greater than \$100, annually adjusted by the Consumer Price Index for All Urban Consumers, for a 30-day supply, with such increase defined as the difference between the wholesale acquisition cost of the generic drug after

such increase and the average wholesale acquisition cost of such generic drug during the previous 12 months: (i) the name of the prescription drug; (ii) whether the drug is a brand-name or generic; (iii) the effective date of the change in wholesale acquisition cost; (iv) aggregate, company-level research and development costs for the most recent year for which final audit data is available; (v) the name of each of the manufacturer's new prescription drugs approved by the U.S. Food and Drug Administration within the previous three calendar years; (vi) the name of each of the manufacturer's prescription drugs that, within the previous three calendar years, became subject to generic competition and for which there is a therapeutically equivalent generic version; and (vii) a concise statement regarding the factor or factors that caused the increase in wholesale acquisition cost. The legislation also directed VDH to adopt regulations that are to include (i) provisions related to the specification of prescription drugs for the purpose of data collection and procedures for auditing information provided by carriers, pharmacy benefits managers, wholesale distributors, and manufacturers and (ii) a schedule of civil penalties for failure to report information. It specifies that civil penalties are not to exceed \$2,500 per day from the date on which such reporting is required. The proposed text is consistent with the legislation and does not produce cost beyond that which is already required by the legislation.

Estimated Benefits and Costs.

Costs: Costs for pharmaceutical manufacturers, carriers, pharmacy benefit managers, and possibly pharmaceutical wholesalers would be limited to the costs of projected reporting, recordkeeping and other administrative costs required for compliance. VDH estimates that these costs are not likely to exceed \$2,500 per firm per year. Costs for VDH include \$275,000 annually for its contract with the NDSO for collection, compilation, and publication of data collected, and \$43,801 annually for a wage position to determine compliance with the prescription drug price transparency program requirements, assess and collect penalties for noncompliance, and provide administrative support for any resulting proceedings under the Administrative Process Act.⁵

Benefits: The prescription drug price transparency program is beneficial in that it produces increased knowledge of and transparency for prescription drug pricing and the factors that influence consumer health care costs. This can potentially enable policymakers to make better informed decisions that affect health care costs in the Commonwealth. The required public reporting by manufacturers of price increases over a set threshold with a statement regarding the factor or factors that caused the increase may discourage some price increases above the threshold. There is some evidence that this has happened in other states that started prescription drug price transparency programs before Virginia. The Vermont Medicaid program explained in its 2020 report that compared to 2016, there was a 79% decline in the number of drugs reaching the state per year price increase reporting threshold.⁶ The program report concludes that fewer manufacturers are excessively increasing the price of drugs. Similarly, the Oregon transparency program reported that compared to its first year of implementation in 2019, the program received 70% fewer reports for price increases in 2020.7 However, during that same time,

Oregon saw a 15% increase in the number of drugs with high launch prices.⁸

Businesses and Other Entities Affected. The proposed regulation affects the 231 pharmaceutical manufacturers, 100 carriers, 36 pharmacy benefit managers, and potentially the 300 pharmaceutical wholesalers that do business in the Commonwealth. The Code of Virginia requires DPB to assess whether an adverse impact may result from the proposed regulation. An adverse impact is indicated if there is any increase in net cost or reduction in net revenue for any entity, even if the benefits exceed the costs for all entities combined. The costs from the program stem from the legislation. Thus, no adverse impact for the proposed regulation is indicated.

Small Businesses¹¹ Affected.¹²

Types and Estimated Number of Small Businesses Affected: VDH does not have data on how many, if any of the pharmaceutical, manufacturers, carriers, pharmacy benefit managers, and pharmaceutical wholesalers would qualify as small businesses.

Costs and Other Effects: The reporting, recordkeeping and other administrative costs are due to the legislation rather than the proposed regulation.

Alternative Method that Minimizes Adverse Impact: The proposed regulation does not create adverse impact.

Localities¹³ Affected.¹⁴ The proposed regulation neither disproportionally affects particular localities, nor introduces costs for local governments.

Projected Impact on Employment. VDH plans to hire an individual to determine compliance with the prescription drug price transparency program requirements, assess and collect penalties for noncompliance, and provide administrative support for any resulting proceedings under the Administrative Process Act. ¹⁵ The contracted NDSO, Virginia Health Information, has hired a prescription drug data consultant for the program. ¹⁶

Effects on the Use and Value of Private Property. The legislation requires affected firms to report information and incur some cost. The proposed regulation provides detail on how the reporting is to be done, but does not directly add to the cost. The proposed regulation does not affect real estate development costs.

Agency Response to Economic Impact Analysis: The State Board of Health has reviewed and concurs with the Department of Planning and Budget's economic impact analysis.

Summary:

Pursuant to Chapter 304 of the 2021 Acts of Assembly, Special Session I, this proposed action creates a new chapter that establishes (i) reporting requirements of prescription drug price information for health carriers,

¹ Section 2.2-4007.04 of the Code of Virginia requires that such economic impact analyses determine the public benefits and costs of the proposed amendments. Further the analysis 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.

² https://leg1.state.va.us/cgi-bin/legp504.exe?212+ful+CHAP0304.

³ Per § 38.2-3407.10 of the Code of Virginia, "Carrier" means: 1. Any insurer proposing to issue individual or group accident and sickness insurance policies providing hospital, medical and surgical or major medical coverage on an expense incurred basis; 2. Any corporation providing individual or group accident and sickness subscription contracts; 3. Any health maintenance organization providing health care plans for health care services; 4. Any other person or organization that provides health benefit plans subject to state regulation, and includes an entity that arranges a provider panel for compensation. See https://law.lis.virginia.gov/vacode/38.2-3407.10/.

⁴ Per § 38.2-3407.15:4 of the Code of Virginia, "Pharmacy benefits manager" means an entity that performs pharmacy benefits management. The term includes a person or entity acting for a pharmacy benefits manager in a contractual or employment relationship in the performance of pharmacy benefits management for a carrier. "Pharmacy benefits management" means the administration or management of prescription drug benefits provided by a carrier for the benefit of enrollees. See https://law.lis.virginia.gov/vacode/title38.2/chapter34/section38.2-3407.15:4/.

⁵ Source: VDH.

⁶ See https://gmcboard.vermont.gov/sites/gmcb/files/documents/Merged_DV HA_Act193_2021Submission.pdf and https://nashp.org/drug-price-transparency-laws-position-states-to-impact-drug-prices/.

⁷ See https://dfr.oregon.gov/drugtransparency/Documents/Prescription-Drug-Price-Transparency-Annual-Report-2020.pdf and https://nashp.org/drug-price-transparency-laws-position-states-to-impact-drug-prices/.

⁸ The Oregon report states that new high-cost drugs are reported to the program when they are priced at \$670 or more. This is the financial threshold set by the federal government to categorize a drug as a specialty drug under Medicare Part D.

⁹ Data source: VDH.

¹⁰ Pursuant to § 2.2-4007.04 D: 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. Statute does not define "adverse impact," state whether only Virginia entities should be considered, nor indicate whether an adverse impact results from regulatory requirements mandated by legislation.

¹¹ Pursuant to § 2.2-4007.04, 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."

¹² If the proposed regulatory action may have an adverse effect on small businesses, § 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 § 2.2-4007.1 of the Code of Virginia, 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.

¹³ "Locality" can refer to either local governments or the locations in the Commonwealth where the activities relevant to the regulatory change are most likely to occur.

 $^{^{14}}$ Section 2.2-4007.04 defines "particularly affected" as bearing disproportionate material impact.

¹⁵ Source: VDH.

¹⁶ Source: Virginia Health Information.

pharmacy benefits managers, wholesale distributors, and manufacturers and (ii) a schedule of civil penalties, based on the severity of the violation, for failure to report the information required.

Chapter 219

Prescription Drug Price Transparency Regulation

Part I

General Information and Requirements

12VAC5-219-10. Definitions.

The following words and terms when used in this chapter have the following meanings unless the context clearly indicates otherwise:

"30-day equivalent supply" means the total daily dosage units of a prescription drug recommended by its prescribing label as approved by the FDA for 30 days or fewer. If there is more than one such recommended daily dosage, the largest recommended daily dosage will be considered for purposes of determining a 30-day equivalent supply. "30-day equivalent supply" includes a 30-day supply and a single course of treatment under § 54.1-3442.02 B of the Code of Virginia.

"Biologic" means a therapeutic drug, made from a living organism such as human, animal, yeast, or microorganisms, that is licensed under a Biologic License Application by the FDA.

"Biosimilar" has the same meaning as ascribed to the term in § 54.1-3442.02 of the Code of Virginia.

"Brand-name drug" has the same meaning as ascribed to the term in §§ 54.1-3436.1 and 54.1-3442.02 of the Code of Virginia.

"Carrier" has the same meaning as ascribed to the term in § 38.2-3407.10 of the Code of Virginia.

"Commissioner" means the State Health Commissioner.

"Department" means the Virginia Department of Health.

"Discount" means any price concession, however characterized, offered or provided by a reporting entity for a prescription drug, including rebates and reductions in price, that has the effect of reducing the cost of a prescription drug for a consumer.

"Drug product" means a finished dosage form, such as a tablet or solution, that contains a prescription generally, but not necessarily, in association with inactive ingredients and that has been issued a National Drug Code by the FDA.

<u>"Enrollee" has the same meaning as ascribed to the term in § 38.2-3407.10 of the Code of Virginia.</u>

"FDA" means the U.S. Food and Drug Administration.

"Generic drug" has the same meaning as ascribed to the term in § 54.1-3436.1 of the Code of Virginia.

<u>"Health benefit plan" has the same meaning as ascribed to the term in § 38.2-3438 of the Code of Virginia.</u>

"IRS" means the U.S. Internal Revenue Service.

<u>"Launched"</u> means the month and year on which a manufacturer first marketed a prescription drug for sale in the Commonwealth.

"Manufacturer" has the same meaning as ascribed to the term in § 54.1-3401 of the Code of Virginia.

"National Drug Code" or "NDC" means a unique numeric code assigned by the FDA for each finished drug product or unfinished drug subject to the listing requirements of 21 CFR Part 207.

"New prescription drug" has the same meaning as ascribed to the term in § 54.1-3442.02 of the Code of Virginia.

"Nonprofit data services organization" or "NDSO" has the same meaning as ascribed to the term in § 32.1-23.4 of the Code of Virginia.

"Outpatient prescription drug" means a prescription drug that may be obtained only by prescription and dispensed by a pharmacy licensed to dispense prescription drugs in Virginia, including from a retail, outpatient, mail order, or other delivery setting. Outpatient prescription drug excludes prescription drugs provided as part of or incident to and in the same setting as inpatient and outpatient hospital services, hospice services, and dental services.

"Pharmacy benefits management" has the same meaning as ascribed to the term in § 38.2-3407.15:4 of the Code of Virginia.

<u>"Pharmacy benefits manager" or "PBM" has the same meaning as ascribed to the term in § 38.2-3407.15:4 of the Code of Virginia.</u>

<u>"Premium"</u> means the amount members pay to a carrier or health benefit plan for medical and prescription drug insurance.

"Prescription drug" has the same meaning as ascribed to the term in § 54.1-3401 of the Code of Virginia. "Prescription drug" includes biologics and biosimilars for which a prescription is needed.

"Rebate" has the same meaning as ascribed to the term in § 38.2-3407.22 of the Code of Virginia.

"Reporting entity" means carriers, PBMs, wholesale distributors, and manufacturers.

"Specialty drug" means a prescription drug that:

1. Has a price for a 30-day equivalent supply equal to or greater than the current minimum specialty tier eligibility threshold under Medicare Part D as determined by the U.S. Centers for Medicare and Medicaid Services; and

- 2. a. Is prescribed for a person with a chronic, complex, rare, or life-threatening medical condition;
 - b. Requires specialized supply chain features, product handling, or administration by the dispensing pharmacy; or
 - c. Requires specialized clinical care, including intensive clinical monitoring or expanded services for patients, such as intensive patient counseling, intensive patient education, or ongoing clinical support beyond traditional dispensing activities.
- A prescription drug appearing on the Medicare Part D specialty tier is presumed to be a specialty drug.
- "Spending" means the amount of money, expressed in U.S. dollars, expended after discounts.
- "Therapeutically equivalent" means a generic drug that is:
- 1. Approved as safe and effective;
- 2. Adequately labeled;
- 3. Manufactured in compliance with 21 CFR Part 210, 21 CFR Part 211, and 21 CFR Part 212; and
- 4. Either:
 - a. A pharmaceutical equivalent to a brand-name drug in that it:
 - (1) Contains identical amounts of the identical active drug ingredient in the identical dosage form and route of administration; and
 - (2) Meets compendial or other applicable standards of strength, quality, purity, and identity; or
 - b. A bioequivalent to a brand-name drug in that:
 - (1) It does not present a known or potential bioequivalence problem, and the two drugs meet an acceptable in vitro standard; or
 - (2) If it does present such a known or potential problem, it is shown to meet an appropriate bioequivalence standard.
- "USAN Council" means the United States Adopted Names Council.
- "Utilization management" means strategies, including drug utilization review, prior authorization, step therapy, quantity or dose limits, and comparative effectiveness reviews, to reduce a patient's exposure to inappropriate drugs and lower the cost of treatment.
- "Wholesale acquisition cost" or "WAC" has the same meaning as ascribed to the term in §§ 54.1-3436.1 and 54.1-3442.02 of the Code of Virginia.
- "Wholesale distributor" has the same meaning as ascribed to the term in § 54.1-3401 of the Code of Virginia.

12VAC5-219-20. Registration.

A. Each reporting entity shall furnish to and maintain with the NDSO:

- 1. The entity's legal name and any fictitious names under which the entity operates;
- 2. The entity's current mailing address of record; and
- 3. The entity's current email address of record.
- B. The reporting entity shall notify the NDSO in writing of any change in the entity's legal name or addresses of record within 30 calendar days of such change.
- C. Each reporting entity shall notify the NDSO of the entity's business closing; discontinuation of business as a carrier, PBM, manufacturer, or wholesale distributor; or acquisition at least 30 days prior to such closure, discontinuation, or acquisition.
 - 1. A reporting entity shall file any report otherwise due on April 1 for the preceding calendar year pursuant to Part II (12VAC5-219-50 et seq.) of this chapter prior to its closure, discontinuation, or acquisition if the reporting entity plans or anticipates that between January 1 and April 1:
 - a. The entity's business will close;
 - b. The entity's business as a carrier, PBM, manufacturer, or wholesale distributor will be discontinued; or
 - c. The entity's acquisition will result in the discontinuation of its business as a carrier, PBM, manufacturer, or wholesale distributor.
 - 2. The legal entity acquiring a reporting entity shall ensure that it complies with the provisions of this chapter.
 - 3. The commissioner shall deem the failure to comply with subdivision C 1 of this section as a failure to report pursuant to Part II (12VAC5-219-50 et seq.) of this chapter.

12VAC5-219-30. Notice.

- A. The NDSO shall send to the reporting entity at the last known email address of record:
 - 1. An annual notice on or before March 1 regarding the reporting entity's reporting obligations under Part II (12VAC5-219-50 et seq.) of this chapter. Failure to receive this notice does not relieve the reporting entity of the obligation to timely report;
 - 2. Any notices pursuant to 12VAC5-219-90 C; and
 - 3. Any notices pursuant to Article 1 (12VAC5-219-100 et seq.) of Part III of this chapter.
- B. The department shall send notices pursuant to Part III (12VAC5-219-100 et seq.) of this chapter and case decisions to the last known email address of record and mailing address of record.
- C. The NDSO shall provide any record requested by the commissioner or department related to the enforcement or administration of § 32.1-23.4 of the Code of Virginia or this chapter no more than 10 business days after the request, except

as otherwise agreed to between the NDSO and the commissioner or the department.

12VAC5-219-40. Allowable variances.

- A. The commissioner may authorize a variance to Part II (12VAC5-219-50 et seq.) of this chapter.
- B. A variance shall require advance written approval from the commissioner.
- C. The department, the NDSO, or a reporting entity may request a variance at any time by filing the request in writing with the commissioner. The request for a variance shall include:
 - 1. A citation to the specific standard or requirement from which a variance is requested;
 - 2. The nature and duration of the variance requested;
 - 3. A description of how compliance with the current standard or requirement is economically burdensome and constitutes an impractical hardship unique to the requester;
 - 4. Statements or evidence why the purpose of the standard or requirement would not be frustrated if the variance were granted;
 - 5. Proposed alternatives to meet the purpose of the standard or requirement; and
 - <u>6. Other information, if any, believed by the requester to be</u> pertinent to the request.
- <u>D. The requester shall provide additional information as may</u> be requested or required by the commissioner to evaluate the <u>variance request.</u>
- E. The requester may withdraw a request for a variance at any time.
- <u>F. The commissioner shall notify the requester in writing of the commissioner's decision on the variance request. If granted, the commissioner:</u>
 - 1. Shall identify:
 - a. The standard or requirement to which a variance has been granted;
 - b. To whom the variance applies; and
 - c. The effective date and expiration date of the variance; and
 - 2. May attach conditions to a variance that, in the sole judgment of the commissioner, satisfies, supports, or furthers the purpose of the standard or requirement.
- G. The requester shall comply with the standard or requirement to which a variance has been requested unless a variance has been granted.
- H. The commissioner may rescind or modify a variance if:

- 1. The impractical hardship unique to the requester changes or no longer exists;
- 2. Additional information becomes known that alters the basis for the original decision, including if the requester elected to fail to comply with the standard or requirement prior to receiving a variance;
- 3. The requester fails to meet any conditions attached to the variance; or
- 4. Results of the variance fail to satisfy, support, or further the purpose of the standard or requirement.
- I. If a variance is denied, expires, or is rescinded, the commissioner, the department, or the NDSO, as applicable, shall enforce the standard or requirement to which the variance was granted.

Part II

Reporting Requirements

12VAC5-219-50. Carrier reporting requirements.

- A. Every carrier offering a health benefit plan shall report annually by April 1 to the NDSO the information required in this subsection on total annual spending on prescription drugs, before enrollee cost-sharing, for each health benefit plan offered by the carrier in the Commonwealth:
 - 1. For covered outpatient prescription drugs that were prescribed to enrollees during the immediately preceding calendar year:
 - a. The names of the 25 most frequently prescribed outpatient prescription drugs;
 - b. The names of the 25 outpatient prescription drugs covered at the greatest cost, calculated using the total annual spending by such health benefit plan for each outpatient prescription drug covered by the health benefit plan; and
 - c. The names of the 25 outpatient prescription drugs that experienced the greatest year-over-year increase in cost, calculated using the total annual spending by a health benefit plan for each outpatient prescription drug covered by the health benefit plan;
 - 2. The percent increase in annual net spending for prescription drugs after accounting for aggregated discounts;
 - 3. The percent increase in premiums that were attributable to each health care service, including prescription drugs;
 - 4. The percentage of specialty drugs with utilization management requirements; and
 - 5. The premium reductions that were attributable to specialty drug utilization management.
- B. In determining which outpatient prescription drugs are reportable under subdivision A 1 of this section, the carrier shall:

- 1. Average the frequency of prescription for all drug products of an outpatient prescription drug for such health benefit plan to determine which outpatient prescription drugs are reportable under subdivision A 1 a of this section;
- 2. Average the cost, calculated using the total annual spending by such health benefit plan for all drug products of an outpatient prescription drug covered by the health benefit plan, to determine which outpatient prescription drugs are reportable under subdivision A 1 b of this section; and
- 3. Average the year-over-year increase in cost, calculated using the total annual spending by a health benefit plan for all drug products of an outpatient prescription drug covered by the health benefit plan, to determine which outpatient prescription drugs are reportable under subdivision A 1 c of this section.
- C. When submitting a report pursuant to this section, a carrier:
- 1. May not disclose the identity of a specific health benefit plan or the price charged for a specific prescription drug or class of prescription drugs:
- 2. Shall use a health benefit plan unique identifier as described in subsection E of this section in lieu of the health benefit plan's identity; and
- 3. Shall report on all drug products of an outpatient prescription drug determined to be reportable pursuant to subsections A and B of this section.
- <u>D. Every carrier offering a health benefit plan shall require</u> each PBM with which it enters into a contract for pharmacy benefits management to comply with 12VAC5-219-60.

E. Every carrier shall provide the information specified in subsections A and B of this section on a form prescribed by the department that includes the following data elements:

<u>Data Element</u> <u>Name</u>	<u>Data Element Definition</u>
Carrier tax identification number	The nine-digit Taxpayer Identification Number used by the IRS.
Carrier name	The legal name of the reporting entity.
Health benefit plan category	The two-digit health plan category identifier. The first digit corresponds to the insurance line and valid values are D (Medicaid); R (Medicare); C (commercial); and O (other). The second digit corresponds to the insurance policy type and valid values include I (individual); F (fully insured group); S (self-insured group); and C (Commonwealth of Virginia employees).

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Health benefit plan unique identifier	A unique five-digit incremental number assigned by a carrier to a health benefit plan within a given health benefit plan category for the purpose of anonymizing the health benefit plan's identity.
Proprietary drug name	The brand or trademark name of the prescription drug reported to the FDA.
Nonproprietary drug name	The generic name of the prescription drug assigned by the USAN Council.
WAC unit	The lowest identifiable quantity of the prescription drug that is dispensed, exclusive of any diluent without reference to volume measures pertaining to liquids.
NDC	The NDC assigned to each drug product of an outpatient prescription drug.
Brand-name or generic	Whether the prescription drug is brand-name or generic.
Inclusion criteria	The criteria, as specified in subdivision A 1 of this section, that resulted in the outpatient prescription drug being determined to be reportable.
Net spending increase	The percent year-over-year increase in annual net spending for prescription drugs after accounting for aggregated discounts or other reductions in price.
Premium increase	The percent year-over-year increase in premiums that were attributable to each health care service, including prescription drugs.
Specialty drugs with utilization management	The percentage of specialty drugs with utilization management requirements.
Premium reductions	The percent year-over-year of premium reductions that were attributable to specialty drug utilization management.
Comments	A text field for any additional information the carrier wishes to provide.

<u>12VAC5-219-60.</u> Pharmacy benefits manager reporting requirements.

- A. Every PBM providing pharmacy benefits management under contract to a carrier shall report annually by April 1 to the NDSO the following information for each prescription drug upon which the carrier is reporting pursuant to 12VAC5-219-50:
 - 1. The aggregate amount of rebates received by the PBM;
 - 2. The aggregate amount of rebates distributed to the relevant health benefit plan; and
 - 3. The aggregate amount of rebates passed on to enrollees of each health benefit plan at the point of sale that reduced an enrollee's applicable deductible, copayment, coinsurance, or other cost-sharing amount.
- B. A PBM shall report on all drug products of a prescription drug determined to be reportable pursuant to subsection A of this section.

<u>C. Every PBM shall provide the information specified in subsection A of this section on a form prescribed by the department that includes the following data elements:</u>

Data Element Name	Data Element Definition
PBM tax identification number	The nine-digit Taxpayer Identification Number used by the IRS.
PBM name	The legal name of the reporting entity.
Proprietary drug name	The brand or trademark name of the prescription drug reported to the FDA.
Nonproprietary drug name	The generic name of the prescription drug assigned by the USAN Council.
NDC	The NDC assigned to each drug product of a prescription drug.
Brand-name or generic	Whether the prescription drug is brand-name or generic.
Carrier name	The legal name of the carrier to whom rebates were distributed or passed on.
Total rebates	Total aggregate rebates received or negotiated directly with the manufacturer in the last calendar year, for business in the Commonwealth.

Total rebates distributed	Total aggregate rebates distributed to the relevant health benefit plan in the last calendar year, for business in the Commonwealth.
Total rebates passed on	Total aggregate rebates passed on to all enrollees of a health benefit plan at the point of sale that reduced an enrollee's applicable deductible, copayment, coinsurance, or other costsharing amount in the last calendar year, for business in the Commonwealth.
Comments	A text field for any additional information the PBM wishes to provide.

12VAC5-219-70. Manufacturer reporting requirements.

- A. Except as provided in subsection D of this section, every manufacturer shall report annually by April 1 to the NDSO on each of its:
 - 1. Brand-name prescription drugs and biologics, other than a biosimilar, with:
 - a. A WAC of \$100 or more for a 30-day supply or a single course of treatment; and
 - b. Any increase of 15% or more in the WAC of the brandname drug or biologic over the preceding calendar year;
 - 2. Biosimilars with an initial WAC that is not at least 15% less than the WAC of the referenced brand biologic at the time the biosimilar is launched and that has not previously been reported to the NDSO; and
 - 3. Generic drugs with a price increase that results in an increase in the WAC equal to 200% or more during the preceding 12-month period, when the WAC of such generic drug is equal to or greater than \$100, annually adjusted by the Consumer Price Index for All Urban Consumers, for a 30-day supply.
 - For the purposes of this subdivision, a price increase is calculated as the difference between the WAC of the generic drug after increase in the WAC and the average WAC of such generic drug during the 12 months preceding the increase.
- B. For each prescription drug identified in subsection A of this section, a manufacturer shall report:
 - 1. The name of the prescription drug;
 - 2. Whether the prescription drug is a brand-name or generic;
 - 3. The effective date of the change in WAC;

- 4. Aggregate, company-level research and development costs for the most recent year for which final audit data is available;
- 5. The name of each of the manufacturer's new prescription drugs approved by the FDA within the previous three calendar years;
- 6. The name of each of the manufacturer's prescription drugs that, within the previous three calendar years, became subject to generic competition and for which there is a therapeutically equivalent generic version; and
- 7. A concise statement regarding the factors that caused the increase in WAC.
- <u>C. A manufacturer shall report on all drug products of a prescription drug determined to be reportable pursuant to subsection A of this section.</u>
- D. A manufacturer that does not own the NDC of a prescription drug or does not control the WAC of a prescription drug shall report annually by April 1 to the NDSO that it has no data responsive to the requirements of this section.
- E. Except as provided in subsection D of this section, every manufacturer shall provide the information specified in subsections A and B of this section on a form prescribed by the department that includes the following data elements:

Data Element Name	Data Element Definition
Manufacturer tax identification number	The nine-digit Taxpayer Identification Number (TIN) used by the IRS.
Manufacturer name	The legal name of the reporting entity.
Proprietary drug	The brand or trademark name of the prescription drug reported to the FDA.
Nonproprietary drug name	The generic name of the prescription drug assigned by the USAN Council.
<u>NDC</u>	The NDC assigned to each drug product of a prescription drug. If a segment contains fewer than the number of digits as defined in 12VAC5-219-10, a manufacturer shall add at least one "0" to the front of the segment such that the segment contains the specified number of digits.
Brand-name drug or generic drug	Whether the prescription drug is a brand-name drug or generic drug.
Date of market introduction	The year of market introduction of the prescription drug.

Effective date of change in WAC	If applicable, the month and year that the WAC changed.
Reasons for current-year WAC increase	If applicable, the reason that the manufacturer increased the WAC of the prescription drug compared with last year.
Inclusion criteria	The criteria, as specified in subsection A of this section, that resulted in the prescription drug being determined to be reportable.
Research and development costs	Aggregate, company-level research and development costs in U.S. dollars for the most recent year for which final audit data is available.
Year of research and development costs	The year in which final audit data is available.
<u>Comments</u>	A text field for any additional information the manufacturer wishes to provide.

F. A manufacturer's obligations pursuant to this section shall be fully satisfied by the submission to the NDSO of information and data that the manufacturer includes in the manufacturer's annual consolidation report on Securities and Exchange Commission Form 10-K or any other public disclosure.

12VAC5-219-80. Wholesale distributor reporting requirements.

- A. For the purposes of this section, "cost" means the expense incurred and the monetary value of the resources used or consumed in the provision of a prescription drug by a wholesale drug distributor.
- B. If the department determines that data received from carriers, PBMs, and manufacturers is insufficient, the department may request wholesale distributors to report the information specified in subsection C of this section.
 - 1. The department shall publish a general notice in the Virginia Register of Regulations that contains the department's determination, the request for wholesale distributor reporting, and the deadline for wholesale distributors to report pursuant to subsection C of this section.
 - 2. The NDSO shall notify every wholesale distributor of the department's determination and request by email at the wholesale distributor's email address of record.
- C. If requested by the department pursuant to subsection B of this section and no more than 45 calendar days after the publication of the general notice pursuant to subdivision B 1 of this section, a wholesale distributor shall report for the 25

costliest prescription drugs dispensed in the Commonwealth, including each drug product of a reportable prescription drug:

- 1. The WAC directly negotiated with a manufacturer in the last calendar year;
- 2. The WAC directly negotiated with a manufacturer in the current calendar year;
- 3. Aggregate total discounts directly negotiated with a manufacturer in the last calendar year, for business in the Commonwealth; and
- 4. Aggregate total discounts, dispensing fees, and other fees negotiated in the last calendar year with pharmacies.
- D. In determining which prescription drugs are reportable under subsection C of this section, the wholesale distributor shall average the cost for all drug products of a dispensed prescription drug.
- E. A wholesale distributor shall report on all drug products of a prescription drug determined to be reportable pursuant to subsections C and D of this section.
- <u>F. A wholesale distributor shall provide the information specified in subsection C of this section on a form prescribed by the department that includes the following data elements:</u>

Data Element Name	Data Element Description
Wholesale distributor tax identification number	The nine-digit Taxpayer Identification Number used by the IRS.
Wholesale distributor name	The legal name of the reporting entity.
Proprietary drug name	The brand or trademark name of the prescription drug reported to the FDA.
Nonproprietary drug name	The generic name of the prescription drug assigned by the USAN Council.
WAC unit	The lowest identifiable quantity of the prescription drug that is dispensed, exclusive of any diluent without reference to volume measures pertaining to liquids.
NDC	The NDC assigned to each drug product of a prescription drug.
Current year minus one WAC	WAC in U.S. dollars, for each prescription drug for which the wholesale distributor has negotiated with a manufacturer in the last calendar year, related to prescriptions under a health benefit plan issued in the Commonwealth.

Current year WAC	WAC in U.S. dollars, for each prescription drug for which the wholesale distributor has negotiated with a manufacturer in the current calendar year, related to prescriptions under a health benefit plan issued in the Commonwealth.
Total manufacturer discounts	Total aggregate discounts for each prescription drug directly negotiated with a manufacturer in the last calendar year, for business in the Commonwealth.
Total pharmacy discounts, dispensing fees, and other fees	Total aggregate discounts, dispensing fees, and other fees for each prescription drug negotiated in the last calendar year with a pharmacy.
Comments	A text field for any additional information the wholesale distributor wishes to provide

- G. The commissioner, the department, and the NDSO may not disclose:
 - 1. The identity of a specific wholesale distributor;
 - 2. The price charged for a specific prescription drug or class of prescription drugs; or
 - 3. The amount of any discount or fee provided for a specific prescription drug or class of prescription drugs.

12VAC5-219-90. Method of report submission.

- A. A reporting entity shall submit any report required by this part to the NDSO through the NDSO's online collection tool.
- B. A reporting entity shall submit any required report by uploading electronic spreadsheet files, or other methods as determined by the NDSO, that include all required information for each report and that comply with the NDSO's Prescription Drug Price Transparency Regulation (12VAC5-219) Submission Manual, Version 1.2.
- C. The NDSO shall notify each reporting entity in writing at least 30 calendar days before any change in the report collection method.

Part III
Enforcement
Article 1
Data Validation and Audits

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12VAC5-219-100. Data validation; notification; response.

A. The NDSO shall:

- 1. Validate that the data received from each reporting entity pursuant to a report required under Part II (12VAC5-219-50 et seq.) of this chapter is complete no more than 90 calendar days after submission;
- 2. Notify a reporting entity if the NDSO cannot validate the data submitted pursuant to a report required under Part II (12VAC5-219-50 et seq.) of this chapter;
- 3. Send the notification specified in subdivision 2 of this subsection no more than three business days after completion of the data validation to the reporting entity's email address of record;
- 4. Identify in the notification specified in subdivision 2 of this subsection the specific report and the data elements within the report that are incomplete; and
- 5. Provide a copy of the notification specified in subdivision 2 of this subsection to the commissioner at the same time the notification is sent to the reporting entity.
- B. Each reporting entity notified under subsection A of this section shall make changes necessary to correct the report or request an informal fact-finding conference pursuant to § 2.2-4019 of the Code of Virginia within 30 calendar days of the notification.
- C. If a reporting entity fails to correct the report or request an informal fact-finding conference within 30 calendar days, the NDSO shall:
 - 1. Notify a reporting entity that it has failed to correct the report;
 - 2. Send the notification specified in subdivision A 1 of this section no more than two business days after the reporting entity's failure to report to the reporting entity's email address of record;
 - 3. Identify in the notification specified in subdivision A 1 of this section the specific report and the data elements within the report that have not been corrected; and
 - 4. Provide a copy of the notification specified in subdivision A 1 of this section to the commissioner at the same time the notification is sent to the reporting entity.
- D. If a reporting entity fails to correct the report within 15 calendar days of the second notice:
 - 1. The NDSO shall provide to the commissioner within one business day of the second failure to correct:
 - a. The copy of the original report submitted by the reporting entity;
 - b. Any subsequent updated reports that the reporting entity may have filed; and
 - c. Any correspondence between the NDSO and the reporting entity after the notification sent pursuant to subsection A of this section; and

2. The commissioner shall deem the second failure to correct as a failure to report pursuant to Part II (12VAC5-219-50 et seq.) of this chapter.

12VAC5-219-110. Audit; corrective action plan.

- A. When submitting any notification or report to the NDSO, a reporting entity shall include:
 - 1. A signed, written certification of the accuracy of any notification or report filed in a physical format; and
 - 2. Electronic certification of the accuracy of any notification or report filed by email or through the NDSO's online collection tool.
- B. The NDSO may verify the accuracy of finalized data reported by a reporting entity through an audit conducted by the NDSO, provided that the NDSO gives notice to the reporting entity at its email address of record no fewer than 30 calendar days prior to initiating the audit.
- C. The NDSO shall send a copy of the audit findings to the reporting entity no more than five business days after the conclusion of the audit at the reporting entity's email address of record.
- D. If any deficiencies are found during the audit:
- 1. The NDSO shall:
 - a. Notify a reporting entity by providing a copy of the audit findings no more than five business days after completion of the audit to the reporting entity's email address of record; and
 - b. Provide a copy of the notification to the commissioner at the same time notification is sent to the reporting entity.
- 2. The reporting entity shall prepare a written corrective action plan addressing each deficiency cited at the time of audit as specified in subsection E of this section.
- E. The reporting entity shall submit to the NDSO and the commissioner a corrective action plan or request an informal fact-finding conference pursuant to § 2.2-4019 of the Code of Virginia no more than 10 business days after receipt of the audit findings. The corrective action plan shall include:
 - 1. A description of the corrective action to be taken for each deficiency and the position title of the employees to implement the corrective action;
 - 2. The deadline for completion of all corrective action, not to exceed 45 business days from the receipt of the audit findings; and
 - <u>3. A description of the measures implemented to prevent a recurrence of the deficiency.</u>
- F. The reporting entity shall ensure that the person responsible for the implementation of the corrective action plan signs, dates, and indicates the person's title on the corrective action plan.

G. The NDSO shall:

- 1. Notify the reporting entity if the NDSO determines any item in the corrective action plan is unacceptable;
- 2. Grant the reporting entity two opportunities to revise and resubmit a corrective action plan that the NDSO initially determines to be unacceptable. If the reporting entity revises and resubmits the corrective action plan, the revision is due to the NDSO and the commissioner no more than 15 business days after the NDSO has notified the reporting entity pursuant to subdivision 1 of this subsection.
- H. If a reporting entity fails to comply with the corrective action plan:
 - 1. The NDSO shall provide to the commissioner any correspondence between the NDSO and the reporting entity after the notification sent pursuant to subsection D of this section; and
 - 2. The commissioner shall deem the failure to comply as a failure to report pursuant to Part II (12VAC5-219-50 et seq.) of this chapter.

Article 2

Administrative Process

12VAC5-219-120. Sanctions.

A. A reporting entity may not violate the provisions of this chapter.

B. The commissioner may:

- 1. Petition an appropriate court for an injunction, mandamus, or other appropriate remedy or imposition of a civil penalty against the reporting entity pursuant to § 32.1-27 B or C of the Code of Virginia for each violation of this chapter; and
- 2. Levy a civil penalty upon the reporting entity as specified in 12VAC5-219-130 B and pursuant to § 32.1-23.4 C of the Code of Virginia, in accordance with the Administrative Process Act (§ 2.2-4000 et seq. of the Code of Virginia) for each violation of Part II (12VAC5-219-50 et seq.) of this chapter.
- C. Each day that a reporting entity fails to report in violation of this chapter is a sufficient cause for imposition of one or more sanctions. If a reporting entity knowingly submits false, inaccurate, or misleading data pursuant to the reporting requirements of this chapter, the commissioner shall deem that submission as a failure to report.

12VAC5-219-130. Civil penalty.

A. The commissioner may reduce or waive the civil penalty imposed pursuant to this section if the commissioner, in the commissioner's sole discretion, determines that the violation was reasonable or resulting from good cause.

- B. Except as provided in subsection A of this section, the commissioner shall levy a civil penalty upon the reporting entity in an amount of:
 - 1. For the first offense:
 - <u>a.</u> \$500 for the first day in which the reporting entity fails to report;
 - b. \$1,000 for the second day in which the reporting entity fails to report;
 - c. \$1,500 for the third day in which the reporting entity fails to report;
 - d. \$2,000 for the fourth day in which the reporting entity fails to report; and
 - e. \$2,500 for the fifth day and each subsequent day in which the reporting entity fails to report; and
 - 2. For the second offense:
 - a. \$1,000 for the first day in which the reporting entity fails to report;
 - b. \$1,750 for the second day in which the reporting entity fails to report; and
 - c. \$2,500 for the third and each subsequent day in which the reporting entity fails to report; and
 - 3. For the third and all subsequent offenses, \$2,500 for each day in which the reporting entity fails to report.

The commissioner shall assess civil penalties in the aggregate on a per-day basis.

- <u>C.</u> The commissioner shall deem the first day in which the reporting entity fails to report as:
 - 1. April 2 for a reporting entity that fails to submit any information or documentation pursuant to 12VAC5-219-50, 12VAC5-219-60, or 12VAC5-219-70 or for a reporting entity that knowingly submits false, inaccurate, or misleading data pursuant to 12VAC5-219-50, 12VAC5-219-60, or 12VAC5-219-70;
 - 2. The 46th calendar day after the publication of the general notice pursuant to 12VAC5-219-80 A 1 for a wholesale distributor that fails to submit any information or documentation or that knowingly submits false, inaccurate, or misleading data;
 - 3. The 16th calendar day after notification pursuant to 12VAC5-219-100 C 1 for a reporting entity that fails to correct its report submitted pursuant to Part II (12VAC5-219-50 et seq.) of this chapter; and
 - 4. The calendar day immediately succeeding the deadline of a corrective action plan for a reporting entity that fails to comply with its corrective action plan approved pursuant to 12VAC5-219-110.
- D. Civil penalties are due 15 calendar days after the date of receipt of the notice of civil penalty imposition or 31 calendar

days after the service of a case decision after an informal fact-finding proceeding, whichever is later.

- <u>E. A reporting entity shall remit a check or money order for a civil penalty payable to the Treasurer of Virginia.</u>
 - 1. If a check, money draft, or similar instrument for payment of a civil penalty is not honored by the bank or financial institution named, the reporting entity shall remit funds sufficient to cover the original civil penalty amount, plus a \$50 dishonored payment fee.
 - 2. Unless otherwise provided, the commissioner may not refund civil penalties or fees.
- <u>F. A civil penalty imposed pursuant to subsection B of this section is a debt to the Commonwealth and may be sued for and recovered in the name of the Commonwealth.</u>
 - 1. On all past due civil penalties, the commissioner shall assess and charge:
 - a. Interest at the judgment rate as provided in § 6.2-302 of the Code of Virginia on the unpaid balance, unless a higher interest rate is authorized by contract with the debtor or provided otherwise by statute, which shall accrue on the 60th day after the date of the initial written demand for payment;
 - b. An additional amount that approximates the administrative costs arising under § 2.2-4806 of the Code of Virginia; and
 - c. Late penalty fees of 10% of the past due civil penalties.
 - 2. The commissioner may refer a past due civil penalty for collection by the Division of Debt Collection of the Office of the Attorney General.

12VAC5-219-140. Civil penalty; informal fact-finding proceeding.

- A. A reporting entity may dispute the imposition of a civil penalty pursuant to 12VAC5-219-120 B 2 by requesting an informal fact-finding proceeding pursuant to § 2.2-4019 of the Code of Virginia:
 - 1. In writing to the commissioner; and
 - 2. No more than 14 calendar days after the date of receipt of the notice of civil penalty imposition.
- B. In requesting an informal fact-finding proceeding pursuant to subsection A of this section, a reporting entity:
 - 1. Shall identify with specificity the reason or alleged good cause for its failure to report; and
 - 2. May present factual data, argument, information, or proof in support of its reason or alleged good cause for its failure to report.
- C. The request for an informal fact-finding proceeding:

- 1. May not toll the imposition of a civil penalty on a per-day basis, as specified in 12VAC5-219-130 B; and
- 2. Shall toll all assessments and charges under 12VAC5-219-130 F 1 until a case decision after an informal fact-finding proceeding has been served.
- D. If a reporting entity does not request an informal fact-finding proceeding pursuant to subsection A of this section, the civil penalty imposed pursuant to 12VAC5-219-120 B shall be final on the 15th calendar day after the date of receipt of the notice of civil penalty imposition.
- E. If a reporting entity remains aggrieved by a case decision after an informal fact-finding proceeding, it may seek review of the case decision in accordance with Article 5 (§ 2.2-4025 et seq.) of Chapter 40 of Title 2.2. of the Code of Virginia.

<u>DOCUMENTS</u> INCORPORATED BY REFERENCE (12VAC5-219)

<u>Prescription Drug Price Transparency Data Submission</u> <u>Manual, Version 1.2, Virginia Health Information (rev.</u> 8/2025)

VA.R. Doc. No. R22-6828; Filed August 19, 2025, 2:47 p.m.

Final Regulation

<u>REGISTRAR'S NOTICE:</u> The State Board of Health is claiming an exemption from the Administrative Process Act in accordance with § 2.2-4006 A 3 of the Code of Virginia, which excludes regulations that consist only of changes in style or form or corrections of technical errors. The board will receive, consider, and respond to petitions by any interested person at any time with respect to reconsideration or revision.

<u>Title of Regulation:</u> 12VAC5-635. Rainwater Harvesting System Regulations (amending 12VAC5-635-20).

Statutory Authority: §§ 32.1-12 and 32.1-248.2 of the Code of Virginia.

Effective Date: October 8, 2025.

Agency Contact: Julie Henderson, Director of Environmental Health Services, Virginia Department of Health, 109 Governor Street, Richmond, VA 23235, telephone (804) 864-7455, fax (804) 864-7475, TDD (800) 828-1120, or email julie.henderson@vdh.virginia.gov.

Summary:

The amendment removes the capacity limit in the definition of rain barrel, which allows all rain barrel users to qualify for exclusion from the regulation. This technical amendment reflects the original intent of the exclusion.

12VAC5-635-20. Applicability of regulation.

A. This chapter does not apply to rainwater harvesting systems installed, altered, or rehabilitated prior to November 20, 2024, unless the rainwater harvesting system is altered or rehabilitated after November 20, 2024.

- B. The following are excluded from the requirements of this chapter.
 - 1. Rain barrels (individual containers of up to 100 gallon capacity used to collect and temporarily store rainwater solely for Tier 1 end use);
 - 2. Rainwater harvesting systems that serve as a source for a waterworks as regulated by the Waterworks Regulations (12VAC5-590);
 - 3. Rainwater harvesting systems for Tier 1, 2, or 3 end use conducted for an agricultural operation as defined by § 3.2-300 of the Code of Virginia; and
 - 4. Stormwater reclamation and reuse systems authorized by the Department of Environmental Quality in accordance with regulations adopted pursuant to § 62.1-44.15:28 of the Code of Virginia, including stormwater reclamation and reuse systems that may reclaim combined stormwater and harvested rainwater.

VA.R. Doc. No. R26-8315; Filed August 6, 2025, 3:02 p.m.

TITLE 13. HOUSING

VIRGINIA HOUSING DEVELOPMENT AUTHORITY

Proposed Regulation

<u>Titles of Regulations:</u> 13VAC10-90. Rules and Regulations for Virginia Rental Rehabilitation Program (repealing 13VAC10-90-10 through 13VAC10-90-80).

13VAC10-130. Rules and Regulations for Multi-Family Housing Developments for Mentally Disabled Persons (repealing 13VAC10-130-10 through 13VAC10-130-140).

13VAC10-150. Rules and Regulations for the Virginia Senior Home Equity Account Program (repealing 13VAC10-150-10 through 13VAC10-150-240).

13VAC10-160. Rules and Regulations for Administration of Rent Reduction Tax Credits (repealing 13VAC10-160-10 through 13VAC10-160-120).

Statutory Authority: § 36-55.30:3 of the Code of Virginia.

Public Hearing Information:

October 7, 2025 - noon - Virginia Housing Development Authority, 601 South Belvidere Street, Richmond, VA 23220.

Public Comment Deadline: October 7, 2025.

Agency Contact: Loreyna Adkins, Legal Specialist, Virginia Housing Development Authority, 601 South Belvidere Street, Richmond, VA 23220, telephone (804) 343-5712, or email loreyna.adkins@virginiahousing.com.

Summary:

As a result of periodic review, the action repeals (i) Rules and Regulations for Virginia Rental Rehabilitation Program (13VAC10-90), because the program provided for in the regulation no longer exists; (ii) Rules and Regulations for Multi-Family Housing Developments for Mentally Disabled Persons (13VAC10-130), because Virginia Housing Development Authority (VHDA) does not use the financing provided for in the regulation to assist Virginians with disabilities; (iii) Rules and Regulations for the Virginia Senior Home Equity Account Program (13VAC10-150), because VHDA has never and does not plan to make the funds provided for in the regulation available for senior home equity accounts; and (iv) Rules and Regulations for Administration of Rent Reduction Tax Credits (13VAC10-160), which provides for a program that no longer exists.

VA.R. Doc. No. R26-8416; Filed August 15, 2025, 9:58 a.m.

TITLE 14. INSURANCE

STATE CORPORATION COMMISSION

Final Regulation

REGISTRAR'S NOTICE: The State Corporation Commission is claiming an exemption from the Administrative Process Act in accordance with § 2.2-4002 A 2 of the Code of Virginia, which exempts courts, any agency of the Supreme Court, and any agency that by the Constitution is expressly granted any of the powers of a court of record.

<u>Title of Regulation:</u> 14VAC5-342. Rules Governing Standards for the Content of Homeowners Insurance Policies (amending 14VAC5-342-40).

Statutory Authority: § 38.2-223 of the Code of Virginia.

Effective Date: October 1, 2025.

Agency Contact: Jackie Myers, Chief Insurance Market Examiner, Bureau of Insurance, State Corporation Commission, P.O. Box 1157, Richmond, VA 23218, telephone (804) 371-9630, or email jackie.myers@scc.virginia.gov.

Summary:

The amendments change required limits for homeowner insurance policies to provide (i) not less than 5.0% of the dwelling limit of liability for other structures and (ii) not less than 25% of the dwelling limit of liability for household and personal property.

AT RICHMOND, AUGUST 7, 2025

COMMONWEALTH OF VIRGINIA, ex rel. STATE CORPORATION COMMISSION

CASE NO. INS-2025-00048

Ex Parte: In the matter of amending Rules Governing Standards for the Content of

Homeowners Insurance Policies

ORDER ADOPTING AMENDMENTS TO RULES

Volume 42, Issue 2

On May 9, 2025, the State Corporation Commission ("Commission") entered an Order Establishing Proceeding regarding a proposal by the Bureau of Insurance ("Bureau") to amend rules set forth in Chapter 342 of the Virginia Administrative Code, 14VAC5-342-10 et seq., entitled "Rules Governing Standards for the Content of Homeowners Insurance Policies" ("Chapter 342").

The Bureau recommended revisions to Chapter 342 to: (1) 14VAC5-342-40 B 1 to allow insurers to provide, at the request of the named insured, any limit of liability for other structures of not less than 5% of the dwelling limit of liability; and (2) 14VAC5-342-40 C 1 to allow insurers to provide, at the request of the named insured, any limit of liability for household and personal property of not less than 25% of the dwelling limit of liability. Currently, these limits of liability may not be less than 10% and 50% of the dwelling limit of liability, respectively.

The Order Establishing Proceeding and the proposed Amended Rules were posted on the Commission's website; sent to all carriers licensed in Virginia to write homeowners insurance and other interested parties on June 13, 2025; sent to the Office of the Virginia Attorney General's Division of Consumer Counsel ("Consumer Counsel"); and published in the Virginia Register of Regulations on June 16, 2025.³

Licensees, Consumer Counsel, and other interested parties were afforded the opportunity to file written comments and/or request a hearing on or before July 15, 2025.

Comments to the proposed rules were filed by Nancy J. Egan on behalf of American Property Casualty Insurance Association. No requests for a hearing were filed with the Clerk of the Commission ("Clerk").

The Bureau considered the comments filed and responded to them in its Response to Comments ("Response"), which the Bureau filed with the Clerk on July 30, 2025. In its Response, the Bureau addressed the comments and indicated why it did not believe that a suggested revision was warranted.

The Bureau has recommended to the Commission that the Amended Rules be adopted as proposed.

NOW THE COMMISSION, having considered this matter, concludes that the attached amendments to Chapter 342 should be adopted effective October 1, 2025.

Accordingly, IT IS ORDERED THAT:

- (1) The amendments to "Rules Governing Standards for the Content of Homeowners Insurance Policies" at Chapter 342 of Title 14 of the Virginia Administrative Code, specifically, 14VAC5-342-40 B 1 and 14VAC5-342-40 C 1, which are attached hereto and made a part hereof, are ADOPTED effective October 1, 2025.
- (2) The Bureau shall provide notice of this Order Adopting Amendments and the Amended Rules to all insurers licensed in Virginia to write homeowners insurance and to any other interested persons as the Bureau may designate.

- (3) The Commission's Office of General Counsel shall provide a copy of this Order, and the adopted Amended Rules to Chapter 342, to the Virginia Registrar of Regulations for publication in the Virginia Register of Regulations.
- (4) Interested persons may download unofficial copies of this Order and the Amended Rules to Chapter 342 from the Commission's website: scc.virginia.gov/case-information.
- (5) This case is dismissed.

A COPY hereof shall be sent by the Clerk of the Commission to: C. Meade Browder, Jr., Senior Assistant Attorney General, at mbrowder@oag.state.va.us, Office of the Attorney General, Division of Consumer Counsel, 202 North 9th Street, 8th Floor, Richmond, Virginia 23219-3424; and the Commission's Office of General Counsel and the Bureau of Insurance in care of Deputy Commissioner Zuhairah Tillinghast.

- ¹ Available at https://law.lis.virginia.gov/admincode/title14/agency5/chapter3 42/.
- ² Collectively, these are referred to as the "Amended Rules."
- 3 In addition to the changes in the proposed Amended Rules attached to the Order Establishing Proceeding, the Registrar of Regulations included technical changes to 14VAC5-342-40 A,14VAC5-342-40 C, 14VAC5-342-40 C 3, 14VAC5-342-40 C 6 b, and 14VAC5-342-40 C 6 d.

14VAC5-342-40. Mandatory property coverages.

- A. Insurers shall provide coverage to the dwelling on the residence premises, including fixtures.
 - 1. Insurers shall also provide coverage for materials and supplies while located on the residence premises and intended for use in construction, alteration, or repair of the dwelling or other structures.
 - 2. For a dwelling that is a condominium unit, insurers shall provide a limit of liability of at least \$5,000 for the dwelling and fixtures that are the responsibility of the condominium unit owner.
- B. Insurers shall provide coverage for other structures and the fixtures of other structures on the residence premises.
 - 1. Insurers shall provide a limit of liability of at least 10% of the dwelling limit of liability. <u>Upon request of the named insured</u>, an insurer may provide any other limit of liability for other structures coverage that is not less than 5.0% of the dwelling limit of liability.
 - 2. Insurers may exclude coverage for other structures that are used for business or rented or held for rental unless the structure is (i) rented to roomers, boarders, or tenants of the dwelling or (ii) rented for use solely as a private garage.
 - 3. For condominium units, insurers shall provide coverage for other structures and fixtures of other structures that are the responsibility of the condominium unit owner.
- C. Insurers shall provide coverage for household and personal property owned or used by an insured while it the property is anywhere in the world.

- 1. Insurers shall provide a limit of liability for household and personal property coverage that is at least 50% of the dwelling limit of liability. <u>Upon request of the named insured</u>, an insurer may provide any other limit of liability for household and personal property coverage that is not less than 25% of the dwelling limit of liability. For condominium units, the limit of liability for household and personal property shall be determined by the insured and the insurer.
- 2. At the request of the named insured at the time of loss, insurers shall provide coverage for household and personal property owned by a:
 - a. Guest while in a residence occupied by an insured;
 - b. Residence employee while the property is in a residence occupied by an insured; and
 - c. Residence employee while the residence employee is engaged in the service of an insured and the property is in the physical custody of the residence employee.
- 3. Insurers shall provide coverage for the insured's property (i) on the residence premises during an occasional rental; or (ii) on the part of the residence premises occupied by roomers, boarders, or tenants.
- 4. Insurers shall provide coverage for household and personal property while it is being moved to the insured's new principal residence within the United States. Insurers shall provide coverage for property while it is being moved for 30 days from the date that moving the property begins. The household and personal property limit of liability applies to property being moved to another location. If the move began during the policy term, coverage may not be limited by the expiration of the policy.
- 5. Insurers shall provide coverage for household and personal property while it is usually located away from the residence premises. Insurers shall provide a limit of liability for this coverage that is at least 10% of the limit of liability specified for household and personal property, but not less than \$1,000.
- 6. Insurers shall provide coverage for the following types of household and personal property at limits of at least the following:
 - a. \$500 total per loss on cemetery property on or off the residence premises, including monuments, headstones, grave markers, and urns.
 - b. \$100 total per loss on coin collections, medals, gold, platinum, and silver, provided, that neither goldware and nor gold-plated ware shall not be deemed to be gold, and neither silverware and nor silver-plated ware shall not be deemed to be silver.
 - c. \$500 total per loss on passports, tickets, or stamp collections.

- d. \$1,500 total per loss for theft of jewelry, precious and semi-precious stones, and furs, and articles containing fur that represent its the article's principal value; if open causes of loss are provided, insurers may also apply this limit to misplacing or losing this property.
- e. \$500 total per loss for theft of guns and related accessories; if open causes of loss are provided, insurers may also apply this limit to misplacing or losing this property.
- f. \$1,000 total per loss on watercraft, trailers used with watercraft, and watercraft furnishings, equipment, and motors. This limit does not apply to rowboats or canoes.
- g. \$500 on trailers, semi-trailers, and campers not otherwise covered in this chapter.
- D. Insurers shall provide coverage for the expenses incurred for the removal of debris of covered property damaged by a covered cause of loss and the expense for the removal of fallen trees that damage covered property.
 - 1. Expenses for debris removal are included within the limit of liability applicable to the damaged property, except as provided in subdivision 2 of this subsection.
 - 2. When the amount payable for the damage to the property plus the expense of debris removal exceeds the limit of liability for the damaged property, insurers shall provide an additional 5.0% of the limit of liability applicable to the damaged covered property for debris removal expenses.
 - 3. Insurers may not apply depreciation to debris removal expenses.
- E. Insurers shall provide coverage for contractual fire department service charges and volunteer fire department service charges as follows:
 - 1. Contractual fire department service charges where a fire department is called to save or protect insured property from a covered cause of loss. Insurers may limit this coverage to a residence premises not located within the limits of a city, municipality, or fire protection district furnishing fire department services.
 - 2. Fire department service charges made by volunteer fire departments pursuant to § 38.2-2130 of the Code of Virginia.
 - 3. Insurers shall provide at least \$250 of coverage for each type of fire department service charges.
 - 4. Insurers may not apply a deductible or depreciation to the coverages in subdivisions 1 and 2 of this subsection.
- F. Insurers shall offer ordinance or law coverage, subject to the exclusions or limitations within this chapter, pursuant to § 38.2-2124 of the Code of Virginia at the dwelling limit of liability within the policy or as an endorsement. This limit of liability is in addition to the limit of liability applicable to the dwelling. Insurers may make other limits of liability available for insureds

to purchase. Insurers may not apply depreciation to this coverage. When ordinance or law coverage is provided within the policy or as an endorsement, subdivision C 1 c of 14VAC5-342-60 does not apply.

- G. Insurers shall offer coverage for water that backs up through sewers or drains, subject to the exclusions or limitations within this chapter, pursuant to § 38.2-2120 of the Code of Virginia at the dwelling limit of liability within the policy or as an endorsement. This limit of liability is in addition to the limit of liability applicable to the dwelling. Insurers may make other limits of liability available for insureds to purchase. Insurers may not apply depreciation to this coverage. When coverage for water that backs up through sewers or drains is provided within the policy or as an endorsement, subdivision C 1 a (2) of 14VAC5-342-60 does not apply.
- H. Insurers shall provide coverage of at least 20% of the dwelling limit of liability for the increase in necessary living expenses when the dwelling is uninhabitable due to a covered cause of loss. Insurers shall provide coverage of at least 20% of the household and personal property limit of liability for condominium units.
 - 1. Insurers shall provide this coverage for the time reasonably required to return the dwelling to a habitable condition or for the insured's household to become settled in any permanent quarters.
 - 2. Insurers shall provide additional living expense coverage for at least two weeks while a civil authority limits access to the residence premises as a result of damage to neighboring premises by a covered cause of loss.
 - 3. Insurers may exclude living expenses that do not continue.
 - 4. This coverage is not limited by the expiration date of the policy.
 - 5. Insurers may not apply a deductible to this coverage.
- I. Insurers shall provide coverage of at least 20% of the dwelling limit of liability for the fair rental value of any part of the dwelling or other structure. Insurers shall provide at least 20% of the household and personal property limit of liability for condominium units.
 - 1. Insurers shall provide this coverage for the time reasonably required to restore the dwelling or other structures to a tenantable condition following damage caused by a covered cause of loss.
 - 2. Insurers shall provide fair rental value coverage for at least two weeks while a civil authority limits access to the residence premises as a result of damage to neighboring premises by a covered cause of loss.
 - 3. Insurers may exclude expenses that do not continue.
 - 4. Insurers may exclude coverage for loss or expense due to cancellation of a lease or agreement.
 - 5. This coverage is not limited by the expiration date of the policy.

- 6. Insurers may not apply a deductible to this coverage.
- J. Insurers shall provide coverage for damage to trees, shrubs, plants, or lawns caused by fire, lightning, explosion, riot, civil commotion, vandalism, malicious mischief, theft, aircraft, or vehicles not owned or operated by a resident of the residence premises.
 - 1. Insurers shall provide a limit of liability for this coverage of at least 5.0% of the dwelling limit of liability.
 - 2. Insurers may limit the amount of coverage to no more than \$500 for each tree, shrub, or plant on the premises. The limit of coverage includes debris removal coverage when the tree, plant, or shrub does not cause damage to covered property.
- K. Insurers shall provide coverage for loss or damage to property while removed or being removed from the residence premises because the property is endangered by a covered cause of loss
 - 1. Coverage is provided for damage from any cause subject to the exclusions and limitations permitted in this chapter.
 - 2. Insurers shall provide this coverage for at least 30 days for each removal.
 - 3. This coverage is not limited by the expiration date of the policy.
 - 4. This coverage does not increase the limit of liability that applies to the damaged covered property.
- L. Insurers shall provide coverage for the cost of making reasonable repairs to protect covered property from further damage when the repairs are directly attributable to damage caused by a covered cause of loss. The repairs are included as part of the amount of the loss.
- M. Insurers shall pay the cost incurred to tear out and replace the part of the dwelling or other structure necessary to gain access to the system or appliance from which the water or steam escaped if a loss to the dwelling or other structures is caused by water or steam escaping from a system or appliance. Insurers may exclude loss to the system or appliance from which the water or steam escapes. Insurers may not apply depreciation to this coverage.
- N. Insurers shall provide coverage for direct physical loss to the dwelling, other structures, and household and personal property involving collapse of a dwelling or other structure or any part of a dwelling or other structure:
 - 1. Caused by one or more of the following:
 - a. The causes of loss in subsection C of 14VAC5-342-50;
 - b. Hidden decay;
 - c. Hidden insect or vermin damage;
 - d. Weight of contents, equipment, animals, or people;
 - e. Weight of rain that collects on a roof; or
 - f. Use of defective materials or methods in construction, remodeling, or renovation if the collapse occurs during the construction, remodeling, or renovation.

- 2. Loss to an awning, fence, patio, pavement, swimming pool, underground pipe, flue, drain, cesspool, septic tank, foundation, retaining wall, bulkhead, pier, wharf, or dock is not included under subdivisions 1 b through 1 f of this subsection, unless the loss is a direct result of the collapse of a building.
- 3. Collapse does not include settling, cracking, shrinking, bulging, or expansion. A building that is in danger of falling down or caving in is not in a state of collapse.
- 4. This coverage does not increase the limit of liability applicable to the damaged covered property.

VA.R. Doc. No. R25-8304; Filed August 8, 2025, 4:01 p.m.

TITLE 18. PROFESSIONAL AND OCCUPATIONAL LICENSING

BOARD OF PHARMACY

Final Regulation

REGISTRAR'S NOTICE: The Board of Pharmacy is claiming an exemption from Article 2 of the Administrative Process Act in accordance with § 2.2-4006 A 13 of the Code of Virginia, which exempts amendments to regulations of the board to schedule a substance in Schedule I or II pursuant to subsection D of § 54.1-3443 of the Code of Virginia. The board will receive, consider, and respond to petitions by any interested person at any time with respect to reconsideration or revision.

<u>Title of Regulation:</u> **18VAC110-20. Regulations Governing the Practice of Pharmacy (amending 18VAC110-20-322).**

Statutory Authority: § 54.1-3443 of the Code of Virginia.

Effective Date: October 8, 2025.

Agency Contact: Caroline Juran, RPh, Executive Director, Board of Pharmacy, 9960 Mayland Drive, Suite 300, Richmond, VA 23233-1463, telephone (804) 367-4456, fax (804) 527-4472, or email caroline.juran@dhp.virginia.gov.

Summary:

The amendments place two compounds into Schedule I of the Drug Control Act. The added compounds will remain in effect for 18 months or until the compounds are placed in Schedule I by action of the General Assembly.

18VAC110-20-322. Placement of chemicals in Schedule I.

- A. Pursuant to subsection D of § 54.1-3443 of the Code of Virginia, the Board of Pharmacy places the following in Schedule I of the Drug Control Act:
 - 1. Synthetic opioid.
 - a. N-ethyl-2-[5-nitro-2-[(4-propan-2-yloxyphenyl) methyl]benzimidazol-1-yl]ethanamine (other name: N-desethyl Isotonitazene), its isomers, esters, ethers, salts,

- and salts of isomers, esters, and ethers, unless specifically excepted, whenever the existence of these isomers, esters, ethers and salts is possible within the specific chemical designation.
- b. 7-[(3-chloro-6-methyl-5,5-dioxo-11H-benzo[c][2,1] benzothiazepin-11-yl)amino]heptanoic acid (other name: Tianeptine), its isomers, esters, ethers, salts, and salts of isomers, esters, and ethers, unless specifically excepted, whenever the existence of these isomers, esters, ethers, and salts is possible within the specific chemical designation.
- 2. Cannabimimetic agent. Ethyl-3,3-dimethyl-2-[(1-(pent-4-enylindazole-3-carbonyl)amino]butanoate (other name: EDMB-4en-PINACA), its salts, isomers, and salts of isomers whenever the existence of such salts, isomers, and salts of isomers is possible within the specific chemical designation.

The placement of drugs listed in this subsection shall remain in effect until July 31, 2025, unless enacted into law in the Drug Control Act.

- B. Pursuant to subsection D of § 54.1-3443 of the Code of Virginia, the Board of Pharmacy places the following compounds expected to have hallucinogenic properties in Schedule I of the Drug Control Act:
 - 1. 1-(3,5-Dimethoxy-4-propoxyphenyl)-2-propanamine (other names: 4-propoxy-3,5-DMA, 3C-P, 1-(3,5-Dimethoxy-4-propoxyphenyl)propan-2-amine), its salts, isomers, and salts of isomers whenever the existence of such salts, isomers, and salts of isomers is possible within the specific chemical designation.
 - 2. 2-(5-methoxy-1H-indol-3-yl)ethanamine (other names: 5-methoxytryptamine, 5-MeOT), its salts, isomers (optical, position, and geometric), and salts of isomers whenever the existence of such salts, isomers, and salts of isomers is possible within the specific chemical designation.

The placement of drugs listed in this subsection shall remain in effect until August 28, 2025, unless enacted into law in the Drug Control Act.

- C. Pursuant to subsection D of § 54.1-3443 of the Code of Virginia, the Board of Pharmacy places the following in Schedule I of the Drug Control Act:
 - 1. Compounds expected to have hallucinogenic properties:
 - a. 1-(1,3-benzodioxol-5-yl)-2-(isobutylamino)-1-pentanone (other name: N-isobutylpentylone), its salts, isomers, and salts of isomers whenever the existence of such salts, isomers, and salts of isomers is possible within the specific chemical designation.
 - b. 1-(1,3-benzodioxyl-5-yl)-2-(tert-butylamino)-1-pentanone (other name: N-tert-butyl pentylone), its salts, isomers (optical, position, and geometric), and salts of isomers whenever the existence of such salts, isomers, and

salts of isomers is possible within the specific chemical designation.

- c. 1-Phenyl-N-propylcyclohexanamine (other names: N-(1-phenylcyclohexyl)propanamine, PCPr), its salts, isomers (optical, position, and geometric), and salts of isomers whenever the existence of such salts, isomers, and salts of isomers is possible within the specific chemical designation.
- 2. Compound classified as a cannabimimetic agent. Methyl N-(1H-indazol-3-ylcarbonyl)-3-methyl-valinate (other name: MDMB-INACA), its salts, isomers, and salts of isomers whenever the existence of such salts, isomers, and salts of isomers is possible within the specific chemical designation.

The placement of drugs listed in this subsection shall remain in effect until April 8, 2026, unless enacted into law in the Drug Control Act.

- D. Pursuant to subsection D of § 54.1-3443 of the Code of Virginia, the Board of Pharmacy places the following in Schedule I of the Drug Control Act:
 - 1. The following compounds expected to have hallucinogenic properties:
 - a. 1-[(4-fluorophenyl)methyl]-4-methylpiperazine (other names: 4-fluoro-MBZP, 4-fluoro methylbenzyl piperazine), its salts, isomers, and salts of isomers whenever the existence of such salts, isomers, and salts of isomers is possible within the specific chemical designation.
 - b. 4-fluoro-alpha-pyrrolidinoisohexiophenone (other name: 4-fluoro-alpha-PiHP), its salts, isomers (optical, position, and geometric), and salts of isomers whenever the existence of such salts, isomers, and salts of isomers is possible within the specific chemical designation.
 - c. 8-bromo-1-methyl-6-pyridin-2-yl-4H-[1,2,4]triazolo [4,3-a][1,4]benzodiazepine (other name: pyrazolam), its salts, isomers (optical, position, and geometric), and salts of isomers whenever the existence of such salts, isomers, and salts of isomers is possible within the specific chemical designation.
 - 2. The following cannabimimetic agent: Methyl-2-(1-butyl-1H-indazole-3-carboxamido)-3,3-dimethylbutanoate (other name: MDMB-BUTINACA), its salts, isomers, and salts of isomers whenever the existence of such salts, isomers, and salts of isomers is possible within the specific chemical designation.

The placement of drugs listed in this subsection shall remain in effect until April 8, 2026, unless enacted into law in the Drug Control Act.

E. Pursuant to subsection D of § 54.1-3443 of the Code of Virginia, the Board of Pharmacy places the following in Schedule I of the Drug Control Act:

- 1. Compound expected to have depressant properties. 7-Bromo-5-(2-chlorophenyl)-1,3-dihydro-2H-1,4-benzo diazepin-2-one (other name: phenazepam), its salts, isomers, and salts of isomers whenever the existence of such salts, isomers, and salts of isomers is possible within the specific chemical designation.
- 2. Cannabimimetic agent. Methyl N-[(5-methyl-1H-indazol-3-yl)carbonyl]-3-methyl-valinate (other name: MDMB-5Me-INACA), its salts, isomers, and salts of isomers whenever the existence of such salts, isomers, and salts of isomers is possible within the specific chemical designation.

The placement of drugs listed in this subsection shall remain in effect until November 21, 2026, unless enacted into law in the Drug Control Act.

- F. Pursuant to subsection D of § 54.1-3443 of the Code of Virginia, the Board of Pharmacy places the following in Schedule I of the Drug Control Act:
 - 1. The following compounds classified as synthetic opioids:
 - a. 2-[(4-methoxyphenyl)methyl]-5-nitro-1-(2-pyrrolidin-1-ylethyl)benzimidazole (other names: metonitazepyne, N-pyrrolidino metonitazene), its isomers, esters, ethers, salts, and salts of isomers, esters, and ethers, unless specifically excepted, whenever the existence of these isomers, esters, ethers, and salts is possible within the specific chemical designation.
 - b. 2-[2-[(4-ethoxyphenyl)methyl]-5-nitrobenzimidazol-1-yl]-N-ethylethanamine (other name: N-desethyl etonitazene), its isomers, esters, ethers, salts, and salts of isomers, esters, and ethers, unless specifically excepted, whenever the existence of these isomers, esters, ethers, and salts is possible within the specific chemical designation.
 - c. N-(2-methylphenyl)-N-[1-(2-phenethyl)piperidin-4-yl]propanamide (other name: ortho-methylfentanyl), its isomers, esters, ethers, salts, and salts of isomers, esters, and ethers, unless specifically excepted, whenever the existence of these isomers, esters, ethers, and salts is possible within the specific chemical designation.
 - 2. The following compounds expected to have hallucinogenic properties:
 - a. [3-[2-(diethylamino)ethyl]-1H-indol-4-yl] acetate (other names: 4-acetoxy-N,N-diethyltryptamine; 4-acetoxy DET; 4-AcO-DET; ethacetin), its salts, isomers, and salts of isomers whenever the existence of such salts, isomers, and salts of isomers is possible within the specific chemical designation.
 - b. 3-[2-(diethylamino)ethyl]-1H-indol-4-ol (other names: 4-hydroxy-N,N-diethyltryptamine; 4-hydroxy DET; ethocin), its salts, isomers, and salts of isomers whenever the existence of such salts, isomers, and salts of isomers is possible within the specific chemical designation.

- c. 3-methylmethcathinone (other names: 3-MMC; metaphedrone; 2-(methylamino)-1-(3-methylphenyl) propan-1-one), its salts, isomers, and salts of isomers whenever the existence of such salts, isomers, and salts of isomers is possible within the specific chemical designation.
- 3. The following compounds classified as cannabimimetic agents:
 - a. N-(1-amino-3,3-dimethyl-1-oxobutan-2-yl)-1H-indazole-3-carboxamide (other name: ADB-INACA), its salts, isomers, and salts of isomers whenever the existence of such salts, isomers, and salts of isomers is possible within the specific chemical designation.
 - b. N-cyclohexyl-2-(1-pentylindol-3-yl)acetamide (other names: cyclohexyl-PIATA, CH-PIACA, CH-PIATA), its salts, isomers, and salts of isomers whenever the existence of such salts, isomers, and salts of isomers is possible within the specific chemical designation.

The placement of drugs listed in this subsection shall remain in effect until November 21, 2026, unless enacted into law in the Drug Control Act.

- G. Pursuant to subsection E of § 54.1-3443 of the Code of Virginia, the Board of Pharmacy places the following compounds into Schedule I of the Drug Control Act to conform to federal scheduling changes:
 - 1. Meta-fluorofentanyl (other name: N-(3-fluorophenyl)-N-(1-phenethylpiperidin-4-yl)propionamide);
 - 2. Meta-fluoroisobutyryl fentanyl (other name: N-(3-fluorophenyl)-N-(1-phenethylpiperidin-4-yl)isobutyra mide);
 - 3. Para-methoxyfuranyl fentanyl (other name: N-(4-methoxyphenyl)-N-(1-phenethylpiperidin-4-yl)furan-2-carboxamide);
 - 4. 3-furanyl fentanyl (other name: N-(1-phenethylpiperidin-4-yl)-N-phenylfuran-3-carboxamide);
 - 5. 2',5'-dimethoxyfentanyl (other name: N-(1-(2,5-dimethoxyphenethyl)piperidin-4-yl)-N-phenylpropiona mide);
 - 6. Isovaleryl fentanyl (other name: 3-methyl-N-(1-phenethylpiperidin-4-yl)-N-phenylbutanamide);
 - 7. Ortho-fluorofuranyl fentanyl (other name: N-(2-fluorophenyl)-N-(1-phenethylpiperidin-4-yl)furan-2-carbox amide);
 - 8. Para-methylcyclopropyl fentanyl (other name: N-(4-methylphenyl)-N-(1-phenethylpiperidin-4-yl)cyclopro panecarboxamide);
 - 9. Methyl 2-[[1-(4-fluorobutyl)indole-3-carbonyl]amino]-3,3-dimethyl-butanoate (other names: 4F-MDMB-BUTICA; 4F-MDMB-BICA);

- 10. 5-Pentyl-2-(2-phenylpropan-2-yl)pyrido[4,3-b]indol-1-one (other names: CUMYL-PEGACLONE; SGT-151);
- 11. Ethyl 2-[[1-(5-fluoropentyl)indole-3-carbonyl]amino]-3,3-dimethyl-butanoate (other names: 5F-EDMB-PICA; 5F-EDMB-2201); and
- 12. 2-(4-ethoxybenzyl)-5-nitro-1-(2-(piperidin-1-yl)ethyl)-1H-benzimidazole (other names: N-piperidinyl etonitazene; etonitazepipne).
- H. Pursuant to subsection D of § 54.1-3443 of the Code of Virginia, the Board of Pharmacy places the following in Schedule I of the Drug Control Act:
 - 1. The following compound expected to have hallucinogenic properties: N,N-dipropyl-1H-indole-3-ethanamine (other names: Dipropyltryptamine; N,N-DPT), its salts, isomers (optical, position, and geometric), and salts of isomers, whenever the existence of such salts, isomers, and salts of isomers is possible within the specific chemical designation; and
 - 2. The following cannabimimetic agent: N-(1-amino-3-methyl-1-oxobutan-2-yl)-3-(dimethylsulfamoyl)-4-methylbenzamide (other name: AB-MDMSBA), its salts, isomers, and salts of isomers whenever the existence of such salts, isomers, and salts of isomers is possible within the specific chemical designation.

The placement of drugs listed in this subsection shall remain in effect until April 8, 2027, unless enacted into law in the Drug Control Act.

VA.R. Doc. No. R26-8292; Filed August 8, 2025, 10:17 a.m.

BOARD FOR PROFESSIONAL SOIL SCIENTISTS, WETLAND PROFESSIONALS, AND GEOLOGISTS

Final Regulation

<u>Title of Regulation:</u> 18VAC145-30. Regulations Governing Certified Professional Wetland Delineators (amending 18VAC145-30-10 through 18VAC145-30-70, 18VAC145-30-110, 18VAC145-30-120, 18VAC145-30-140, 18VAC145-30-160; repealing 18VAC145-30-80).

Statutory Authority: §§ 54.1-201 and 54.1-2203 of the Code of Virginia.

Effective Date: November 1, 2025.

Agency Contact: Kathleen R. Nosbisch, Executive Director, Board for Professional Soil Scientists, Wetland Professionals, and Geologists, 9960 Mayland Drive, Suite 400, Richmond, VA 23233, telephone (804) 367-8514, fax (804) 527-4294, or email soilscientist@dpor.virginia.gov.

Summary:

Pursuant to Executive Directive One (2022) and Executive Order 19 (2022), the amendments (i) revise definitions; (ii) revise the qualifying education for certification to include a

graduate degree and remove the minimum number of required semester hours for certain coursework; (iii) increase the timeframe for reinstating an expired certificate to two years and remove a provision that the board may require examination or reexamination of an individual who is reinstating a certificate; and (iv) make the experience requirement more stringent for those seeking to qualify for certification based on inspection, review, or confirmation of wetland delineations.

Changes to the proposed regulation include (i) restoring a provision that requires an applicant for certification to submit an application to the board within a specified, less stringent timeframe prior to an examination date; (ii) removing a requirement that an applicant's reference know the applicant for at least one year and eliminating a restriction on references verifying an applicant's wetland experience; (iii) extending an applicant's examination eligibility period to three years; (iv) removing an outdated certificate renewal requirement; and (v) updating forms to reflect the amendments.

<u>Summary of Public Comments and Agency's Response:</u> A summary of comments made by the public and the agency's response may be obtained from the promulgating agency or viewed at the office of the Registrar of Regulations.

18VAC145-30-10. Definitions.

All terms defined in Chapter 22 (§ 54.1-2200 et seq.) of Title 54.1 of the Code of Virginia are incorporated in this chapter.

The following words and terms when used in this chapter shall have the following meanings unless the context clearly indicates otherwise:

"Tidal wetlands" means those wetlands defined by subject to the jurisdiction of Chapter 13 (§ 28.2-1300 et seq.) of Title 28.2 of the Code of Virginia.

"Nontidal wetlands" means <u>all other</u> wetlands, <u>as that term is defined in § 62.1-44.3 of the Code of Virginia</u>, except those <u>defined by subject to the jurisdiction of Chapter 13 (§ 28.2-1300 et seq.) of Title 28.2 of the Code of Virginia.</u>

18VAC145-30-20. Qualifications for certification.

Applicants for certification shall pass the board-approved exam and meet the requirements specified in Chapter 22 (§ 54.1-2200 et seq.) of Title 54.1 of the Code of Virginia, as amended, and this chapter. The board will waive the examination requirement for applicants who meet the requirements of § 54.1-2206 B of the Code of Virginia.

18VAC145-30-30. Receipt of application.

The date the completely documented completed application and fee are received in the board's office shall determine if the application has been received by the established deadline [in 18VAC145-30-70].

18VAC145-30-40. Qualification for examination.

A. In order to qualify for the examination, an applicant shall provide (i) documentation of meeting education and experience requirements and (ii) three written references that comply with subsection B of this section and satisfy one of the following criteria: as provided for in § 54.1-2206.2 of the Code of Virginia.

- 1. Hold a bachelor's degree from an accredited institution of higher education in a wetland science, biology, biological engineering, civil and environmental engineering, ecology, soil science, geology, hydrology, or any similar biological, physical, natural science, or environmental engineering curriculum that has been approved by the board; have successfully completed a course of instruction in state and federal wetland delineation methods that has been approved by the board; and have at least three years of experience in wetland delineation, which meets the requirements of subdivision 1 or 2 of 18VAC145 30 50, the quality of which demonstrates to the board that the applicant is competent to practice as a certified professional wetland delineator;
- 2. Have a record of at least six years of experience in wetland delineation, which meets the requirements of subdivision 1 or 2 of 18VAC145-30-50, the quality of which demonstrates to the board that the applicant is competent to practice as a certified professional wetland delineator; or
- 3. Have a record of at least three years of experience in wetland science research or as a teacher of wetlands curriculum in an accredited institution of higher education, which meets the requirements of subdivision 3 of 18VAC145 30 50, and the quality of which demonstrates to the board that the applicant is competent to practice as a certified professional wetland delineator.
- B. Every applicant shall provide three written references, on a form provided by the board, from wetland professionals with at least one from a certified professional wetland delineator. Individuals who provide references References shall not be related to the applicant [and shall have known the applicant for at least one year. Individuals who provide references may not also verify experience, including research or teaching experience].

18VAC145-30-50. Qualifying experience in wetland delineation.

An applicant shall demonstrate experience in one of the following areas:

1. For those individuals applying seeking to qualify pursuant to the provisions of 18VAC145 30 40 A 1 or A 2 subdivision 1 or 2 of § 54.1-2206.2 of the Code of Virginia, the experience in wetland delineation must be as a wetland professional and include the preparation of no less fewer than 10 delineations, which must be no more than 10 years old at the time of receipt by the board office, delineating

wetlands in accordance with applicable state and federal regulations that include the proper identification of vegetation, soil, and hydrology indicators. At least six of the 10 delineations must be for nontidal wetlands;

- 2. For those individuals applying seeking to qualify pursuant to the provisions of 18VAC145 30 40 A 1 or A 2 subdivision 1 or 2 of § 54.1-2206.2 of the Code of Virginia, the experience in wetland delineation must be as a wetland professional and include the inspection, review, or confirmation of no less fewer than 30 delineations as an employee of a federal, state, or local governmental body that is authorized to review or approve such delineations, which must be no more than 10 years old at the time of receipt by the board office, delineating wetlands in accordance with applicable state and federal regulations that include the proper identification of vegetation, soil, and hydrology indicators. Such experience must include the performance of field verifications of a portion of those wetland delineations that were inspected, reviewed, or confirmed. At least six 18 of the 30 delineations must be for nontidal wetlands; or
- 3. For those individuals applying seeking to qualify pursuant to the provisions of 18VAC145 30 40 A 3 subdivision 3 of § 54.1-2206.2 of the Code of Virginia, the experience as a wetland science researcher must include the preparation of a minimum of three field studies focused on wetland delineation practice and issues, which includes the proper identification of vegetation, soil, and hydrology indicators, and the experience as a teacher of wetlands curriculum must have been acquired in an accredited institution of higher education as a field or laboratory instructor of quarter quarter-length or semester length semester-length classes for a minimum of six semester hours, or equivalent, within the past 10 years prior to the receipt of the application by the board office, and the curriculum must have included the proper identification of vegetation, soil, and hydrology indicators.

18VAC145-30-60. Course requirements.

The education required pursuant to 18VAC145 30 40 A 1 subdivision 1 of § 54.1-2206.2 of the Code of Virginia must include the following:

- 1. For a bachelors bachelor's or graduate degree in any similar biological, physical, natural science or environmental engineering curriculum to be approved by the board, it shall, at a minimum, contain coursework in the following:
 - a. Fifteen semester hours, or equivalent, in biological Biological sciences, including courses such as general biology, botany, or zoology; general ecology; plant, animal, aquatic, or wetlands ecology; invertebrate zoology; taxonomy; marine science; fisheries biology; plant physiology, plant taxonomy, plant pathology, or plant morphology; relevant environmental sciences; and similar courses;

- b. Fifteen semester hours, or equivalent, in physical Physical sciences, including courses in soils, chemistry, hydrology, physics, geology, sedimentology, oceanography, coastal processes, environmental engineering, and similar courses; and
- c. Six semester hours, or equivalent, in quantitative Quantitative sciences, including courses in math, computer sciences, basic statistics, population dynamics, experimental statistics, and similar courses.
- 2. The applicant must have successfully completed a course of instruction, of a minimum of 32 hours, in state and federal wetland delineation methods that includes the proper identification of vegetation, soil, and hydrology indicators and a field component.

18VAC145-30-70. Examination.

- A. Once approved by the board, an applicant shall be eligible to sit for a board-approved examination.
- B. An applicant must meet all eligibility requirements as of the date the completely documented completed application and fee is received by the board's office. [For examination candidates, the completely documented application and fee must be received by the board's office at least] 90 [60 days prior to the examination.]
- C. A candidate approved to take an examination shall do so within [one year three years] of the date of approval or submit a new application and fee in accordance with these regulations this chapter. If an applicant should not Applicants who fail to pass the board-approved examination within [one year three years] of being approved, the applicant shall be required to submit a new application [and fee in accordance with this chapter in order to take the examination].
- D. A candidate who is unable to take the examination at the time scheduled must notify the department [in writing] prior to the date of the examination; such a candidate [and will be rescheduled for the next examination without an additional fee. Failure to so notify the department will result in forfeiture of the examination or reexamination fee].
- [E. Candidates will be notified of passing or failing the examination.]

18VAC145-30-80. Waiver from examination. (Repealed.)

An applicant shall be granted a Virginia certificate without examination, provided that:

1. The applicant holds an unexpired professional wetland delineator certificate or equivalent issued on the basis of equivalent requirements for certification in Virginia, by a regulatory body of another state, territory or possession of the United States or has been provisionally certified under the U.S. Army Corps of Engineers Wetland Delineator Certification Program of 1993 and is not, nor has been, the subject of any disciplinary proceeding before such

regulatory body, and such other regulatory body recognizes the certificates issued by this board, provided all other requirements of Chapter 22 (§ 54.1 2200 et seq.) of Title 54.1 of the Code of Virginia and this chapter are satisfied; or

2. Applicants who submit a complete application so that it is received by the board on or before June 30, 2006, and are found to be qualified pursuant to § 54.1 2206 B of the Code of Virginia (effective July 1, 2004), provided all other requirements of Chapter 22 (§ 54.1 2200 et seq.) of Title 54.1 of the Code of Virginia and this chapter are satisfied.

[18VAC145-30-110. Renewal.

- A. The department shall send a renewal notice to the certificate holder at the last known address of record at least 30 days prior to expiration. Failure to receive this notice does not relieve the certificate holder from the requirement to renew the certificate. If the certificate holder fails to receive the renewal notice, a copy of the certificate shall be submitted with the required fee in lieu of the renewal notice.
- B. If the renewal fee is not received by the department within 30 calendar days following the expiration date noted on the certificate, a late renewal fee of \$25 shall be required in addition to the regular renewal fee. If the certificate is renewed after 30 days from the expiration date and prior to 180 days of the expiration date, the effective date of the renewal shall be the original renewal date. No certificate may be renewed more than 180 days following the date of expiration noted on the certificate.
- C. The date a fee is received by the department or its agent shall determine whether a late renewal fee or the requirement for reinstatement or reapplication is applicable.
- D. A certificate suspended by board order shall not be renewed until the period of suspension has ended and all terms and conditions of the board's order have been met. Individuals renewing certificates within 30 days after the suspension is lifted will not be required to pay a late fee.]

18VAC145-30-120. Reinstatement.

A. If the renewal fee and late renewal fee are not received by the department within 180 days following the expiration date noted on the certificate, the certificate holder shall no longer be considered a certificate holder and will be required to apply for certificate reinstatement. The applicant shall meet the current eligibility standards for certification as a Virginia certified professional wetland delineator. The board may require examination or reexamination. The fee for reinstatement shall include the regular renewal fee plus the reinstatement fee.

B. If the reinstatement application and fee are not received by the department within one year two years following the expiration date noted on the certificate, the applicant shall apply as a new applicant and shall meet all current entry requirements as may be required by the board.

18VAC145-30-140. Standards of practice and conduct.

A Virginia certified professional wetland delineator:

- 1. Shall not submit any false statements, make any misrepresentations, or fail to disclose any facts requested concerning any application for certification or recertification.
- 2. Shall not engage in any fraud, deceit, or misrepresentation in advertising, in soliciting, or in providing professional services.
- 3. Shall not knowingly sign any plans, drawings, blueprints, surveys, reports, specifications, maps, or other documents not prepared or reviewed and approved by the certificate holder.
- 4. Shall not knowingly represent a client or employer on a project on which the certificate holder represents or has represented another client or employer without making full disclosure thereof.
- 5. Shall express a professional opinion only when it the professional opinion is founded on adequate knowledge of established facts at issue and based on a background of technical competence in the subject matter.
- 6. Shall not knowingly misrepresent factual information in expressing a professional opinion.
- 7. Shall immediately notify the client or employer and the appropriate regulatory agency if the certificate holder's professional judgment is overruled and not adhered to when advising appropriate parties of any circumstances of a substantial threat to the public health, safety, or welfare.
- 8. 7. Shall exercise reasonable care when rendering professional services and shall apply the technical knowledge, skill, and terminology ordinarily applied by practicing wetland professionals.
- 9. Shall sign and date all plans, drawings, blueprints, surveys, reports, specifications, maps, or other documents prepared or reviewed and approved by the certificate holder. The certified professional wetland delineator shall also indicate that he is a Virginia certified professional wetland delineator on all plans, drawings, blueprints, surveys, reports, specifications, maps, or other documents prepared or reviewed and approved by the certificate holder and include his certificate number.
- 10. 8. Shall not utilize the design, drawings, specifications, or work of another regulant to complete or to replicate any work without the written consent of the person who or organization that owns the design, drawings, specifications, or work.

18VAC145-30-160. Change of address.

A certificate holder [shall keep the department informed of] his [the certificate holder's current mailing address. Change must report any change] of address [shall be reported] to the department in writing within 30 calendar days of the change.

NOTICE: The following forms used in administering the regulation have been filed by the agency. Amended or added forms are reflected in the listing and are published following the listing. Online users of this issue of the Virginia Register of Regulations may also click on the name to access a form. The forms are also available from the agency contact or may be viewed at the Office of Registrar of Regulations, General Assembly Building, 201 North Ninth Street, Fourth Floor, Richmond, Virginia 23219.

[FORMS (18VAC145-30)

Professional Wetland Delineator Certification Application, A439-3402CERT-v3 (rev. 8/2025)

Professional Wetland Delineator Experience Log, A439-3402EXP v2 (rev. 3/2015)

Professional Wetland Delineator Reference Form, A439-3402REF v1 (rev. 9/2013)

Professional Wetland Delineator Certification Application, A439-3402CERT-v3 (rev. 11/2025)

<u>Professional Wetland Delineator Experience Log, A439-3402EXP-v3 (rev. 11/2025)</u>

<u>Professional Wetland Delineator Reference Form, A439-</u>3402REF-v2 (rev. 11/2025)

Professional Soil Scientists, Professional Wetland Delineator and Geologists - Universal License Recognition (ULR) Application. A439-3401_02_28ULR-v2 (rev. 8/2025)]

VA.R. Doc. No. R24-7618; Filed August 18, 2025, 3:47 p.m.

Final Regulation

<u>Title of Regulation:</u> 18VAC145-40. Regulations for the Geology Certification Program (amending 18VAC145-40-10, 18VAC145-40-30, 18VAC145-40-60, 18VAC145-40-70, 18VAC145-40-83, 18VAC145-40-85, 18VAC145-40-90, 18VAC145-40-100, 18VAC145-40-120; repealing 18VAC145-40-80, 18VAC145-40-140, 18VAC145-40-150).

Statutory Authority: § 54.1-201 of the Code of Virginia.

Effective Date: November 1, 2025.

Agency Contact: Kathleen R. Nosbisch, Executive Director, Board for Professional Soil Scientists, Wetland Professionals, and Geologists, 9960 Mayland Drive, Suite 400, Richmond, VA 23233, telephone (804) 367-8514, fax (866) 465-6206, or email soilscientist@dpor.virginia.gov.

Summary:

The amendments update (i) the definitions section; (ii) provisions for the expiration, renewal, and reinstatement of certificates; (iii) provisions for use of seal; (iv) provisions for qualification for certification, including qualifying experience and education; (v) provisions for qualifying for the Fundamentals of Geology examination and receiving a

Geologist-in-Training designation; and (vi) standards of practice and conduct.

Changes to the proposed regulation update required forms.

<u>Summary of Public Comments and Agency's Response:</u> A summary of comments made by the public and the agency's response may be obtained from the promulgating agency or viewed at the office of the Registrar of Regulations.

18VAC145-40-10. Definitions.

A. Section 54.1-2200 of the Code of Virginia provides definitions of the following terms and phrases as used in this chapter:

Board

Geologist

Geology

Practice of geology

Qualified geologist

Virginia certified professional geologist

<u>B.</u> The following words and terms when used in this chapter [shall] have the following meanings unless the context clearly indicates otherwise:

"Board" means the Board for Professional Soil Scientists, Wetland Professionals, and Geologists.

["Department" means Department of Professional and Occupational Regulation.]

"Geological mapping" means the process of creating a map on which is recorded geological information, such as the distribution, nature, and age of relationships of rock units, in which surficial deposits may or may not be mapped separately, and the occurrence of structural features such as folds, faults, and joints; mineral deposits; and fossil localities. "Geological mapping" may indicate geologic structure by means of formational outcrop patterns, by conventional symbols giving the direction and amount of dip at certain points, or by structure-contour lines.

"Geologist" means a person engaged in the practice of geology.

"Geologist-in-Training-(GIT)" or "GIT" means an individual who has completed the academic requirements specified in this chapter and has passed the Fundamentals of Geology examination, but has not met all requirements to qualify as a Virginia certified professional geologist.

"Geology" means the science encompassing those principles methods related to (i) the earth and its history in general; (ii) the investigation, prediction, evaluation, and location of materials and structures that compose the earth; (iii) the natural processes that cause changes in the earth; and (iv) the application of knowledge

of the earth, its processes, and its constituent rocks, minerals, liquids, gases, and other natural materials.

"Practice of geology" means the performance of any professional service or work wherein the principles and methods of geology are applied, including (i) investigating, evaluating, and consulting; (ii) geological mapping; (iii) describing the natural processes that act upon the earth's materials; (iv) predicting the probable occurrence of natural processes; and (v) inspecting, planning, and performing and supervising geological work in order to enhance and protect the health, safety, and welfare of the public and the environment.

"Qualified geologist" means an uncertified person who possesses all the qualifications specified in § 54.1 2208.2 of the Code of Virginia for certification.

"Related geological science degree" means a degree that shall include a degree in economic geology or petroleum geology includes 30 semester hours of courses in the geosciences, including 12 or more semester hours from at least four of the following disciplines: stratigraphy, structural geology, hydrogeology, mineralogy, petrology, geomorphology, and field geology.

"Responsible charge" means the direct control and supervision of the practice of geology.

"Supervision" means quality control review of all significant data collection, interpretation, and conclusions.

"Virginia certified professional geologist" means a person who possesses all qualifications specified in this chapter for certification and whose competence has been attested by the board through certification.

18VAC145-40-30. Expiration, renewal and fee of certificate holders.

A. Certificates issued under this chapter [shall will] expire on August 31 of the odd-numbered year following the date of issuance. Certificate holders [shall will] be notified [by mail] of the fee and the procedure for certificate renewal at least 45 days before the certificate expires. Each certificate holder desiring to renew his a certificate [shall must] submit the renewal notice with the appropriate fee before the certificate expires.

- B. There [shall will] be a penalty fee for late renewal assessed in addition to the renewal fee for any certificate holder failing to renew the certificate within 30 days following the date of expiration.
- C. Failure to receive written notice from the [Department of Professional and Occupational Regulation department] does not relieve the regulant from the requirement to renew his the certificate. If the certificate holder fails to receive the renewal notice, a copy of the certificate may be submitted with the required fee.
- D. The date a fee is received by the [Department of Professional and Occupational Regulation department], or its

agent, will be used to determine whether a penalty fee or the requirement for reinstatement of a certificate is applicable.

E. Revoked or suspended certificates are not renewable until reinstated by the board.

18VAC145-40-60. Use of seal.

A certified professional geologist may apply a rubber stamp or preprinted seal to final and complete cover sheets and to each original sheet of plans or drawings prepared or reviewed and approved by the regulant. The seal may be applied to the cover sheet of technical reports and specifications prepared or reviewed and approved by the regulant.

- 1. All seal imprints on final documents [shall must] be signed.
- 2. Application of the seal and signature [shall indicate indicates] acceptance of responsibility for work shown thereon.
- 3. The <u>original</u> seal [<u>shall must</u>] <u>be two inches in diameter and conform in detail and size</u> to the design illustrated below: in this subdivision.



*The number referred to is the number, usually three or four digits, as shown on the wall certificate and is the license renewal number issued each biennium as indicated on the licensee's pocket card. The number will not change every two years, but is permanent on the seal is the last four digits of the certificate number.

18VAC145-40-70. Qualifications for certification.

- A. Each In addition to the requirements in § 54.1-2208.2 of the Code of Virginia, each applicant for certification as a eertified professional geologist in Virginia [shall must]:
 - 1. Make application on forms provided by the board;
 - 2. Be of ethical character;, which may be established if the applicant:
 - a. Has not been convicted of a non-marijuana misdemeanor in the last 10 years or has never been convicted of a felony that would render the applicant unfit or unsuited to engage in the occupation or profession applied for in accordance with § 54.1-204 of the Code of Virginia;

- b. Has committed no act involving dishonesty, fraud, misrepresentation, breach of fiduciary duty, negligence, or incompetence reasonably related to:
- (1) The proposed area of practice within 10 years prior to application for licensure, certification, or registration; or
- (2) The area of practice related to licensure, certification, or registration by the board while under the authority of the board;
- c. Has not engaged in fraud or misrepresentation in connection with the application for licensure, certification, or registration, or related exam;
- d. Has not had a license, certification, or registration revoked or suspended for cause or been disciplined by the Commonwealth or by any other jurisdiction, or surrendered a license, certificate, or registration in lieu of disciplinary action; [or and]
- e. Has not practiced without the required license, certification, or registration in the Commonwealth or in another jurisdiction within the five years immediately preceding the filing of the application for licensure, certification, or registration by the Commonwealth.
- 3. Hold a baccalaureate or higher degree from an accredited college or university with a major in geology, engineering geology, geological engineering or a related geological science. In the absence of one of the aforementioned degrees, each applicant shall provide evidence of the satisfactory completion of 30 semester hours (or the equivalent) of geological science courses including, but not limited to, the following subjects:
 - a. Stratigraphy;
 - b. Structural geology;
 - c. Mineralogy;
 - d. Paleontology;
 - e. Petrology;
 - f. Geomorphology; and
 - g. Field geology.

At least 12 semester hours must have been completed in four of the seven subjects listed in this subsection.

- 4. Provide the board with written documentation that demonstrates that the courses satisfactorily completed by the applicant are equivalent to those required by this section.
- 5. Have at least seven years of geological work that [shall must] include either a minimum of three years of geological work under the supervision of a qualified or certified professional geologist, or a minimum of three years of experience in responsible charge of geological work. The work [shall must] include, but not be limited to, one or more of the following areas:
 - a. Mineralogy.
 - (1) Identify and classify major rock types.

- (2) Identify mineral assemblages.
- (3) Determine probable genesis and sequence of mineral assemblages.
- (4) Identify minerals on the basis of chemical composition.
- (5) Predict subsurface mineral characteristics on the basis of exposures and drillholes.
- b. Petrography/petrology Petrography or petrology.
- (1) Identify and classify major rock types.
- (2) Determine physical properties of rocks.
- (3) Determine chemical properties of rocks.
- (4) Determine types or degrees of rock alteration.
- (5) Determine suites of rock types.
- c. Geochemistry.
- (1) Establish analytical objectives and approaches.
- (2) Evaluate geochemical data.
- (3) Construct models based on results of geochemical analysis.
- (4) Make recommendations based upon results of geochemical analyses.
- d. Hydrogeology.
- (1) Design and interpret hydrologic testing programs.
- (2) Utilize chemical data to evaluate hydrogeologic conditions.
- (3) Apply geophysical methods to analyze hydrogeologic conditions.
- (4) Determine physical and chemical properties of aquifers and vadose zones.
- (5) Determine groundwater flow systems.
- (6) Evaluate groundwater resources.
- (7) Evaluate groundwater quality.
- (8) Design wells and drilling programs.
- (9) Develop groundwater resource management plans.
- (10) Plan and evaluate remedial action programs.
- e. Engineering geology.
- (1) Provide geological information and interpretations for engineering design.
- (2) Identify and evaluate potential seismic and other geologic hazards.
- (3) Provide geologic consultation during and after construction.
- (4) Develop and interpret engineering geology maps and sections.
- (5) Evaluate materials resources.
- (6) Define and establish site selection and evaluation criteria.
- (7) Design and implement field and laboratory programs.

- (8) Describe and sample soils for geologic analysis and materials properties testing.
- f. Mining geology.
- (1) Formulate exploration programs.
- (2) Implement field investigations on prospects.
- (3) Perform geologic interpretations for mineral reserves.
- (4) Perform economic analyses/appraisals <u>analyses or appraisals</u>.
- (5) Provide geologic interpretations for mine development and production activities.
- (6) Provide geologic interpretations for mine abandonments, closures, or restorations.
- g. Petroleum geology.
- (1) Formulate exploration programs.
- (2) Implement field investigations on prospects.
- (3) Perform geologic interpretations of physical properties and hydrocarbon reserves.
- (4) Perform petroleum economic analyses/appraisals analyses or appraisals.
- (5) Provide geologic interpretations for development and production activities.
- (6) Provide geologic interpretations for abandonments, closures, or restorations.
- B. Each year of full time undergraduate study in the geological sciences shall count as one half year of experience up to a maximum of two years, and each year of full time graduate study shall count as a year of experience up to a maximum of three years. Credit for undergraduate and graduate study shall in no case exceed a total of four years toward meeting the requirements for at least seven years of geological work. The board may consider in lieu of the abovedescribed geological work, the cumulative total of geological work or geological research of persons occupying research or post graduate positions as well as those teaching geology courses at the college or university level, provided such work or research can be demonstrated to be of a sufficiently responsible nature to be equivalent to the geological work required above Applicants holding degrees other than those listed in § 54.1-2208.2 B 2 of the Code of Virginia [shall must | provide the board with written documentation that demonstrates that the courses satisfactorily completed by the applicant are equivalent geological science courses.
- C. A year of full-time employment is a minimum of 1,760 hours or 220 workdays in a 12-month period. More than 1,760 hours or 220 workdays during a 12 month period shall not be considered as more than one year of full time experience 32 hours per week. Partial credit may be given for actual hours of work or workdays experience if the applicant works as a geologist less than full time.

D. Each applicant shall successfully pass an appropriate examination approved by the board and designed to demonstrate that the applicant has the necessary knowledge and skill to exercise the responsibilities of the public practice of geology.

18VAC145-40-80. Waiver of examination. (Repealed.)

The board may waive the examination requirement for any applicant who makes written application, otherwise meets the requirements of Chapter 22 (§ 54.1 2200 et seq.) of Title 54.1 of the Code of Virginia and also meets one of the following conditions:

- 1. Provides evidence of at least 12 years of geological work that includes the geological work as specified in 18VAC-145-40-70; or
- 2. Provides evidence of an unexpired certificate of registration, certification or license to engage in the practice of geology issued on the basis of comparable requirements by a proper authority of a state, territory or possession of the United States or the District of Columbia.

18VAC145-40-83. Qualifications for the Fundamentals of Geology (FG) examination.

- <u>A.</u> The board may approve applicants to sit for the Fundamentals of Geology (FG) examination without having met the experience requirements of 18VAC145-40-70. The applicant [shall must] submit an application on forms provided by the board, pay the fee established in 18VAC145-40-20, and satisfy one of the following requirements:
 - 1. Hold a baccalaureate or higher degree from an accredited college or university with a major in geology, engineering geology, geological engineering, or a related geological science and provide an official college transcript that demonstrates satisfactory completion of the degree program.
 - 2. Hold a baccalaureate or higher degree from an accredited college or university with a major other than geology, engineering geology, geological engineering, or a related geological science and have satisfactorily completed at least 30 semester hours (or the equivalent) of geological science courses including, but not limited to, the following subjects:
 - a. Stratigraphy;
 - b. Structural geology;
 - c. Mineralogy;
 - d. Paleontology;
 - e. Petrology;
 - f. Geomorphology; and
 - g. Field geology.

At least 12 of the 30 semester hours of geological science courses must have been completed in four of the seven subjects listed in this subsection. The applicant shall provide an official college transcript and written documentation that

demonstrates the courses satisfactorily completed are equivalent to those required by this section.

- 3. Be enrolled in an undergraduate geology, engineering geology, geological engineering, or a related geological science curriculum of at least four years at an accredited college or university and be within 12 months of completing undergraduate degree requirements. The applicant shall provide an official college transcript that demonstrates satisfactory completion of course work.
- 4. Be enrolled in a graduate geology, engineering geology, geological engineering, or a related geological science curriculum at an accredited college or university and be within six months of completing graduate degree requirements. The applicant shall provide an official college transcript that demonstrates satisfactory completion of course work.
- B. Applicants must provide an official college transcript that demonstrates satisfactory completion of a degree program or course work as applicable to meet the requirements established in subsection A of this section.

18VAC145-40-85. Qualifications for Geologist-in-Training (GIT) designation.

- A. To be eligible to obtain the GIT designation, each applicant [shall must]:
 - 1. Make application on forms provided by the board;
 - 2. 1. Be of ethical character in accordance with the provisions of 18VAC145-40-70 A 2;
 - 3. 2. Have achieved a passing score on a board-approved Fundamentals of Geology examination;
 - 4. Hold a baccalaureate or higher degree from an accredited college or university with a major in geology, engineering geology, geological engineering, or a related geological science; [or and]
 - 5. 3. Hold a baccalaureate or higher degree from an accredited college or university with a major other than geology, engineering geology, geological engineering, or a related geological science and have satisfactorily completed at least 30 semester hours (or the equivalent) of geological science courses in courses in the geosciences, including, but not limited to, the following subjects 12 or more semester hours in at least four of the following disciplines: stratigraphy, structural geology, hydrogeology, mineralogy, paleontology, petrology, geomorphology, and field geology. At least 12 of the 30 semester hours of geological science courses must have been completed in four of the seven subjects listed in this subsection.
- B. Prior to obtaining the designation of GIT, an applicant who qualified to sit for a board-approved Fundamentals of Geology examination under subdivision 3 or 4 of 18VAC145-40-83 A 3 or A 4 and passed the examination must provide an official college transcript that demonstrates satisfactory completion of the degree program.

- C. The designation of GIT will remain valid until the individual meets all requirements for certification as a Virginia certified professional geologist.
- D. The designation of GIT does not give an individual the authority to practice as a certified professional geologist. An individual may not practice as a certified professional geologist in the Commonwealth of Virginia until his competence has been attested by the board through certification.

18VAC145-40-90. Disclosure.

A certified professional geologist:

- 1. [Shall Must] not submit any false statements or fail to disclose any facts requested concerning his the geologist's or another's application for certification.
- 2. Shall not falsely or maliciously attempt to injure the reputation or business of another.
- 3. 2. [Shall Must] not engage in any fraud, deceit, or misrepresentation in advertising, in soliciting or in providing professional services.
- 4. 3. [Shall Must] not knowingly sign, stamp, or seal any plans, drawings, blueprints, surveys, reports, specifications, or other documents not prepared or reviewed and approved by the certificate holder.
- 5. 4. [Shall Must] make full disclosure to all parties of: a. Any transaction involving payments made to any person for the purpose of securing a contract, assignment, or engagement; or b. Any any monetary, financial, or beneficial interest he the geologist may have in any contract or entity providing goods or services, other than his professional services, to a project or engagement.
- 6. Shall express an opinion only when it is founded on adequate knowledge of established facts at issue, on a background of technical competence in the subject matter, and on an honest conviction of the accuracy of the testimony when serving as an expert or technical witness before any court, commission, or other tribunal.
- 7. Shall provide adequate representation of his qualifications and scope of responsibilities for all previous experience claimed when negotiating with prospective clients.

18VAC145-40-100. Change of address or name.

Each certified professional geologist <u>and geologist-intraining</u> [<u>shall must</u>] notify the board, in writing, of any change of address or name. This notification [<u>shall must</u>] be sent to the board within 30 days after such change of address or name.

18VAC145-40-120. Conflicts of interest.

- [A No] certified professional geologist [shall will not]:
- 1. Accept any work on any project or other professional engagement when a duty to a client or to the public would

conflict with his the geologist's personal interest or the interest of another client, unless immediate disclosure of all material facts of the conflict is made to each client related to the project or engagement.

- 2. Accept compensation for services related to the same project or professional engagement from more than one party without making prior full disclosure to all parties involved.
- 3. Offer, either directly or indirectly, any commission, political contribution, or other consideration in seeking work except to secure a salaried position through employment agencies Solicit or accept gratuities, directly or indirectly, from contractors, agents of contractors, or other parties dealing with a client or employer in connection with work for which the regulant is responsible.

18VAC145-40-140. Grounds for suspension, revocation, or denial to renew or grant certification. (Repealed.)

The board may suspend, revoke, or refuse to renew the certification of any geologist who, after a formal hearing as provided for in the Administrative Process Act (§ 2.2 4000 et seq. of the Code of Virginia), is found to have committed:

- 1. Fraud or deceit in obtaining or renewing certification (See subdivision 5 of § 54.1 111 of the Code of Virginia);
- 2. Any violation of Part III Standards of Practice and Conduct, other regulations of the board, or governing statutes of the board:
- 3. An act or acts of gross negligence, incompetence, or misconduct in the practice of geology as a certified professional geologist; or
- 4. Any conviction of a felony that in the opinion of the board would adversely affect the practice of geology.

18VAC145-40-150. Reissuance of certificate after revocation. (Repealed.)

An individual whose certificate has been revoked in accordance with 18VAC145 40 140 shall file a new application and obtain approval of the board to regain the certificate.

NOTICE: The following forms used in administering the regulation have been filed by the agency. Amended or added forms are reflected in the listing and are published following the listing. Online users of this issue of the Virginia Register of Regulations may also click on the name to access a form. The forms are also available from the agency contact or may be viewed at the Office of Registrar of Regulations, General Assembly Building, 201 North Ninth Street, Fourth Floor, Richmond, Virginia 23219.

[FORMS (18VAC145-40)

Geologists Certification and Reinstatement Application, A439-28CERT-v7 (rev. 8/2025)

Geologist-in-Training Designation Application, A439-28GIT-v2 (rev. 8/2025)

Geological Work Experience Log, A439 28EXP v5 (rev. 1/2013)

Information Sheet, A439 28INFO v6 (rev. 8/2025)

Geological Work Experience Log, A439-28EXP-v6 (rev. 11/2025)

Information Sheet, A439-28INFO-v6 (rev. 11/2025)

Professional Soil Scientists, Professional Wetland Delineator and Geologists - Universal License Recognition (ULR) Application. A439-3401_02_28ULR-v2 (rev. 8/2025)]

VA.R. Doc. No. R24-7617; Filed August 18, 2025, 11:22 a.m.



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TITLE 21. SECURITIES AND RETAIL FRANCHISING

STATE CORPORATION COMMISSION

Proposed Regulation

REGISTRAR'S NOTICE: The State Corporation Commission is claiming an exemption from the Administrative Process Act in accordance with § 2.2-4002 A 2 of the Code of Virginia, which exempts courts, any agency of the Supreme Court, and any agency that by the Constitution is expressly granted any of the powers of a court of record.

<u>Titles of Regulations:</u> 21VAC5-40. Exempt Securities and Transactions (amending 21VAC5-40-100, 21VAC5-40-140; adding 21VAC5-40-210).

21VAC5-45. Federal Covered Securities (amending 21VAC5-45-20, 21VAC5-45-30).

21VAC5-100. Disclosure of Information or Documents by Commission (amending 21VAC5-100-10).

<u>Statutory Authority:</u> §§ 12.1-13 and 13.1-523 of the Code of Virginia.

<u>Public Hearing Information:</u> A public hearing will be held upon request.

Public Comment Deadline: October 7, 2025.

Agency Contact: Jude Richnafsky, Manager of Examinations, Division of Securities and Retail Franchising, State Corporation Commission, Tyler Building, Ninth Floor, P.O. Box 1197, Richmond, VA 23218, telephone (804) 371-9883, or email jude.richnafsky@scc.virginia.gov.

Summary:

The proposed amendments (i) adopt late charges for certain securities exemption filings; (ii) remove an obsolete cross-reference; (iii) establish filing requirements and a timeline for post-effective filings for

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securities exempted pursuant to § 13.1-514.1 B of the Code of Virginia; and (iv) broaden the list of approved governmental entities for disclosure under § 13.1-518 of the Code of Virginia.

AT RICHMOND, AUGUST 11, 2025 COMMONWEALTH OF VIRGINIA, ex rel. STATE CORPORATION COMMISSION

CASE NO. SEC-2025-00024

Ex Parte: In the matter of Adopting Revisions to the Rules Governing the Virginia Securities Act

ORDER ESTABLISHING PROCEEDING

Section 12.1-13 of the Code of Virginia ("Code") provides, in relevant part, that "[i]n the administration and enforcement of all laws within its jurisdiction, the [State Corporation Commission ("Commission")] shall have the power to promulgate rules and regulations[.]" Section 13.1-523 of the Virginia Securities Act ("Act"), § 13.1-501 et seq. of the Code, provides that the Commission shall have authority to make, amend and rescind such rules and forms as may be necessary to carry out the provisions of Chapter 5 of Title 13.1 of the Code. The rules issued by the Commission pursuant to § 13.1-523 of the Act ("Rules") are set forth in Title 21 of the Virginia Administrative Code.

The Division of Securities and Retail Franchising ("Division") has submitted to the Commission proposed revisions to Chapters 40, 45, and 100 of Title 21. Specifically, the Division seeks to: (a) amend Rules 21VAC5-40-100, 21VAC5-40-140, 21VAC5-45-20, and 21VAC5-45-30 to assess late charges for filings related to the associated exemptions in § 13.1-514 B of the Act; (b) amend Rule 21VAC5-40-100 to remove the reference to repealed Rule 21 VAC 5-40-30; (c) create a new Rule at 21 VAC 5-40-210 to establish filing requirements and a timeline for post-effective filings for securities exempted pursuant to § 13.1-514.1 B of the Act; and (d) amend Rule 21 VAC 5-100-10 D to broaden the list of approved governmental entities for disclosure under § 13.1-518 B of the Act.

Proposed Revisions to Chapters 40 and 45. Late Charges for Certain Exemption Filings.

The Act grants the Commission authority to promulgate rules necessary to administer and enforce the provisions of the Act, including the authority to establish filing requirements, fees, and penalties for non-compliance pursuant to § 13.1-523.1 of the Act. Likewise, the Act authorizes the Commission to prescribe fees and assess late charges as needed to support regulatory enforcement and oversight. Under certain provisions of Chapters 40 and 45, an issuer of securities offerings and transactions made under the exemptions in § 13.1-514 B 7 b, B 13, B 19, and B 22 of the Act is required to make a filing and pay related fees. The Division oversees the regulation of these securities offerings and transactions,

including the filing and payment requirements for issuers, to ensure compliance with the Act and the Rules.

The proposed amendments to Chapters 40 and 45 provide for an assessment of late charges for filings related to certain exemptions in § 13.1-514 B of the Act that are submitted after the established deadline. Based on the Division's review of similar provisions prescribing late fees or penalties for securities exemption filings, the Division recommends that the assessment of late charges be on a graduated basis depending on the amount of time that has passed since the established deadline. Specifically, a \$250 late charge will be assessed for filings that are submitted within 90 days of the established deadline, a \$500 late charge will be assessed for filings that are submitted within six months of the established deadline, and a \$750 late charge will be assessed for filings that are submitted more than six months after the established deadline. The Division will apply the late charges to the cost of conducting ongoing examinations of late filings.

Proposed Revision to Chapter 40. Technical Amendment.

In November 2017, the Commission repealed Rule 21 VAC 5-40-30, a regulation concerning the Regulation D, Rule 505 exemption, in response to the repeal of Rule 505 by the United States Securities and Exchange Commission in October 2016.¹ In the current Rules, the only reference to repealed Rule 21VAC5-40-30 is in Rule 21VAC5-40-100, a regulation concerning the domestic issuer limited transactional exemption provided in § 13.1-514 B 7 of the Act. Specifically, Rule 21VAC5-40-100 B 2 provides that offerings pursuant to an exemption under Regulation D are ineligible for the domestic issuer limited transactional exemption and may only be in exempted by Rule 21 VAC 5-40-30. Since Rule 21 VAC 5-40-30 has been repealed, the Division proposes that the reference to it in Rule 21 VAC 5-40-100 is no longer applicable or necessary. Therefore, the Division requests that the Commission consider a revision to Rule 21 VAC 5-40-100 to remove the reference to repealed Rule 21VAC5-40-30.

Proposed Revision to Chapter 40. Adoption of Regulation for Securities Issued Pursuant to § 13.1-514.1 B of the Act.

In addition to statutory, self-executing exemptions, the Act grants the Commission authority to exempt certain securities from the securities registration requirements of the Act by order. Any security that is to be offered and sold by any person organized and operated not for private profit but exclusively for religious, educational, benevolent, charitable, fraternal, social, athletic or reformatory purposes, or as a chamber of commerce or trade or professional association may qualify for an exemption in the discretion of the Commission under § 13.1- 514.1 B of the Act. The Commission has granted exemptions of securities being offered under this provision of the Act since it became effective in 1976.

To establish the requisite filing requirements for this exemption, the Division proposes to adopt a new Rule at 21VAC5-40-210. The proposed new regulation specifies the documents and materials required for filing initial requests by

applicants for an exemption under § 13.1-514.1 B of the Act. In addition, the proposed new regulation establishes a timeline for the filing of post-effective amendments for issuers engaged in continuous offerings.

Proposed Revision to Chapter 100. Amending List of Approved Governmental Entities for Disclosure.

Rule 21VAC5-100-10 is designed to implement the provision of § 13.1-518 of the Act that permits disclosure of information to governmental and quasi-governmental entities approved by rule of the Commission. A list of approved governmental entities of the United States, nonfederal governmental entities, and quasi-governmental entities is enumerated in subsections D, E, and F of Rule 21VAC5-100-10, respectively. Periodically, the Division will revise and add to the list of approved governmental and quasi-governmental entities that the Division can disclose information to. The Division's proposed revision to the list of approved governmental entities of the United States includes the addition of two governmental entities, Department of Homeland Security and Office of the Inspector General. The Division's proposed revision to the list of approved nonfederal governmental entities includes the addition of the Virginia General Assembly, including the House or the Senate, or any committee or subcommittee thereof,² and a provision for any Virginia governmental agency or instrumentality which demonstrates a need for access to confidential information.

The Division has recommended to the Commission that the proposed revisions should be considered for adoption, with an effective date of January 1, 2026.

NOW THE COMMISSION, upon consideration of this matter, is of the opinion and finds that a proceeding should be established to consider revising the Rules. To initiate this proceeding, the Division has prepared the proposed revisions, which are appended to this Order Establishing Proceeding ("Order"). The Commission finds that notice of the proposed revisions should be given to the public, and that interested persons should be provided an opportunity to file written comments on, propose modifications or supplements to, or request a hearing on the proposed revisions for adoption with a proposed effective date of January 1, 2026.

Accordingly, IT IS ORDERED THAT:

- (1) This case is docketed and assigned Case No. SEC-2025-00024.
- (2) All comments and other documents and pleadings filed in this matter shall be submitted electronically to the extent authorized by Rule 5 VAC 5-20-150, Copies and format, of the Commission's Rules of Practice and Procedure.³ Confidential and Extraordinarily Sensitive Information shall not be submitted electronically and shall comply with Rule 5 VAC 5-20-170, Confidential information, of the Rules of Practice. Any person seeking to hand deliver and physically file or submit any pleading or other document shall contact the Clerk's Office Document Control Center at (804) 371-9838 to arrange the delivery.

(3) On or before October 7, 2025, any interested person may comment on, propose modifications or supplements to, or request a hearing on the proposed revisions by following the instructions on the Commission's website: scc.virginia.gov/case-information/Submit-Public-Comments.

Those unable, as a practical matter, to submit such documents electronically may file such comments by U.S. mail to the Clerk of the State Corporation Commission, c/o Document Control Center, P.O. Box 2118, 23218-2118. All documents shall refer to Case No. SEC-2025-00024. Any request for hearing shall state why a hearing is necessary and why the issues raised in the request for hearing cannot be addressed adequately in written comments.

- (4) The Division shall file its response to any comments filed pursuant to Ordering Paragraph 3 on or before November 4, 2025.
- (5) If a sufficient request for hearing is not received, the Commission may consider the matter and enter an order based upon the comments, documents or other pleadings filed in this proceeding.
- (6) The Division shall provide notice of this Order to any interested persons as the Division may designate.
- (7) The Commission's Office of General Counsel shall provide a copy of this Order, together with the proposed revisions, to the Virginia Registrar of Regulations for publication in the Virginia Register of Regulations.
- (8) Interested persons may download unofficial copies of the Order and the proposed revisions from the Commission's website: scc.virginia.gov/Case-Information.
- (9) This matter is continued.

A COPY hereof shall be sent by the Clerk of the Commission to: C. Meade Browder, Jr., Senior Assistant Attorney General, at mbrowder@oag.state.va.us, Office of the Attorney General, Division of Consumer Counsel, 202 N. 9th Street, 8th Floor, Richmond, Virginia 23219-3424; and the Commission's Office of General Counsel and the Director of Securities and Retail Franchising.

21VAC5-40-100. Domestic issuer limited transactional exemption.

A. In accordance with § 13.1-514 B 7 b of the Act, an offer or sale by the issuer of any of the following securities issued by a corporation, partnership, limited liability company, or real estate investment trust, as the case may be: note, stock, bond, debenture, evidence of indebtedness, partnership interest,

¹ Commonwealth of Virginia, ex rel. State Corporation Commission, Ex Parte: In the matter of Adopting a Revision to the Rules Governing the Virginia Securities Act, Case No. SEC-2017-00034, 2017 S.C.C. Ann. Rept. 610–11, Order Adopting Amended Rules (Nov. 20, 2017).

 $^{^2}$ The Virginia General Assembly is currently listed as an approved entity under Rule 21VAC5-100-10 D 16.

³ 5VAC5-20-10 et seq. State Corporation Commission Rules of Practice and Procedure ("Rules of Practice").

share of beneficial interest in a real estate investment trust, a warrant or right to purchase or subscribe to any of the foregoing or a security convertible into any of the foregoing, shall be exempt from the securities, broker-dealer, and agent registration requirements of the Act, provided the following conditions are met:

- 1. In connection with an offering pursuant to this section, there shall be no more than 35 purchasers in this Commonwealth during any period of 12 consecutive months;
- In connection with an offering pursuant to this section, the issuer shall:
 - a. Deliver Form VA-1 and in certain prescribed circumstances, Part 2 of Form VA-1 or a disclosure document containing the information required by Form VA-1 and Part 2, if required, to each prospective purchaser prior to a sale to a purchaser; and
 - b. Sell securities only to purchasers, each of which the issuer shall and, after reasonable inquiry, believe either that the purchaser:
 - (1) Has sufficient knowledge and experience in financial and business matters to be capable of evaluating the merits and risks of the prospective investment, and is able to bear the economic risks of the prospective investment; or
 - (2) Together with a purchaser representative or representatives, has sufficient knowledge and experience in financial and business matters to be capable of evaluating the merits and risks of the prospective investment, and that the purchaser is able to bear the economic risks of the prospective investment; and
- 3. No commission or similar remuneration is paid or given, directly or indirectly, for soliciting a prospective purchaser, or in connection with sales of securities in reliance on this section, unless paid to a broker-dealer and its the broker-dealer's agent who are registered under the Act and the securities are offered only to persons whose investing history demonstrates an ability to evaluate the merits and risks of the investment and who are capable of bearing the economic risks of the investment.
- B. This exemption is not available with respect to an offering:
- 1. Pursuant to a registration statement or Regulation A (17 CFR 230.251-230.263) notification which that has been filed under the Securities Act of 1933;
- 2. Pursuant to an exemption under Regulation D (17 CFR 230.505), which offering may be exempted in Virginia only by 21VAC5 40 30, Uniform Limited Offering Exemption;
- 3. 2. If the amount of money to be raised from the offering exceeds \$2,000,000 \$2 million;
- 4. 3. If the issuer has offered for sale or sold its securities which that are of the same or a similar class as that to be

- offered for sale or sold under this section within 180 days prior to this offering or if the issuer offers for sale or sells its securities that are of the same or a similar class as those offered and sold under this section within 180 days after this offering; or
- 5. 4. If the issuer does not have its principal place of business in this Commonwealth.
- C. An exemption under this section is not available if the issuer, its the issuer's directors, officers, partners, members, trustees, or beneficial owners of 10% or more of a class of its voting securities, or its the issuer's promoters or agents connected with it or a person offering or selling the securities for or on behalf of the issuer:
 - 1. Has been convicted (or has pleaded nolo contendere) within five years prior to reliance on this section of a felony or a misdemeanor in connection with the purchase or sale of a security, or in connection with making a false filing with the SEC or a state securities administrator or of a felony involving fraud or deceit, including but not limited to, forgery, embezzlement, obtaining money under false pretenses, larceny, conspiracy to defraud, or theft;
 - 2. Is subject to an order, judgment, or decree of a court of competent jurisdiction that temporarily or preliminarily restrains or enjoins, or is subject to an order, judgment, or decree of a court of competent jurisdiction, entered within five years prior to reliance on this section, which permanently restrains or enjoins a person from engaging in or continuing a practice or conduct in connection with the purchase or sale of a security, or involving the making of a false filling filing with the SEC or a state securities administrator;
 - 3. Is subject to a United States Postal Service false representation order entered within five years prior to reliance on this section; or
 - 4. Is subject to a state administrative order entered within five years prior to reliance on this section by a state securities administrator in which fraud or deceit was found.
- D. The issuer shall file with the commission 15 days prior to the first sale in this Commonwealth in reliance on this section:
 - 1. A copy of Form VA-1, including Part 2, if applicable or a disclosure document containing the information required by the Form form;
 - 2. An executed Consent to Service of Process (Form U2) appointing the Clerk of the commission as its the issuer's agent for service of process;
 - 3. An undertaking to promptly provide to the commission, upon request, additional information as the commission may require; and
 - 4. A nonrefundable filing fee of \$250 payable to the Treasurer of Virginia.

- 5. Should the filing not be timely made in accordance with this subsection, in addition to the filing fee set forth in this subsection, a late charge of \$250 will be assessed if filed within 90 days of the first sale in this Commonwealth, \$500 if filed within six months of the first sale, and \$750 if filed more than six months after the first sale.
- E. The issuer shall, within 30 days after the completion of the offering, file with the commission a report of sales indicating the number of purchasers in this Commonwealth, a description of the securities sold to such purchasers, and the total dollar amount raised.
- F. This section does not exempt persons or transactions from the anti-fraud provisions of the Act.
- G. The commission may deny the exemption if it the <u>commission</u> determines that a particular transaction or offering is not in the public interest.
- H. For purposes of this section and § 13.1-514 B 7 b of the Act, the following shall apply:
 - 1. Neither the issuer nor persons acting on its behalf shall offer or sell the securities by form of general solicitation or advertising, including but not limited to, the following:
 - a. "Cold calls" by telephone or other means, advertising, article, notice, or other communication published in a newspaper, newsletter, magazine, mass mailing, electronic media, or similar media or broadcast over television or radio; or
 - b. Seminars or meetings whose attendees have been invited by general solicitation or general advertising.
 - 2. Securities acquired in a transaction under this section shall not be resold without registration under or exemption from the Act. The issuer or a person acting on its the issuer's behalf shall exercise reasonable care to assure that the purchasers of the securities in an offering under this section are purchasing for investment and not with a view to distribution of the securities. Reasonable care shall include, but not be limited to, the following:
 - a. Reasonable inquiry to determine whether the purchaser is acquiring the securities for himself or for other persons;
 - b. Placement of a restrictive legend on the certificate or other document evidencing the securities. The legend shall be in the following form: THE SECURITIES REPRESENTED BY THIS CERTIFICATE (OR OTHER DOCUMENT) HAVE BEEN ISSUED PURSUANT TO CLAIM OF **EXEMPTION** FROM REGISTRATION OR QUALIFICATION PROVISIONS OF FEDERAL AND STATE SECURITIES LAWS AND SHALL NOT BE SOLD OR TRANSFERRED WITHOUT **COMPLIANCE** WITH THE REGISTRATION OR QUALIFICATION PROVISIONS **FEDERAL** APPLICABLE AND **STATE**

SECURITIES LAWS OR APPLICABLE EXEMPTIONS THEREFROM:

- c. Issuance of stop-transfer instructions to the issuer's transfer agent with respect to the securities, or, if the issuer transfers its the issuer's own securities, notation in the appropriate records of the issuer; and
- d. Obtaining from the purchaser a signed agreement that the securities will not be sold unless they the securities are registered under the Act or exempted from registration.
- 3. All sales that are part of the same offering under this section shall meet all the conditions of this section. Offers and sales that are made more than six months before the commencement of an offering under this section or are made more than six months after completion of an offering under this section will not be considered part of that offering, so long as during those six-month periods there are no offers or sales of securities by or on behalf of the issuer that are of the same or a similar class as those offered or sold under this section. If securities of the same or a similar class as those offered pursuant to this section are offered or sold less than six months before or after an offer or sale pursuant to this section, those offers to sell or sales, will be deemed to be "integrated" with the offering.
- I. In proceedings involving this section, the burden of proving the exemption or an exception from a definition or condition is upon the person claiming it.
- J. The exemption authorized by this section shall be known and may be cited as the "Domestic Issuer Limited Transactional Exemption."

21VAC5-40-140. Accredited investor exemption.

- A. In accordance with § 13.1-514 B 19 of the Act, any offer or sale of a security by an issuer in a transaction that meets the requirements of this section is exempt from the securities, broker-dealer, and agent registration requirements of the Act.
- B. Sales of securities shall be made only to persons who are or the issuer reasonably believes are "accredited investors," as that term is defined in 17 CFR 230.501(a), and who:
 - 1. Have sufficient knowledge and experience in financial and business matters to be capable of evaluating the merits and risks of the prospective investment, and are able to bear the economic risks of the prospective investment; or
 - 2. Together with a purchaser representative or representatives, have sufficient knowledge and experience in financial and business matters to be capable of evaluating the merits and risks of the prospective investment, and are able to bear the economic risks of the prospective investment.
- C. The exemption is not available to an issuer that is in the development stage that either has no specific business plan or purpose or has indicated that its business plan is to engage in a

merger or acquisition with an unidentified company or eompanies, or other entity or person.

- D. The issuer reasonably believes that all purchasers are purchasing for investment and not with the view to or for sale in connection with a distribution of the security. Any resale of a security sold in reliance on this exemption within 12 months of sale shall be presumed to be with a view to distribution and not for investment, except a resale pursuant to a registration statement effective under §§ 13.1-508 through 13.1-510 of the Act or to an accredited investor pursuant to an exemption available under the Act.
- E. 1. The exemption is not available to an issuer if the issuer, any of the issuer's predecessors, any affiliated issuer, any of the issuer's directors, officers, general partners, beneficial owners of 10% or more of any class of its equity securities, any of the issuer's promoters presently connected with the issuer in any capacity, any underwriter of the securities to be offered, or any partner, director, or officer of such underwriter:
 - a. Within <u>Has filed within</u> the last five years, has filed a registration statement which that is the subject of a currently effective registration stop order entered by any state securities administrator or the SEC;
 - b. Within Has been convicted within the last five years, has been convicted of any criminal offense in connection with the offer, purchase, or sale of any security, or involving fraud or deceit;
 - c. Is currently subject to any state or federal administrative enforcement order or judgment, entered within the last five years, finding fraud or deceit in connection with the purchase or sale of any security; or
 - d. Is currently subject to any order, judgment, or decree of any court of competent jurisdiction, entered within the last five years, temporarily, preliminarily, or permanently restraining or enjoining such party from engaging in or continuing to engage in any conduct or practice involving fraud or deceit in connection with the purchase or sale of any security.
 - 2. Subdivision 1 of this subsection shall not apply if:
 - a. The party subject to the disqualification is licensed or registered to conduct securities related business in the state in which the order, judgment, or decree creating the disqualification was entered against such party;
 - b. Before the first offer under this exemption, the state securities administrator, or the court or regulatory authority that entered the order, judgment, or decree, waives the disqualification; or
 - c. The issuer establishes that it did not know and in the exercise of reasonable care, based on a factual inquiry, could not have known that a disqualification existed under this section.
- F. A general announcement of the proposed offering may be made by any means. The general announcement shall include

- only the following information, unless additional information is specifically permitted by the commission:
 - 1. The name, address, and telephone number of the issuer of the securities;
 - 2. The name, <u>and</u> a brief description and price (if known) of any security to be issued;
 - 3. A description of the business of the issuer in 25 words or less:
 - 4. The type, number, and aggregate amount of securities being offered;
 - 5. The name, address, and telephone number of the person to contact for additional information; and
 - 6. A statement that:
 - a. Sales will only be made to accredited investors;
 - b. No money or other consideration is being solicited or will be accepted by way of this general announcement;
 - c. The securities have not been registered with or approved by any state securities agency or the SEC and are being offered and sold pursuant to an exemption from registration.
- G. The issuer, in connection with an offer, may provide information in addition to the general announcement under subsection F of this section, if such information:
 - 1. Is delivered through an electronic database that is restricted to persons who have been pre-qualified as accredited investors; or
 - 2. Is delivered if the issuer reasonably believes that the prospective purchaser is an accredited investor.
- H. No telephone solicitation shall be permitted unless, prior to placing the call, the issuer reasonably believes that the prospective purchaser to be solicited is an accredited investor.
- I. Dissemination of the general announcement of the proposed offering to persons who are not accredited investors shall not disqualify the issuer from claiming the exemption under this section.
- J. The issuer shall file with the commission no later than 15 days after the first sale in this Commonwealth from an offering being made in reliance upon this exemption (filing deadline):
 - 1. A notice on the Model Accredited Investor Exemption Uniform Notice of Transaction form.
 - 2. An executed consent of service of process (Form U-2) appointing the Clerk of the commission as its the issuer's agent for purpose of service of process, unless a currently effective consent to service of process is on file with the commission.
 - 3. A copy of the general announcement.

- 4. A nonrefundable filing fee of \$250 payable to the Treasurer of Virginia.
- 5. Should the filing not be timely made in accordance with this subsection, in addition to the filing fees set forth in this subsection, a late charge of \$250 will be assessed if filed within 90 days of the filing deadline, \$500 if filed within six months of the filing deadline, and \$750 if filed more than six months after the filing deadline.

21VAC5-40-210. Information to be furnished with exemption requests under § 13.1-514.1 B of the Act; post-effective amendments.

- A. A person requesting that a security receive an exemption from the requirements of § 13.1-507 of the Act pursuant to § 13.1-514.1 B of the Act must submit an application to the division that includes:
 - 1. Type of security offered;
 - 2. The amount the offering is seeking to raise;
 - 3. Form U-2;
 - 4. Form U-2A (if applicable);
 - 5. Offering circular or prospectus;
 - 6. NASAA Cross-Reference Sheet (if applicable);
 - 7. Proof or statement in support of exemption;
 - 8. Legal opinion of counsel;
 - 9. Articles or certificate of organization;
 - 10. Bylaws or corporate governance documents;
 - 11. Other material information known to the applicant; and
 - 12. Any other information that the division may request.
- B. If an agent of the issuer is to be used in connection with the offering, the applicant must file an application pursuant to 21VAC5-20-160. If the agent of the issuer is not being compensated or remunerated for the sales, the applicant may request a waiver of the examination requirements under 21VAC5-20-160 B 3 by satisfying the requirements of 21VAC5-20-220 B 1.
- C. For securities previously exempted under this section that are part of a continuous offering, the issuer may file a post-effective amendment with the division that includes the annual updated offering document within 120 days after the end of the issuer's fiscal year. Post-effective amendments under this subsection are not allowed for any of the following:
 - 1. The amount of securities being offered changes;
 - 2. The type of security being offered changes; or
 - 3. The person offering the security to the public changes from the previously issued order of exemption.

21VAC5-45-20. Offerings conducted pursuant to Rule 506 of Federal Regulation D (17 CFR 230.506): filing requirements and issuer-agent exemption.

- A. An issuer offering a security that is a covered security under § 18 (b)(4)(D) of the Securities Act of 1933 (15 USC § 77r(b)(4)(D)) shall file with the commission no later than 15 days after the first sale of such federal covered security in this Commonwealth (filing deadline):
 - 1. A notice on SEC Form D (17 CFR 239.500), as filed with the SEC.
 - 2. A filing fee of \$250 payable to the Treasurer of Virginia.
- B. An amendment filing shall contain a copy of the amended SEC Form D. No fee is required for an amendment.
- C. For the purpose of this chapter, SEC "Form D" is the document, as adopted by the SEC entitled "Form D, Notice of Exempt Offering of Securities."
- D. Pursuant to § 13.1-514 B 13 of the Act, an agent of an issuer who effects transactions in a security exempt from registration under the Securities Act of 1933 pursuant to rules and regulations promulgated under § 4(2) thereof (15 USC § 77d(2)) is exempt from the agent registration requirements of the Act.
- E. Should the filing not be timely made in accordance with subsection A of this section, in addition to the filing fee set forth in subsection A of this section, a late charge of \$250 will be assessed if filed within 90 days of the filing deadline, \$500 if filed within six months of the filing deadline, and \$750 if filed more than six months of the filing deadline.

21VAC5-45-30. Federal Regulation A Tier 2 offerings.

- A. An issuer planning to offer and sell securities in this Commonwealth in an offering exempt under Tier 2 of federal Regulation A (17 CFR 230.251 through 17 CFR 230.263) and § 18(b)(3) or 18(b)(4) of the Securities Act of 1933 (15 USC § 77a) shall submit the following at least 21 calendar days prior to the initial sale in this Commonwealth:
 - 1. A completed Regulation A Tier 2 notice filing form or copies of all documents filed with the U.S. Securities and Exchange Commission;
 - 2. A consent to service of process on Form U-2 if not filing on the Regulation A Tier 2 notice filing form; and
 - 3. A filing fee of \$500 payable the Treasurer of Virginia.
- B. The initial notice filing is effective for 12 months from the date of the filing with this Commonwealth. For each additional 12-month period in which the same offering is continued, an issuer conducting a Tier 2 offering under federal Regulation A may renew its notice filing by filing the following on or before the expiration of the notice filing:

- 1. The Regulation A Tier 2 notice filing form marked "renewal" or a cover letter or other document requesting renewal; and
- 2. A renewal fee in the amount of \$250 payable to the Treasurer of Virginia.
- C. An issuer may increase the amount of securities offered in this Commonwealth by submitting a Regulation A Tier 2 notice filing form marked "amendment" or other document describing the transaction.
- D. Should the filing not be timely made in accordance with subsection A of this section, in addition to the filing fee set forth in subsection A of this section, a late charge of \$250 will be assessed if filed within 90 days of the initial sale in this Commonwealth, \$500 if filed within six months of the initial sale, and \$750 if filed more than six months after the initial sale.

21VAC5-100-10. Disclosure of confidential information.

- A. This section governs the disclosure by the commission of information or documents obtained or prepared by any member, subordinate, or employee of the commission in the course of any examination or investigation conducted pursuant to the provisions of the Securities Act (§ 13.1-501 et seq. of the Code of Virginia). It is designed to implement the provisions of §§ 13.1-518 and 13.1-567 that permit disclosure of information to governmental and quasi-governmental entities approved by rule of the commission.
- B. The Director of the Division of Securities and Retail Franchising or the director's designee is hereby authorized to disclose information to the entities enumerated in subsections D, E, and F of this section. Disclosure shall be made only for the purpose of aiding in the detection or prevention of possible violations of law or to further administrative, legislative, or judicial action resulting from possible violations of law. As a condition precedent to disclosure, a writing shall be obtained from the receiving entity undertaking that it will exercise reasonable measures to preserve the confidential nature of the information.
- C. Disclosure may be made only under the following circumstances:
 - 1. In response to an entity's request for information relating to a specific subject or person.
 - 2. By disseminating to an entity information which that may indicate a possible violation of law within the administrative, regulatory, or enforcement responsibility of that entity.
 - 3. To participate in a centralized program or system designed to collect and maintain information pertaining to possible violations of securities, investment advisory, retail franchising, or related laws.
 - 4. To the extent necessary for participation in coordinated examinations or investigations.

- D. The following are approved governmental entities (including any agencies, bureaus, commissions, divisions, or successors thereof) of the United States:
 - 1. Board of Governors of the Federal Reserve System or any Federal Reserve Bank.
 - 2. Commodity Futures Trading Commission.
 - 3. Congress of the United States, including either House, or any committee or subcommittee thereof.
 - 4. Department of Defense.
 - 5. Department of Housing and Urban Development.
 - 6. Department of Justice.
 - 7. Department of Treasury.
 - 8. Federal Deposit Insurance Corporation.
 - 9. Office of Thrift Supervision.
 - 10. Federal Trade Commission.
 - 11. Postal Service.
 - 12. Securities and Exchange Commission.
 - 13. Comptroller of the Currency.
 - 14. Federal Bureau of Investigation.
 - 15. Department of Homeland Security.
 - 16. Office of the Inspector General.
 - <u>17.</u> Any other federal agency or instrumentality which that demonstrates a need for access to confidential information.
 - 16. Virginia General Assembly, including the House or the Senate, or any committee or subcommittee thereof.
- E. The following are approved nonfederal governmental entities:
- 1. <u>Virginia General Assembly, including the House of Delegates or the Virginia Senate, or any committee or subcommittee thereof.</u>
- 2. Any Virginia governmental agency or instrumentality that demonstrates a need for access to confidential information.
- <u>3.</u> The securities or retail franchising regulatory entity of any state, territory, or possession of the United States, the District of Columbia, and the Commonwealth of Puerto Rico, state legislative bodies and state and local law-enforcement entities involved in the detection, investigation, or prosecution of violations of law.
- 2. 4. The securities or retail franchising regulatory entity of any foreign country, whether such entity is on a national, provincial, regional, state, or local level, and law-enforcement entities within such countries.
- F. The following are approved quasi-governmental entities:
- 1. Municipal Securities Rulemaking Board.

- 2. National Association of Attorneys General.
- 3. NASAA.
- 4. Securities Investor Protection Corporation.
- 5. National White Collar Crime Center.
- 6. FINRA.
- 7. Any other quasi-governmental entity that demonstrates a need for access to confidential information.

VA.R. Doc. No. R26-8356; Filed August 11, 2025, 5:31 p.m.

GOVERNOR

EXECUTIVE ORDER NUMBER FIFTY-TWO (2025)

STRENGTHENING OVERSIGHT OF VIRGINIA'S NURSING HOMES

By virtue of the authority vested in me as Governor of the Commonwealth of Virginia, I hereby issue this Executive Order to direct executive agencies to take all actions within their statutory authority to strengthen oversight of Virginia's nursing homes.

Importance of the Initiative

The Commonwealth of Virginia currently has nearly 300 licensed nursing homes with nearly 33,000 beds providing critical care for one of Virginia's most vulnerable populations. All but eight nursing homes are certified to receive federal reimbursement from Medicare and Medicaid.

The Office of Licensure and Certification (OLC) at the Virginia Department of Health (VDH) conducts state licensure inspections to ensure compliance with state laws and regulations. OLC also conducts federal certification surveys, on behalf of the Centers for Medicare and Medicaid Services (CMS), to ensure compliance with federal regulations. The Office also receives and investigates consumer complaints regarding the quality of health care services provided in facilities.

Virginia requires on-site inspections of nursing homes every two years, and CMS requires on-site federal surveys every 15.9 months. This work is conducted by OLC's medical facility inspectors (MFI), who are healthcare professionals, including physicians, registered nurses, dietitians, and social workers.

Currently, OLC is facing significant operational challenges marked by a significant (42%) vacancy rate among inspectors—reflecting national trends in surveyor workforce shortages. In addition, the number of long-term care complaints received by OLC has significantly increased, placing additional strain on our workforce. In 2024, OLC received 730 complaints, and has already received 1,079 complaints to date in 2025, 279 of which are high priority complaints posing immediate jeopardy to nursing home residents. Further, OLC has been overly reliant on manual processes, lacking automation and technological innovation to handle complaints and manage workflows, contributing to backlogs and delays in meeting regulatory mandates.

Virginia has made important progress in strengthening oversight of our nursing homes, including passing bipartisan legislation to fully fund nursing home inspectors and licensing staff (Chapters 254 and 265 of the 2025 Acts of Assembly) and granting the State Health Commissioner the authority to impose intermediary sanctions on non-compliant facilities (Chapters 166 and 180 of the 2025 Acts of Assembly).

In addition, VDH is proactively transforming the work of OLC, emphasizing transparent communication, staff development, and devoting resources to recruitment and retention. While

these efforts have laid a strong foundation, additional work must be done. Continued focus and investment in recruitment and retention, training, and process redesign is essential to sustain this momentum. But our work is far from finished—additional and immediate action is necessary to protect Virginians.

Directive

Accordingly, pursuant to the authority vested in me as Chief Executive Officer of the Commonwealth, and pursuant to Article V of the Constitution and the laws of the Commonwealth, I hereby order the Virginia Department of Health (VDH) and the State Health Commissioner to take all steps within their statutory authority to improve nursing home quality and accountability by taking the following actions:

Increase Virginia Department of Health Office of Licensure & Certification Workforce Capacity

The Virginia Department of Health's Office of Licensure and Certification (OLC) shall:

By December 31, 2025, ensure all open Medical Facility Inspector (MFI) positions are filled by qualified individuals or those in training. OLC shall establish weekly and monthly targets to achieve this requirement.

Initiate a robust recruitment campaign to address these vacancies.

Establish an OLC recruitment dashboard to track and monitor vacancies. VDH shall provide weekly updates to the Secretary of Health & Human Resources to monitor progress towards recruitment and retention goals.

Utilize all traditional and non-traditional recruiting measures to cross-market for open OLC positions, such as connecting with the Department of Veterans Services, Virginia Works, and the Department of Health Professions.

Fast-track ongoing recruitment and retention activities, and utilize all available measures, such as financial incentives, paid overtime, staff redeployment, and front-loaded time off, mirroring private sector practices.

Establish a Northern Virginia regional OLC office to house a dedicated Northern Virginia inspection team to reduce travel and immediately incentivize hiring and retention efforts.

Accelerate Training and Onboarding Initiatives

Establish a dedicated OLC Training Manager to lead the development and implementation of comprehensive staff training initiatives. This role will be instrumental in building organizational capacity and strengthening workforce readiness.

Develop formal partnerships and memoranda of understanding with comparable peer states to increase training, onboarding, and precepting opportunities.

Partner with the Centers for Medicare and Medicaid Services to facilitate the coordinated sharing of state resources on long-term and acute care.

Create a formal onboarding plan to support future recruitment and retention, such as assigning incoming MFIs to a qualified preceptor before their start date for consistent orientation and training.

Assess Workflow Automation and Process Redesign

Establish a Complaint Coordinator staff position to focus on complaint intake and serve as a central point for managing complaints related to nursing homes, ensuring timely, transparent, and consistent handling of concerns.

Coordinate with the VDH Chief Information Officer, the Virginia Information Technology Agency, and the Office of Regulatory Management to assess the feasibility of utilizing Artificial Intelligence (AI) and automating tasks to reduce paperwork and administrative burdens, enabling licensing staff to focus on health and safety and increase the rate of complaint processing.

Advance Nursing Home Oversight and Accountability

The State Health Commissioner shall convene an Advisory Board on Nursing Home Oversight and Accountability ("Advisory Board") by September 15, 2025. The Advisory Board shall advise the Commissioner on quality oversight initiatives that elevate standards across nursing homes and offer recommendations on policies and practices that improve resident well-being and quality of care. The Advisory Board members shall be designated by the Secretary of Health & Human Resources and shall include providers and geriatricians who have worked in nursing home facilities, other health care workers with experience in nursing homes, advocates and external stakeholders, including the state Long-Term Care Ombudsman, and other individuals as designated by the Secretary. The Secretary shall appoint the Chair of the Advisory Board.

The Advisory Board shall provide an annual report to the Governor outlining recommendations, including budgetary, legislative, or administrative measures, with the goal of improving nursing home quality and oversight.

By November 15, 2025, VDH shall develop and maintain a publicly accessible nursing home information portal that consolidates and displays publicly available information, including inspection and survey results, disciplinary actions, and key facility performance metrics, to provide Virginians with clear and transparent insight into nursing home quality and compliance.

Effective Date

This Executive Order shall be effective upon its signing and shall remain in full force and effect unless amended or rescinded by further executive order or directive. Given under my hand and under the Seal of the Commonwealth of Virginia, this 11th day of August 2025.

/s/ Glenn Youngkin, Governor

GUIDANCE DOCUMENTS

PUBLIC COMMENT OPPORTUNITY

Pursuant to § 2.2-4002.1 of the Code of Virginia, a certified guidance document is subject to a 30-day public comment period after publication in the Virginia Register of Regulations and prior to the guidance document's effective date. During the public comment period, comments may be made through the Virginia Regulatory Town Hall website (http://www.townhall.virginia.gov) or sent to the agency contact. Under subsection C of § 2.2-4002.1, the effective date of the guidance document may be delayed for an additional period. The guidance document may also be withdrawn.

The following guidance documents have been submitted for publication by the listed agencies for a public comment period. Online users of this issue of the Virginia Register of Regulations may click on the name of a guidance document to access it. Guidance documents are also available on the Virginia Regulatory Town Hall (http://www.townhall.virginia.gov) or from the agency contact or may be viewed at the Office of the Registrar of Regulations, General Assembly Building, 201 North Ninth Street, Fourth Floor, Richmond, Virginia 23219.

BOARD FOR ARCHITECTS, PROFESSIONAL ENGINEERS, LAND SURVEYORS, CERTIFIED INTERIOR DESIGNERS AND LANDSCAPE ARCHITECTSVIRGINIA BOARD FOR ASBESTOS, LEAD, AND HOME INSPECTORS

AUCTIONEERS BOARD

BOARD FOR BARBERS AND COSMETOLOGY

BOARD FOR BRANCH PILOTS

CEMETERY BOARD

COMMON INTEREST COMMUNITY BOARD

BOARD FOR CONTRACTORS

FAIR HOUSING BOARD

BOARD FOR HEARING AID SPECIALISTS AND OPTICIANS
DEPARTMENT OF PROFESSIONAL AND OCCUPATIONAL REGULATION

REAL ESTATE APPRAISER BOARD

REAL ESTATE BOARDBOARD FOR PROFESSIONAL SOIL SCIENTISTS, WETLAND PROFESSIONALS, AND GEOLOGISTS

BOARD FOR WASTE MANAGEMENT FACILITY OPERATORS

BOARD FOR WATERWORKS AND WASTEWATER WORKS OPERATORS AND ONSITE SEWAGE SYSTEM PROFESSIONALS

<u>Titles of Documents:</u> Alternative Dispute Resolution.

Establishing, Revising, and Repealing Department Policy.

License Suspensions.

Subpoenas, Service of Process, and Notices.

Public Comment Deadline: October 8, 2025.

Effective Date: October 9, 2025.

<u>Agency Contact:</u> Joe Haughwout, Regulatory Affairs Manager, Department of Professional and Occupational Regulation, Perimeter Center, 9960 Mayland Drive, Suite 400, Richmond, VA 23233, telephone (804) 367-8566, or email joseph.haughwout@dpor.virginia.gov.

Guidance Documents

BOARD OF COUNSELING

<u>Title of Document:</u> Approved Degrees in Human Services and Related Fields for Qualified Mental Health Professional Registration.

Public Comment Deadline: October 8, 2025.

Effective Date: October 9, 2025.

Agency Contact: Erin Barrett, Director of Legislative and Regulatory Affairs, Department of Health Professions, Perimeter Center, 9960 Mayland Drive, Suite 300, Henrico, VA 23233, telephone (804) 750-3912, or email erin.barrett@dhp.virginia.gov.

STATE BOARD OF EDUCATION

<u>Titles of Documents:</u> Board of Education Approved Industry Certifications, Occupational Competency Assessments, and Professional Licenses.

Child Care Subsidy Program Guidance Manual.

Preventive Maintenance Manual for Virginia School Buses.

Virginia School Bus Specifications.

Public Comment Deadline: October 8, 2025.

Effective Date: October 9, 2025.

Agency Contact: Jim Chapman, Director of Board Relations, Department of Education, James Monroe Building, 101 North 14th Street, 25th Floor, Richmond, VA 23219, telephone (804) 750-8750, or email jim.chapman@doe.virginia.gov.

STATE WATER CONTROL BOARD

Title of Document: Local and Regional Water Supply Planning Regulation Guidance.

Public Comment Deadline: October 8, 2025.

Effective Date: October 9, 2025.

Agency Contact: Hannah Somers, Department of Environmental Quality, 1111 East Main Street, Suite 1400, P.O. Box 1105, Richmond, VA 23218, telephone (804) 814-2780, or email hannah.somers@deq.virginia.gov.

The following guidance documents have been submitted for deletion and the listed agencies have opened up a 30-day public comment period. The listed agencies had previously identified these documents as certified guidance documents, pursuant to § 2.2-4002.1 of the Code of Virginia. Online users of this issue of the Virginia Register of Regulations may click on the name of a guidance document to view the deleted document and comment. This information is also available on the Virginia Regulatory Town Hall (http://www.townhall.virginia.gov) or from the agency contact.

BOARD OF HEALTH PROFESSIONS

<u>Titles of Documents:</u> Appropriate Criteria in Determining the Need for Regulation of Any Health Care Occupation or Professions.

Bylaws of the Board of Health Professions.

Public Comment Deadline: October 8, 2025.

Effective Date: October 9, 2025.

<u>Agency Contact:</u> Erin Barrett, Director of Legislative and Regulatory Affairs, Department of Health Professions, Perimeter Center, 9960 Mayland Drive, Suite 300, Henrico, VA 23233, telephone (804) 750-3912, or email erin.barrett@dhp.virginia.gov.

GENERAL NOTICES

DEPARTMENT OF ENVIRONMENTAL QUALITY

Proposed Enforcement Action for Self I Solar LLC

The Department of Environmental Quality (DEQ) is proposing an enforcement action for Self I Solar LLC for violations of State Water Control Law and regulations at the Self I Solar facility in Richmond County, Virginia. The proposed order is available at the DEQ contact listed or online at https://www.deq.virginia.gov/our-programs/enforcement/final-orders. The DEQ contact will accept written comments from September 8, 2025, through October 8, 2025.

<u>Contact Information:</u> Cara Witte, Enforcement Specialist, Department of Environmental Quality, Piedmont Regional Office, 4949-A Cox Road, Glen Allen, VA 23060, or email cara.witte@deq.virginia.gov.

Proposed Enforcement Action for Town of Lebanon

The Department of Environmental Quality (DEQ) is proposing an enforcement action for the Town of Lebanon for violations of the State Water Control Law and regulations in Russell County, Virginia. The proposed order is available from the DEQ contact listed or at https://www.deq.virginia.gov/our-programs/enforcement/final-orders. The DEQ contact will accept written comments from August 25, 2025, through October 8, 2025.

<u>Contact Information:</u> Jonathan Chapman, Enforcement Specialist, Department of Environmental Quality, Southwest Regional Office, 355-A Deadmore Street, Abingdon, VA 24210, or email jonathan.chapman@deq.virginia.gov.

Mt. Jackson Solar II LLC Withdrawal of Notice of Intent for a Small Renewable Energy Project (Solar) - Permit by Rule - Shenandoah County

Mt. Jackson Solar II LLC has withdrawn its notice of intent for RE0000096, a 19-megawatt project proposed in Shenandoah County, Virginia. The original notice was posted in 35:8 VA.R. 1087 December 10, 2018.

<u>Contact Information:</u> Susan Tripp, Program Manager, Department of Environmental Quality, P.O. Box 1105, Richmond, VA 23218, telephone (804) 664-3470, or email susan.tripp@deq.virginia.gov.

Mt. Jackson Solar III LLC Withdrawal of Notice of Intent for a Small Renewable Energy Project (Solar) - Permit by Rule - Shenandoah County

Mt. Jackson Solar III LLC has withdrawn its notice of intent for RE0000124, a 16.2-megawatt project proposed in Shenandoah County, Virginia. The original notice was posted in 35:8 VA.R. 1087 December 10, 2018.

<u>Contact Information:</u> Susan Tripp, Program Manager, Department of Environmental Quality, P.O. Box 1105, Richmond, VA 23218, telephone (804) 664-3470, or email susan.tripp@deq.virginia.gov.

VIRGINIA CODE COMMISSION

Notice to State Agencies

Contact Information: *Mailing Address:* Virginia Code Commission, Pocahontas Building, 900 East Main Street, 8th Floor, Richmond, VA 23219; *Telephone:* (804) 698-1810; *Email:* varegs@dls.virginia.gov.

Meeting Notices: Section 2.2-3707 C of the Code of Virginia requires state agencies to post meeting notices on their websites and on the Commonwealth Calendar at https://commonwealthcalendar.virginia.gov.

Cumulative Table of Virginia Administrative Code Sections Adopted, Amended, or Repealed: A table listing regulation sections that have been amended, added, or repealed in the *Virginia Register of Regulations* since the regulations were originally published or last supplemented in the print version of the Virginia Administrative Code is available at http://register.dls.virginia.gov/documents/cumultab.pdf.

Filing Material for Publication in the Virginia Register of Regulations: Agencies use the Regulation Information System (RIS) to file regulations and related items for publication in the Virginia Register of Regulations. The Registrar's office works closely with the Department of Planning and Budget (DPB) to coordinate the system with the Virginia Regulatory Town Hall. RIS and Town Hall complement and enhance one another by sharing pertinent regulatory information.

ERRATA

STATE WATER CONTROL BOARD

<u>Titles of Regulations:</u> **9VAC25-660. Virginia Water Protection General Permit for Impacts Less Than One- Half Acre.**

9VAC25-670. Virginia Water Protection General Permit for Facilities and Activities of Utility and Public Service Companies Regulated by the Federal Energy Regulatory Commission or the State Corporation Commission and Other Utility Line Activities.

9VAC25-680. Virginia Water Protection General Permit for Linear Transportation Projects.

9VAC25-690. Virginia Water Protection General Permit for Impacts from Development and Certain Mining Activities.

Publication: 42:1 VA.R. 93-142; August 25, 2025.

Correction to Proposed Regulations:

Pages 93, 102, 115, and 128, after "Public Hearing Information:" replace "No public hearing is currently scheduled." with "October 15, 2025 - 11 a.m. - Department of Environmental Quality, Piedmont Regional Office Training Room, 4949-A Cox Road, Glen Allen, VA 23060."

VA.R. Doc. No. R25-8056; Filed August 25, 2025, 10:55 a.m.

Errata