

QUESTIONNAIRE FOR FILING PROPOSED RULES AND REGULATIONS
WITH THE ARKANSAS LEGISLATIVE COUNCIL AND JOINT INTERIM COMMITTEE

DEPARTMENT/AGENCY: Contractors Licensing Board
DIVISION: N/A
DIVISION DIRECTOR: Gregory L. Crow
CONTACT PERSON: Gregory L. Crow/Lizabeth Lookadoo
ADDRESS: 4100 Richards Road, North Little Rock, AR 72117
PHONE NO. (501) 371-1500 FAX NO. (501) 372-2247 E-MAIL gregory.crow@arkansas.gov
NAME OF PRESENTER AT COMMITTEE MEETING: Gregory L. Crow
PRESENTER E-MAIL gregory.crow@arkansas.gov

INSTRUCTIONS

- A. Please make copies of this form for future use.
B. Please answer each question **completely** using layman terms. You may use additional sheets if necessary.
C. If you have a method of indexing your rules, please give the proposed citation after "Short Title of this Rule" below.
D. Submit two (2) copies of this questionnaire and financial impact statement attached to the front of two (2) copies of the proposed rule and required documents. Mail or deliver to:

Donna K. Davis
Administrative Rules Review Section
Arkansas Legislative Council
Bureau of Legislative Research
One Capitol Mall, 5th Floor
Little Rock, AR 72201

1. What is the short title of this rule? Classification and Experience
2. What is the subject of the proposed rule? The number of years of experience needed to obtain a specialty license
3. Is this rule required to comply with a federal statute, rule or regulation? No
If yes, please provide the federal rule, regulation, and/or citation.
4. Was this rule filed under the emergency provisions of the Administrative Procedure Act? No
If yes, what is the effective date of the emergency rule?

When does the emergency rule expire?

Will this emergency rule be promulgated under the permanent provisions of the Administrative Procedure Act?
5. Is this a new rule? No
If yes, please provide a brief summary explaining the regulation.

Does this repeal an existing rule?

If yes, a copy of the repealed rule is to be included with your completed questionnaire. If it is being replaced with a new rule, please provide a summary of the rule giving an explanation of what the rule does.

Is this an amendment to an existing rule?

If yes, please attach a mark-up showing the changes in the existing rule and a summary of the substantive changes. **Note: The summary should explain what the amendment does, and the mark-up copy should be clearly labeled "mark-up."**

6. Cite the state law that grants the authority for this proposed rule? If codified, please give the Arkansas Code citation. 17-25-203(a)
7. What is the purpose of this proposed rule? Why is it necessary? This rule modification changes the number of years experience necessary to obtain a specialty classification. The number of years is being reduced from 5 years to 1 year.
8. Please provide the address where this rule is publicly accessible in electronic form via the Internet as required by Arkansas Code §25-19-108(b). Arkansas.gov/clb
9. Will a public hearing be held on this proposed rule?
If yes, please complete the following:
Date: September 7, 2017
Time: 9:00 a.m.
Place: 4100 Richards Road, North Little Rock, Arkansas 72117
10. When does the public comment period expire for permanent promulgation? (Must provide a date.) September 7, 2017
11. What is the proposed effective date of this proposed rule? (Must provide a date.) 10 days after final filing of the Rule
12. Do you expect this rule to be controversial? No
If yes, please explain.
13. Please give the names of the persons, groups, or organizations that you expect to comment on these rules? Please provide their position (for or against) if known.
The Associated General Contractors of Arkansas
Associated Builders and Contractors of Arkansas
The Arkansas Subcontractors Association

FINANCIAL IMPACT STATEMENT

PLEASE ANSWER ALL OF THE QUESTIONS COMPLETELY

DEPARTMENT Contractors Licensing Board

DIVISION N/A

PERSON COMPLETING THIS STATEMENT Gregory L. Crow

TELEPHONE NO. (501) 371-1500 **FAX NO.** (501) 372-2247 **E-MAIL:** gregory.crow@arkansas.gov

To comply with Ark. Code Ann. §25-15-204(e), please complete the following Financial Impact Statement and file two copies with the questionnaire and proposed rules.

SHORT TITLE OF THIS RULE: Classification and Experience

1. Does this proposed, amended, or repealed rule have a financial impact: No
2. Is the rule based on the best reasonably obtainable scientific, technical, Economic, or other evidence and information available concerning the Need for, consequences of, and alternatives to the rule? Yes
3. In consideration of the alternatives to this rule, was this rule determined by The agency to be the least costly rule considered? Yes

If an agency is proposing a more costly rule, please state the following:

- (a) How the additional benefits of the more costly rule justify its additional cost;

- (b) The reason for adoption of the more costly rule?

- (c) Whether the more costly rule is based on the interests of public health, safety, or welfare, and if so, please explain; and:

- (d) Whether the reason is within the scope of the agency's statutory authority; and if so, please explain.

4. If the purpose of this rule is to implement a federal rule or regulation, please state the following:

- (a) What is the cost to implement the federal rule or regulation? N/A

Current Fiscal Year

General Revenue _____
Federal Funds _____
Cash Funds _____
Special Revenue _____
Other (Identify) _____

Next Fiscal Year

General Revenue _____
Federal Funds _____
Cash Funds _____
Special Revenue _____
Other (Identify) _____

Total _____

Total _____

(b) What is the additional cost of the state rule?

Current Fiscal Year

General Revenue _____
Federal Funds _____
Cash Funds _____
Special Revenue _____
Other (Identify) _____

Total _____

Next Fiscal Year

General Revenue _____
Federal Funds _____
Cash Funds _____
Special Revenue _____
Other (Identify) _____

Total _____

5. What is the total estimated cost by fiscal year to any private individual, entity and business subject to the proposed, amended, or repealed rule? Identify the entity(ies) subject to the proposed rule and explain how they are affected.

Current Fiscal Year

\$ None

Next Fiscal Year

\$ None

6. What is the total estimated cost by fiscal year to state, county, and municipal government to implement this rule? Is this the cost of the program or grant? Please explain how the government is affected.

Current Fiscal Year

\$ None

Next Fiscal Year

\$ None

7. With respect to the agency's answers to Questions #5 and #6 above, is there a new or increased cost or obligation of at least one hundred thousand dollars (\$100,000) per year to a private individual, private entity, private business, state government, county government, municipal government, or to two (2) or more of those entities combined?

No

If YES, the agency is required by Ark. Code Ann. §25-15-204(e)(4) to file written findings at the time of filing the financial impact statement. The written findings shall be filed simultaneously with the financial impact statement and shall include, without limitation, the following:

- (1) a statement of the rule's basis and purpose;
- (2) the problem the agency seeks to address with the proposed rule, including a statement of whether a rule is required by statute;
- (3) a description of the factual evidence that:
 - (a) justifies the agency's need for the proposed rule; and
 - (b) describes how the benefits of the rule meet the relevant statutory objectives and justify the rules costs;

- (4) a list of less costly alternatives to the proposed rule and the reasons why the alternatives do not adequately address the problem to be solved by the proposed rule;
- (5) a list of alternatives to the proposed rule that were suggested as a result of the public comment and the reasons why the alternatives do not adequately address the problem to be solved by the proposed rule;
- (6) a statement of whether existing rules have created or contributed to the problem the agency seeks to address with the proposed rule and, if existing rules have created or contributed to the problem, an explanation of why amendment or repeal of the rule creating or contributing to the problem is not a sufficient response; and
- (7) an agency plan for review of the rule no less than every ten (10) years to determine whether, based upon the evidence, there remains a need for the rule including, without limitation, whether:
 - (a) the rule is achieving the statutory objectives;
 - (b) the benefits of the rule continue to justify its costs; and
 - (c) the rule can be amended or repealed to reduce costs while continuing to achieve the statutory objectives.

**MARK UP COPY OF PROPOSED
CHANGE TO RULE 224-25-5(b)**

224-25-5 CLASSIFICATION & EXPERIENCE

(b) All applications for new and renewal of license with a classification of Heavy Construction (HC), Highway, Railroad & Airport Construction (HRA), Municipal & Utility Construction (MU), Building (B), Light Building (LB), Mechanical (M) or Electrical (E) must show a minimum of five (5) years appropriate experience. All applications for new and renewal of license with a specialty classification must show a minimum of one (1) year appropriate experience.

**CLEAN VERSION OF PROPOSED
CHANGE TO RULE 224-25-5(b)**

224-25-5 CLASSIFICATION & EXPERIENCE

(b) All applications for new and renewal of license with a classification of Heavy Construction (HC), Highway, Railroad & Airport Construction (HRA), Municipal & Utility Construction (MU), Building (B), Light Building (LB), Mechanical (M) or Electrical (E) must show a minimum of five (5) years appropriate experience. All applications for new and renewal of license with a specialty classification must show a minimum of one (1) year appropriate experience.

**SUMMARY OF PROPOSED
CHANGE TO RULE 224-25-5(b)**

This rule modification changes the number of years experience necessary to obtain a license with a specialty classification. The number of years is being reduced from 5 years to 1 year.

QUESTIONNAIRE FOR FILING PROPOSED RULES AND REGULATIONS
WITH THE ARKANSAS LEGISLATIVE COUNCIL AND JOINT INTERIM COMMITTEE

DEPARTMENT/AGENCY: Contractors Licensing Board
DIVISION: N/A
DIVISION DIRECTOR: Gregory L. Crow
CONTACT PERSON: Gregory L. Crow/Lizabeth Lookadoo
ADDRESS: 4100 Richards Road, North Little Rock, AR 72117
PHONE NO. (501) 371-1500 FAX NO. (501) 372-2247 E-MAIL gregory.crow@arkansas.gov
NAME OF PRESENTER AT COMMITTEE MEETING: Gregory L. Crow
PRESENTER E-MAIL gregory.crow@arkansas.gov

INSTRUCTIONS

- A. Please make copies of this form for future use.
- B. Please answer each question completely using layman terms. You may use additional sheets if necessary.
- C. If you have a method of indexing your rules, please give the proposed citation after "Short Title of this Rule" below.
- D. Submit two (2) copies of this questionnaire and financial impact statement attached to the front of two (2) copies of the proposed rule and required documents. Mail or deliver to:

Donna K. Davis
Administrative Rules Review Section
Arkansas Legislative Council
Bureau of Legislative Research
One Capitol Mall, 5th Floor
Little Rock, AR 72201

- 1. What is the short title of this rule? Classification and Experience
- 2. What is the subject of the proposed rule? Modification to the license classifications
- 3. Is this rule required to comply with a federal statute, rule or regulation? No
If yes, please provide the federal rule, regulation, and/or citation.
- 4. Was this rule filed under the emergency provisions of the Administrative Procedure Act? No
If yes, what is the effective date of the emergency rule?

When does the emergency rule expire?

Will this emergency rule be promulgated under the permanent provisions of the Administrative Procedure Act?

- 5. Is this a new rule? No
If yes, please provide a brief summary explaining the regulation.

Does this repeal an existing rule?

No

If yes, a copy of the repealed rule is to be included with your completed questionnaire. If it is being replaced with a new rule, please provide a summary of the rule giving an explanation of what the rule does.

Is this an amendment to an existing rule?

Yes

If yes, please attach a mark-up showing the changes in the existing rule and a summary of the substantive changes. **Note: The summary should explain what the amendment does, and the mark-up copy should be clearly labeled "mark-up."**

6. Cite the state law that grants the authority for this proposed rule? If codified, please give the Arkansas Code citation. 17-25-203(a)
7. What is the purpose of this proposed rule? Why is it necessary? This rule modifies the license classifications to clarify some classifications and to raise the amount of work, per project, that can be done by a contractor with a Light Building classification from \$500,000 to \$750,000.
8. Please provide the address where this rule is publicly accessible in electronic form via the Internet as required by Arkansas Code §25-19-108(b). Arkansas.gov/clb
9. Will a public hearing be held on this proposed rule? Yes
If yes, please complete the following:
Date: September 7, 2017
Time: 9:00 a.m.
Place: 4100 Richards Road, North Little Rock, Arkansas 72117
10. When does the public comment period expire for permanent promulgation? (Must provide a date.) September 7, 2017
11. What is the proposed effective date of this proposed rule? (Must provide a date.)
Ten (10) days after final filing of the Rule
12. Do you expect this rule to be controversial? No
If yes, please explain.
13. Please give the names of the persons, groups, or organizations that you expect to comment on these rules? Please provide their position (for or against) if known.
The Associated General Contractors of Arkansas
Associated Builders and Contractors of Arkansas
The Arkansas Subcontractors Association

FINANCIAL IMPACT STATEMENT

PLEASE ANSWER ALL OF THE QUESTIONS COMPLETELY

DEPARTMENT Contractors Licensing Board

DIVISION N/A

PERSON COMPLETING THIS STATEMENT Gregory L. Crow

TELEPHONE NO. (501) 371-1500 FAX NO. (501) 372-2247 E-MAIL: gregory.crow@arkansas.gov

To comply with Ark. Code Ann. §25-15-204(e), please complete the following Financial Impact Statement and file two copies with the questionnaire and proposed rules.

SHORT TITLE OF THIS RULE: Classification and Experience

1. Does this proposed, amended, or repealed rule have a financial impact: No
2. Is the rule based on the best reasonably obtainable scientific, technical, Economic, or other evidence and information available concerning the Need for, consequences of, and alternatives to the rule? Yes
3. In consideration of the alternatives to this rule, was this rule determined by The agency to be the least costly rule considered? Yes

If an agency is proposing a more costly rule, please state the following:

- (a) How the additional benefits of the more costly rule justify its additional cost;

 - (b) The reason for adoption of the more costly rule?

 - (c) Whether the more costly rule is based on the interests of public health, safety, or welfare, and if so, please explain; and:

 - (d) Whether the reason is within the scope of the agency's statutory authority; and if so, please explain.

4. If the purpose of this rule is to implement a federal rule or regulation, please state the following:
- (a) What is the cost to implement the federal rule or regulation? N/A

Current Fiscal Year

General Revenue _____
Federal Funds _____
Cash Funds _____
Special Revenue _____
Other (Identify) _____

Next Fiscal Year

General Revenue _____
Federal Funds _____
Cash Funds _____
Special Revenue _____
Other (Identify) _____

Total _____

Total _____

(b) What is the additional cost of the state rule?

Current Fiscal Year

General Revenue _____
Federal Funds _____
Cash Funds _____
Special Revenue _____
Other (Identify) _____

Total _____

Next Fiscal Year

General Revenue _____
Federal Funds _____
Cash Funds _____
Special Revenue _____
Other (Identify) _____

Total _____

5. What is the total estimated cost by fiscal year to any private individual, entity and business subject to the proposed, amended, or repealed rule? Identify the entity(ies) subject to the proposed rule and explain how they are affected.

Current Fiscal Year

\$ None

Next Fiscal Year

\$ None

-
6. What is the total estimated cost by fiscal year to state, county, and municipal government to implement this rule? Is this the cost of the program or grant? Please explain how the government is affected.

Current Fiscal Year

\$ None

Next Fiscal Year

\$ None

-
7. With respect to the agency's answers to Questions #5 and #6 above, is there a new or increased cost or obligation of at least one hundred thousand dollars (\$100,000) per year to a private individual, private entity, private business, state government, county government, municipal government, or to two (2) or more of those entities combined?

No.

If YES, the agency is required by Ark. Code Ann. §25-15-204(e)(4) to file written findings at the time of filing the financial impact statement. The written findings shall be filed simultaneously with the financial impact statement and shall include, without limitation, the following:

- (1) a statement of the rule's basis and purpose;
- (2) the problem the agency seeks to address with the proposed rule, including a statement of whether a rule is required by statute;
- (3) a description of the factual evidence that:
 - (a) justifies the agency's need for the proposed rule; and
 - (b) describes how the benefits of the rule meet the relevant statutory objectives and justify the rules costs;

- (4) a list of less costly alternatives to the proposed rule and the reasons why the alternatives do not adequately address the problem to be solved by the proposed rule;
- (5) a list of alternatives to the proposed rule that were suggested as a result of the public comment and the reasons why the alternatives do not adequately address the problem to be solved by the proposed rule;
- (6) a statement of whether existing rules have created or contributed to the problem the agency seeks to address with the proposed rule and, if existing rules have created or contributed to the problem, an explanation of why amendment or repeal or the rule creating or contributing to the problem is not a sufficient response; and
- (7) an agency plan for review of the rule no less than every ten (10) years to determine whether, based upon the evidence, there remains a need for the rule including, without limitation, whether:
 - (a) the rule is achieving the statutory objectives;
 - (b) the benefits of the rule continue to justify its costs; and
 - (c) the rule can be amended or repealed to reduce costs while continuing to achieve the statutory objectives.

MARK UP COPY OF PROPOSED CHANGE TO RULE 224-25-5(i)

(i) CLASSIFICATIONS AND SPECIALTIES – A contractor holding a classification may perform any of the functions listed under that classification. Performing work not listed under that classification may constitute a violation.

OUTLINE OF CLASSIFICATIONS

HEAVY CONSTRUCTION

This Classification Includes All Of The Specialty Classes Below:

Boring
Cofferdams, Dikes, Levees, & Canals
Dams
Marine (Includes Wharves, Docks, Harbor Improvements, Terminals)
Mining (Includes Surface & Underground Mining)
Oil & Gas Field Construction
Oil Refinery, Power & Energy Plant Construction
 a. Steel, Alloy, Ornamental, Metal Fabrication, Welding
 b. Tower & Stack Construction
 c. Foundation Construction or Drilling, Pile Driving, Stabilization
 d. Concrete
 e. Conveyors, Material Handling Systems, Cranes, Hoists
 f. Base & Paving
 1. Base Construction
 2. Hot & Cold Mixes
 3. Surface Treatment
 4. Asphalt
 5. Concrete Paving
 g. Grading & Drainage (Includes Grading, Drainage, Pipe & Structures, Clearing, Grubbing & Rip Rap)
 h. Piping, Process Piping, Valve Repair
Underground Piping, Cable, Trenching
Tunnels, Shafts

HIGHWAY, RAILROAD, AIRPORT CONSTRUCTION

This Classification Includes All Of The Specialty Classes Below:

Base & Paving
 a. Base Construction

- b. Hot & Cold Mixes
- c. Surface Treatment
- d. Asphalt
- e. Concrete Paving

Bridges & Culverts

- a. Painting
- b. Repair
- c. Bridge Deck Overlay (Sealant)

Cofferdams, Dikes, Levees, Canals

Concrete

Erosion Control

Foundation Construction or Drilling, Pile Driving, Stabilization

Grading & Drainage (Includes Grading, Drainage, Pipe & Structures, Clearing, Grubbing & Rip Rap)

Gunite

HRA Miscellaneous & Specialty Items

- a. Traffic Safety
 - 1. Pavement Markers
 - 2. Signaling
 - 3. Guardrail & Fending
 - 4. Attenuators, Signalization & Roadway Lighting
- b. Landscaping
 - 1. Seeding
 - 2. Sodding
 - 3. Planting
 - 4. Chemical Weed & Brush Control
- c. Miscellaneous Concrete
 - 1. Sidewalks
 - 2. Driveways
 - 3. Curb & Gutter
 - 4. Box Culverts
- d. Pavement Rehabilitation
 - 1. Pressure Grouting
 - 2. Grinding & Grooving
 - 3. Concrete Joints
 - 4. Underdrains

Railroad Construction & Related Items

Steel, Alloy, Ornamental, Metal Fabrication, Welding

Tower & Stack Construction

MUNICIPAL AND UTILITY CONSTRUCTION

This Classification Includes All of The Specialty Classes Below

Base & Paving

- a. Base Construction

- b. Hot & Cold Mixes
- c. Surface Treatment
- d. Asphalt
- e. Concrete Paving

Grading & Drainage (Includes Grading, Drainage, Pipe & Structures, Clearing, Grubbing & Rip Rap)

HRA Miscellaneous & Specialty Items

- a. Traffic Safety
 - 1. Pavement Markers
 - 2. Signaling
 - 3. Guardrail & Fencing
 - 4. Attenuators, Signalization & Roadway Lighting
- b. Landscaping
 - 1. Seeding
 - 2. Sodding
 - 3. Planting
 - 4. Chemical Weed & Brush Control
- c. Pavement Rehabilitation
 - 1. Pressure Grouting
 - 2. Grinding & Grooving
 - 3. Concrete Joints
 - 4. Underdrains
- d. Miscellaneous Concrete
 - 1. Sidewalks
 - 2. Driveways
 - 3. Curb & Gutter
 - 4. Box Culverts

Underground Piping, Cable, Trenching, Boring

- a. Gas Distribution & Transmission Lines
- b. Sewer Lines
- c. Storm Drains
- d. Rehabilitation & Structures
- e. Waterlines
- f. Underground Conduit, Cable

Water & Sewer Plants & Sewer Disposal

- a. Steel, Alloy, Ornamental, Metal Fabrication, Welding
- b. Tower & Stack Construction
- c. Foundation Construction or Drilling, Pile Driving, Stabilization
- d. Concrete
- e. Conveyors, Material Handling Systems, Cranes, Hoists
- f. Erosion Control
- g. Painting
- h. Carpentry, Framing, Millwork, Cabinets

- i. Lift Stations, Pumps
- j. Above Ground Tanks
- k. Roofing & Roof Decks
- l. Pipes, Process Piping, Valve Repair
- m. Insulation
- n. Dredging
- o. Masonry

Waterwells

BUILDING

This Classification Includes All Of The Specialty Classes Below:

Awnings, Canopies

Base & Paving

- a. Base Construction
- b. Hot & Cold Mixes
- c. Surface Treatment
- d. Asphalt
- e. Concrete Paving

Blinds, Curtains, Draperies, Theatrical

Bulk Storage Facilities

Carpentry, Framing, Millwork, Cabinets

Car Washes

Ceilings, Wall Systems, Acoustical Treatments

Chimneys, Fireplaces

Concrete

Control Towers

Conveyors, Material Handling Systems, Cranes, Hoists

Demolition, Blasting

Drywall

~~Elevators, Escalators, Dumbwaiters, Chairlifts~~

Erosion Control

~~Excavation~~

Fencing, Gates

Floors, Floor Coverings

Foundation Construction or Drilling, Pile Driving, Stabilization

Furniture, Recreational and/or Playground Equipment, Bleachers,

Seating, Partitions

Glass, Glazing, Doors, Windows, Hardware, Storefronts

Golf Cart & Foot Bridges & Paths

Golf Courses

Grading & Drainage (Includes Grading, Drainage, Pipe & Structures, Clearing, Grubbing & Rip Rap), Excavation

Greenhouses

HRA Miscellaneous & Specialty Items

- a. Traffic Safety

1. Pavement Markers
2. Signaling
3. Guardrail & Fencing
4. Attenuators, Signalization & Roadway Lighting
- b. Landscaping
 1. Seeding
 2. Sodding
 3. Planting
 4. Chemical Weed & Brush control
- c. Pavement Rehabilitation
 1. Pressure Grouting
 2. Grinding & Grooving
 3. Concrete Joints
 4. Underdrains
- d. Miscellaneous Concrete
 1. Sidewalks
 2. Driveways
 3. Curb & Gutter
 4. Box Culverts

Indoor/Outdoor Advertising

Institutional & Kitchen Equipment

Insulation

Interior Work

Landscaping, Irrigation, Lawn Sprinkler Systems, Streams

Lathe, Plaster, Stucco, Dryvit, EIFS

Lightning Protection

Masonry

Mausoleums

Medical Shielded Enclosures

~~Metal Building Erection~~

Metal Buildings, Detached Structures, Storage Buildings

Metal Studs, Walls

Microwave Systems, Towers, Satellite Dishes

Overhead Doors & Dock Equipment

Paint Booths

Painting, Wall Covering

Passenger Boarding Bridges

Poultry & Swine Houses

Remodeling, Renovations, Restoration, Alterations

Retaining Walls

Roofs, Roof Decks, Roofing Sheet Metal

Sandblasting, Hydroblasting, Dry Ice Blasting

Siding, Soffit, Facia, Gutters

Skylights, ~~Solar Systems~~

Solar Systems

Special Coatings or Applications, Caulking, Waterproofing

Sport & Recreational Surfaces
Stack Construction
Steel, Alloy, Ornamental, Metal Fabrication, Welding
Storm Shelters
Substations
Swimming Pools, Spas
Tile, Terrazzo, Marble, Countertops

LIGHT BUILDING

This Classification Includes All Of The Specialty Classes That Are Listed Under The Building Classification. However, Contractors Holding A Light Building Classification Are Limited As Follows:

Light Building construction is new construction, ~~alternations or repairs~~ of commercial projects for which the cost of materials and labor is less than does not exceed Five Hundred Thousand Dollars (\$500,000.00) Seven Hundred Fifty Thousand Dollars (\$750,000) in any project and the structure does not exceed two stories in height. ~~Nonstructural alterations and repairs of existing buildings exceeding two stories in height are considered to be Light Building construction if the overall cost of the project does not exceed Five Hundred Thousand Dollars (\$500,000.00) including materials and Labor.~~

MECHANICAL CONTRACTING

This Classification Includes All Of The Specialty Classes Below:

NOTE: Trade Licenses required to obtain this classification are:

- a. Arkansas Master Plumber
- b. Arkansas Class A or B HVACR.

Boiler Construction & Repair (Trade License Needed)
Control Systems & Instrumentation
Heating, Ventilation, Air Conditioning, Refrigeration
Plumbing
Pneumatic Tube Systems
Pollution, Air or Dust Control, Blower or Exhaust Systems
Piping, Process Piping, Valve Repair
Sheet Metal, Duct
Sprinklers, Fire Protection (Trade Certificate Needed)
Temperature Controls (Pneumatic)

ELECTRICAL CONTRACTING

This Classification Includes All Of The Specialty Classes Below:

NOTE: Trade License required to obtain this classification is:

- a. Arkansas Master Electrician.

Cable Television Lines (Above and Below Ground)
Communication, Computer or Sound Systems, Cabling
Communication Lines & Ducts
Control Systems & Instrumentation
Electrical Signs
Electrical Temperature Controls Systems
Electrical Transmission Lines
Electrical Work for Buildings & Structures
Underground Conduit Installation
Signal or Burglar Alarms, Fire Detection & Monitoring
Systems
Substations

SPECIALTIES (Specific)

A Contractor May Obtain Any Sub-Classification As A Specialty By Request And Proper Qualifications Shown. (Example: Base & Paving, Plumbing, Drywall, Insulation, etc.) The List Of Sub-Classifications Is:

SPECIALTIES

Above Ground Tanks
Asbestos (Trade Certificate Needed)
Awnings, Canopies & Gutters
Base & Paving
 a. Base Construction
 b. Hot & Cold Mixes
 c. Surface Treatment
 d. Asphalt
 e. Concrete Paving
Blinds, Curtains, Draperies, Theatrical
Boat Docks
Boiler Construction & Repair (Trade License Needed)
Bulk Storage Facilities
Cable Television Lines (Above & Below Ground)
Car Washes
Carpentry, Framing, Millwork, Cabinets
Ceilings, Wall Systems, Acoustical Treatments
Chemical Resistant Tile & Brick
Chimneys, Fireplaces
Cofferdams, Dikes, Levees, Canals
Communication, Computer or Sound Systems, Cabling
Concrete
Control Systems & Instrumentation
Conveyors, Material Handling Systems, Cranes, Hoists
Cooling Towers

Demolition, Blasting
Dredging
Drywall
Electrical Transmission Lines
Elevators, Escalators, Dumbwaiters, Chairlifts (Trade Certificate Needed)
Energy & Chemical Pipelines
Energy Management, Retrofit Systems
Environmental General
Erosion Control
~~Excavation~~
Factory Trained Medical Equipment Technician (exemption from Electrical Board required)
Fencing, Gates
Fiberglass
Fireproofing
Floors, Floor Covering
Foundation Construction or Drilling, Pile Driving, Stabilization
Furnaces, Fuel Burning or Heat Transfer Equipment, Stokers, Refractories
Furniture, Recreational and/or Playground Equipment, Bleachers, Seating, Partitions
Gas Fitter (Trade License needed)
Generators, Turbines
Glass, Glazing, Doors, Windows, Hardware, Storefront
Golf Cart & Foot Bridges & Paths
Golf Courses
Grading & Drainage (Includes Grading, Drainage, Pipe & Structures, Culverts, Clearing, Grubbing & Rip Rap),
Excavation
Grain Bins
Greenhouses
Heating, Ventilation, Air Conditioning, Refrigeration (Arkansas HVACR class A or B Trade License Required)
HRA Miscellaneous & Specialty Items
 a. Traffic Safety
 1. Pavement Markers
 2. Signaling
 3. Guardrails & Fencing
 4. Attenuators, Signalization & Roadway Lighting
 b. Landscaping
 1. Seeding
 2. Sodding
 3. Planting
 4. Chemical weed & brush control

- c. Pavement Rehabilitation
 - 1. Pressure grouting
 - 2. Grinding & grooving
 - 3. Concrete joints
 - 4. Underdrains
- d. Miscellaneous Concrete
 - 1. Sidewalks
 - 2. Driveways
 - 3. Curb & gutter
 - 4. Box culverts

Hydraulics

Incinerator & Stack Construction

Indoor/Outdoor Advertising

Institutional & Kitchen Equipment

Insulation

Interior Work

Kilns, Drying Systems

Landfills

Landscaping, Irrigation, Lawn Sprinkler Systems, Streams

Landscaping with Planting (Trade License Needed)

Lathe, Plaster, Stucco, Dryvit, EIFS

Lead Abatement (Trade Certificate Needed)

Lift Stations, Pumps

Lightning Protection

Liners

Marine Docks

Masonry

Mausoleums

Medical Shielded Enclosures

~~Metal Building Erection~~

Metal Buildings, Detached Structures, Storage Buildings

Metal Studs, Walls

Meter Installation & Service

Microwave Systems, Towers, Satellite Dishes

Millwright

Oil & Gas Field Construction, Rigging

Overhead Doors & Dock Equipment

Paint Booths

Painting, Wallcovering

Passenger Boarding Bridges

Piping, Process Piping, Valve Repair

Plant Maintenance

Plating & Waste Treatment Systems

Plumbing (Trade License Needed)

Pneumatic Tube Systems

Pollution, Air & Dust Control, Blower & Exhaust Systems

Poultry & Swine Electrical

Poultry & Swine Houses

Poultry HVACR

Precipitators

Railroad Construction & Related Items

Rebar

Refrigeration, Cold Storage (Trade Certificate Needed)

Remediation

Remodeling, Renovations, Restoration, Alterations

Retaining Walls

Right of Way Clearing

Roofing, Roof Decks, Roofing Sheet Metal

Sandblasting, Hydroblasting, Dry Ice Blasting

Scaffolding

Scales

Septic Tank Installation & Repair (Trade Certificate Needed)

Security, Banking, Detention Equipment (Bars & safety no
certificate needed)

Service Station Equipment

Sheet Metal, Ducts, Ventilation (Trade License Required)

Siding, Soffit, Facia, Gutters

Signal or Burglar Alarms, Fire Detection & Monitoring
Systems (Trade Certificates Needed)

Skylights, ~~Solar Systems~~

Solar Systems

Special Coatings or Applications, Caulking, Waterproofing

Sport & Recreational Surfaces

Sprinklers, Fire Protection (Trade Certificate Needed)

Steel, Alloy, Ornamental, Metal Fabrication, Welding

Storm Shelters

Substations

Swimming Pools, Spas

Temperature Controls (Electric)

Temperature Controls (Pneumatic)

Testing & Balancing

Tile, Terrazzo, Marble, Countertops

Tuckpointing

Tunnels, Shafts

Underground Piping, Cable, Trenching, Boring

Underground Storage Tanks (Certificate Needed)

Water and Sewer Lines

Water Lines Associated with Fire Protection

Water Wells (Water well License required)

Wind Turbines

CLEAN VERSION OF PROPOSED CHANGE TO RULE 224-25-5(i)

(i) **CLASSIFICATIONS AND SPECIALTIES** – A contractor holding a classification may perform any of the functions listed under that classification. Performing work not listed under that classification may constitute a violation.

OUTLINE OF CLASSIFICATIONS

HEAVY CONSTRUCTION

This Classification Includes All Of The Specialty Classes Below:

- Boring
- Cofferdams, Dikes, Levees, & Canals
- Dams
- Marine (Includes Wharves, Docks, Harbor Improvements, Terminals)
- Mining (Includes Surface & Underground Mining)
- Oil & Gas Field Construction
- Oil Refinery, Power & Energy Plant Construction
 - a. Steel, Alloy, Ornamental, Metal Fabrication, Welding
 - b. Tower & Stack Construction
 - c. Foundation Construction or Drilling, Pile Driving, Stabilization
 - d. Concrete
 - e. Conveyors, Material Handling Systems, Cranes, Hoists
 - f. Base & Paving
 - 1. Base Construction
 - 2. Hot & Cold Mixes
 - 3. Surface Treatment
 - 4. Asphalt
 - 5. Concrete Paving
 - g. Grading & Drainage (Includes Grading, Drainage, Pipe & Structures, Clearing, Grubbing & Rip Rap)
 - h. Piping, Process Piping, Valve Repair
- Underground Piping, Cable, Trenching
- Tunnels, Shafts

HIGHWAY, RAILROAD, AIRPORT CONSTRUCTION

This Classification Includes All Of The Specialty Classes Below:

Base & Paving

- a. Base Construction
- b. Hot & Cold Mixes
- c. Surface Treatment
- d. Asphalt
- e. Concrete Paving

Bridges & Culverts

- a. Painting
- b. Repair
- c. Bridge Deck Overlay (Sealant)

Cofferdams, Dikes, Levees, Canals

Concrete

Erosion Control

Foundation Construction or Drilling, Pile Driving, Stabilization

Grading & Drainage (Includes Grading, Drainage, Pipe & Structures, Clearing, Grubbing & Rip Rap)

Gunite

HRA Miscellaneous & Specialty Items

- a. Traffic Safety
 - 1. Pavement Markers
 - 2. Signaling
 - 3. Guardrail & Fending
 - 4. Attenuators, Signalization & Roadway Lighting
- b. Landscaping
 - 1. Seeding
 - 2. Sodding
 - 3. Planting
 - 4. Chemical Weed & Brush Control
- c. Miscellaneous Concrete
 - 1. Sidewalks
 - 2. Driveways
 - 3. Curb & Gutter
 - 4. Box Culverts
- d. Pavement Rehabilitation
 - 1. Pressure Grouting
 - 2. Grinding & Grooving
 - 3. Concrete Joints
 - 4. Underdrains

Railroad Construction & Related Items

Steel, Alloy, Ornamental, Metal Fabrication, Welding

Tower & Stack Construction

MUNICIPAL AND UTILITY CONSTRUCTION

This Classification Includes All of The Specialty Classes Below

Base & Paving

- a. Base Construction
- b. Hot & Cold Mixes
- c. Surface Treatment
- d. Asphalt
- e. Concrete Paving

Grading & Drainage (Includes Grading, Drainage, Pipe & Structures, Clearing, Grubbing & Rip Rap)

HRA Miscellaneous & Specialty Items

- a. Traffic Safety
 - 1. Pavement Markers
 - 2. Signaling
 - 3. Guardrail & Fencing
 - 4. Attenuators, Signalization & Roadway Lighting
- b. Landscaping
 - 1. Seeding
 - 2. Sodding
 - 3. Planting
 - 4. Chemical Weed & Brush Control
- c. Pavement Rehabilitation
 - 1. Pressure Grouting
 - 2. Grinding & Grooving
 - 3. Concrete Joints
 - 4. Underdrains
- d. Miscellaneous Concrete
 - 1. Sidewalks
 - 2. Driveways
 - 3. Curb & Gutter
 - 4. Box Culverts

Underground Piping, Cable, Trenching, Boring

- a. Gas Distribution & Transmission Lines
- b. Sewer Lines
- c. Storm Drains
- d. Rehabilitation & Structures
- e. Waterlines
- f. Underground Conduit, Cable

Water & Sewer Plants & Sewer Disposal

- a. Steel, Alloy, Ornamental, Metal Fabrication, Welding
- b. Tower & Stack Construction
- c. Foundation Construction or Drilling, Pile Driving, Stabilization
- d. Concrete

- e. Conveyors, Material Handling Systems, Cranes, Hoists
- f. Erosion Control
- g. Painting
- h. Carpentry, Framing, Millwork, Cabinets
- i. Lift Stations, Pumps
- j. Above Ground Tanks
- k. Roofing & Roof Decks
- l. Pipes, Process Piping, Valve Repair
- m. Insulation
- n. Dredging
- o. Masonry

Waterwells

BUILDING

This Classification Includes All Of The Specialty Classes Below:

Awnings, Canopies

Base & Paving

- a. Base Construction
- b. Hot & Cold Mixes
- c. Surface Treatment
- d. Asphalt
- e. Concrete Paving

Blinds, Curtains, Draperies, Theatrical

Bulk Storage Facilities

Carpentry, Framing, Millwork, Cabinets

Car Washes

Ceilings, Wall Systems, Acoustical Treatments

Chimneys, Fireplaces

Concrete

Control Towers

Conveyors, Material Handling Systems, Cranes, Hoists

Demolition, Blasting

Drywall

Erosion Control

Fencing, Gates

Floors, Floor Coverings

Foundation Construction or Drilling, Pile Driving, Stabilization

Furniture, Recreational and/or Playground Equipment, Bleachers,

Seating, Partitions

Glass, Glazing, Doors, Windows, Hardware, Storefronts

Golf Cart & Foot Bridges & Paths

Golf Courses

Grading & Drainage (Includes Grading, Drainage, Pipe & Structures, Clearing, Grubbing & Rip Rap), Excavation

Greenhouses

HRA Miscellaneous & Specialty Items

a. Traffic Safety

1. Pavement Markers
2. Signaling
3. Guardrail & Fencing
4. Attenuators, Signalization & Roadway Lighting

b. Landscaping

1. Seeding
2. Sodding
3. Planting
4. Chemical Weed & Brush control

c. Pavement Rehabilitation

1. Pressure Grouting
2. Grinding & Grooving
3. Concrete Joints
4. Underdrains

d. Miscellaneous Concrete

1. Sidewalks
2. Driveways
3. Curb & Gutter
4. Box Culverts

Indoor/Outdoor Advertising

Institutional & Kitchen Equipment

Insulation

Interior Work

Landscaping, Irrigation, Lawn Sprinkler Systems, Streams

Lathe, Plaster, Stucco, Dryvit, EIFS

Lightning Protection

Masonry

Mausoleums

Medical Shielded Enclosures

Metal Buildings, Detached Structures, Storage Buildings

Metal Studs, Walls

Microwave Systems, Towers, Satellite Dishes

Overhead Doors & Dock Equipment

Paint Booths

Painting, Wall Covering

Passenger Boarding Bridges

Poultry & Swine Houses

Remodeling, Renovations, Restoration, Alterations

Retaining Walls

Roofs, Roof Decks, Roofing Sheet Metal

Sandblasting, Hydroblasting, Dry Ice Blasting

Siding, Soffit, Facia, Gutters

Skylights

Solar Systems
Special Coatings or Applications, Caulking, Waterproofing
Sport & Recreational Surfaces
Stack Construction
Steel, Alloy, Ornamental, Metal Fabrication, Welding
Storm Shelters
Substations
Swimming Pools, Spas
Tile, Terrazzo, Marble, Countertops

LIGHT BUILDING

This Classification Includes All Of The Specialty Classes That Are Listed Under The Building Classification. However, Contractors Holding A Light Building Classification Are Limited As Follows:

Light Building construction is new construction of commercial projects for which the cost of materials and labor is less than Seven Hundred Fifty Thousand Dollars (\$750,000) in any project and the structure does not exceed two stories in height.

MECHANICAL CONTRACTING

This Classification Includes All Of The Specialty Classes Below:

NOTE: Trade Licenses required to obtain this classification are:

- a. Arkansas Master Plumber
- b. Arkansas Class A or B HVACR.

Boiler Construction & Repair (Trade License Needed)
Control Systems & Instrumentation
Heating, Ventilation, Air Conditioning, Refrigeration
Plumbing
Pneumatic Tube Systems
Pollution, Air or Dust Control, Blower or Exhaust Systems
Piping, Process Piping, Valve Repair
Sheet Metal, Duct
Sprinklers, Fire Protection (Trade Certificate Needed)
Temperature Controls (Pneumatic)

ELECTRICAL CONTRACTING

This Classification Includes All Of The Specialty Classes Below:

NOTE: Trade License required to obtain this classification is:

- a. Arkansas Master Electrician.

Cable Television Lines (Above and Below Ground)

Communication, Computer or Sound Systems, Cabling
Communication Lines & Ducts
Control Systems & Instrumentation
Electrical Signs
Electrical Temperature Controls Systems
Electrical Transmission Lines
Electrical Work for Buildings & Structures
Underground Conduit Installation
Signal or Burglar Alarms, Fire Detection & Monitoring
Systems
Substations

SPECIALTIES (Specific)

A Contractor May Obtain Any Sub-Classification As A Specialty By Request And Proper Qualifications Shown. (Example: Base & Paving, Plumbing, Drywall, Insulation, etc.) The List Of Sub-Classifications Is:

SPECIALTIES

Above Ground Tanks
Asbestos (Trade Certificate Needed)
Awnings, Canopies & Gutters
Base & Paving
 a. Base Construction
 b. Hot & Cold Mixes
 c. Surface Treatment
 d. Asphalt
 e. Concrete Paving
Blinds, Curtains, Draperies, Theatrical
Boat Docks
Boiler Construction & Repair (Trade License Needed)
Bulk Storage Facilities
Cable Television Lines (Above & Below Ground)
Car Washes
Carpentry, Framing, Millwork, Cabinets
Ceilings, Wall Systems, Acoustical Treatments
Chemical Resistant Tile & Brick
Chimneys, Fireplaces
Cofferdams, Dikes, Levees, Canals
Communication, Computer or Sound Systems, Cabling
Concrete
Control Systems & Instrumentation
Conveyors, Material Handling Systems, Cranes, Hoists
Cooling Towers
Demolition, Blasting
Dredging

Drywall
Electrical Transmission Lines
Elevators, Escalators, Dumbwaiters, Chairlifts (Trade Certificate Needed)
Energy & Chemical Pipelines
Energy Management, Retrofit Systems
Environmental General
Erosion Control
Factory Trained Medical Equipment Technician (exemption from Electrical Board required)
Fencing, Gates
Fiberglass
Fireproofing
Floors, Floor Covering
Foundation Construction or Drilling, Pile Driving, Stabilization
Furnaces, Fuel Burning or Heat Transfer Equipment, Stokers, Refractories
Furniture, Recreational and/or Playground Equipment, Bleachers, Seating, Partitions
Gas Fitter (Trade License needed)
Generators, Turbines
Glass, Glazing, Doors, Windows, Hardware, Storefront
Golf Cart & Foot Bridges & Paths
Golf Courses
Grading & Drainage (Includes Grading, Drainage, Pipe & Structures, Culverts, Clearing, Grubbing & Rip Rap),
Excavation
Grain Bins
Greenhouses
Heating, Ventilation, Air Conditioning, Refrigeration (Arkansas HVACR class A or B Trade License Required)
HRA Miscellaneous & Specialty Items
 a. Traffic Safety
 1. Pavement Markers
 2. Signaling
 3. Guardrails & Fencing
 4. Attenuators, Signalization & Roadway Lighting
 b. Landscaping
 1. Seeding
 2. Sodding
 3. Planting
 4. Chemical weed & brush control
 c. Pavement Rehabilitation
 1. Pressure grouting
 2. Grinding & grooving

- 3. Concrete joints
- 4. Underdrains
- d. Miscellaneous Concrete
 - 1. Sidewalks
 - 2. Driveways
 - 3. Curb & gutter
 - 4. Box culverts

Hydraulics

Incinerator & Stack Construction

Indoor/Outdoor Advertising

Institutional & Kitchen Equipment

Insulation

Interior Work

Kilns, Drying Systems

Landfills

Landscaping, Irrigation, Lawn Sprinkler Systems, Streams

Landscaping with Planting (Trade License Needed)

Lathe, Plaster, Stucco, Dryvit, EIFS

Lead Abatement (Trade Certificate Needed)

Lift Stations, Pumps

Lightning Protection

Liners

Marine Docks

Masonry

Mausoleums

Medical Shielded Enclosures

Metal Buildings, Detached Structures, Storage Buildings

Metal Studs, Walls

Meter Installation & Service

Microwave Systems, Towers, Satellite Dishes

Millwright

Oil & Gas Field Construction, Rigging

Overhead Doors & Dock Equipment

Paint Booths

Painting, Wallcovering

Passenger Boarding Bridges

Piping, Process Piping, Valve Repair

Plant Maintenance

Plating & Waste Treatment Systems

Plumbing (Trade License Needed)

Pneumatic Tube Systems

Pollution, Air & Dust Control, Blower & Exhaust Systems

Poultry & Swine Electrical

Poultry & Swine Houses

Poultry HVACR

Precipitators

Railroad Construction & Related Items
Rebar
Refrigeration, Cold Storage (Trade Certificate Needed)
Remediation
Remodeling, Renovations, Restoration, Alterations
Retaining Walls
Right of Way Clearing
Roofs, Roof Decks, Roofing Sheet Metal
Sandblasting, Hydroblasting, Dry Ice Blasting
Scaffolding
Scales
Septic Tank Installation & Repair (Trade Certificate Needed)
Security, Banking, Detention Equipment (Bars & safety no
certificate needed)
Service Station Equipment
Sheet Metal, Ducts, Ventilation_ (Trade License Required)
Siding, Soffit, Facia, Gutters
Signal or Burglar Alarms, Fire Detection & Monitoring
Systems (Trade Certificates Needed)
Skylights
Solar Systems
Special Coatings or Applications, Caulking, Waterproofing
Sport & Recreational Surfaces
Sprinklers, Fire Protection (Trade Certificate Needed)
Steel, Alloy, Ornamental, Metal Fabrication, Welding
Storm Shelters
Substations
Swimming Pools, Spas
Temperature Controls (Electric)
Temperature Controls (Pneumatic)
Testing & Balancing
Tile, Terrazzo, Marble, Countertops
Tuckpointing
Tunnels, Shafts
Underground Piping, Cable, Trenching, Boring
Underground Storage Tanks (Certificate Needed)
Water and Sewer Lines
Water Lines Associated with Fire Protection
Water Wells (Water well License required)
Wind Turbines

SUMMARY OF PROPOSED CHANGE TO RULE 224-25-5(i)

This rule modifies the license classifications to clarify some classifications and to raise the amount of work, per project, that can be done by a contractor with a Light Building classification from \$500,000 to \$750,000.

QUESTIONNAIRE FOR FILING PROPOSED RULES AND REGULATIONS
WITH THE ARKANSAS LEGISLATIVE COUNCIL AND JOINT INTERIM COMMITTEE

DEPARTMENT/AGENCY: Contractors Licensing Board
DIVISION: N/A
DIVISION DIRECTOR: Gregory L. Crow
CONTACT PERSON: Gregory L. Crow/Lizabeth Lookadoo
ADDRESS: 4100 Richards Road, North Little Rock, AR 72117
PHONE NO. (501) 371-1500 FAX NO. (501) 372-2247 E-MAIL gregory.crow@arkansas.gov
NAME OF PRESENTER AT COMMITTEE MEETING: Gregory L. Crow
PRESENTER E-MAIL gregory.crow@arkansas.gov

INSTRUCTIONS

- A. Please make copies of this form for future use.
- B. Please answer each question completely using layman terms. You may use additional sheets if necessary.
- C. If you have a method of indexing your rules, please give the proposed citation after "Short Title of this Rule" below.
- D. Submit two (2) copies of this questionnaire and financial impact statement attached to the front of two (2) copies of the proposed rule and required documents. Mail or deliver to:

Donna K. Davis
Administrative Rules Review Section
Arkansas Legislative Council
Bureau of Legislative Research
One Capitol Mall, 5th Floor
Little Rock, AR 72201

- 1. What is the short title of this rule? Classification and Experience
- 2. What is the subject of the proposed rule? Licenses issued with a Compiled Financial Statement
- 3. Is this rule required to comply with a federal statute, rule or regulation? No
If yes, please provide the federal rule, regulation, and/or citation.
- 4. Was this rule filed under the emergency provisions of the Administrative Procedure Act? No
If yes, what is the effective date of the emergency rule?

When does the emergency rule expire?

Will this emergency rule be promulgated under the permanent provisions of the Administrative Procedure Act?

- 5. Is this a new rule? Yes
If yes, please provide a brief summary explaining the regulation. This rule is in response to Act 805 of 2017 which allows the Board to issue a license to a contractor who submits a Compiled Financial Statement, with a limit of projects less than \$750,000.

Does this repeal an existing rule?

No

If yes, a copy of the repealed rule is to be included with your completed questionnaire. If it is being replaced with a new rule, please provide a summary of the rule giving an explanation of what the rule does.

Is this an amendment to an existing rule?

No

If yes, please attach a mark-up showing the changes in the existing rule and a summary of the substantive changes. **Note: The summary should explain what the amendment does, and the mark-up copy should be clearly labeled "mark-up."**

6. Cite the state law that grants the authority for this proposed rule? If codified, please give the Arkansas Code citation. 17-25-203(a)
7. What is the purpose of this proposed rule? Why is it necessary? This rule is in response to Act 805 of 2017 which allows the Board to issue a license to a contractor who submits a Compiled Financial Statement, with a limit of projects less than \$750,000. It creates the name for the type of license that will be issued if a Compiled Financial Statement is used, "Restricted."
8. Please provide the address where this rule is publicly accessible in electronic form via the Internet as required by Arkansas Code §25-19-108(b). Arkansas.gov/clb
9. Will a public hearing be held on this proposed rule? Yes
If yes, please complete the following:
Date: September 7, 2017
Time: 9:00 a.m.
Place: 4100 Richards Road, North Little Rock, Arkansas 72117
10. When does the public comment period expire for permanent promulgation? (Must provide a date.) September 7, 2017
11. What is the proposed effective date of this proposed rule? (Must provide a date.)
Ten (10) days after final filing of the Rule
12. Do you expect this rule to be controversial? No
If yes, please explain.
13. Please give the names of the persons, groups, or organizations that you expect to comment on these rules? Please provide their position (for or against) if known.
The Associated General Contractors of Arkansas
Associated Builders and Contractors of Arkansas
The Arkansas Subcontractors Association

FINANCIAL IMPACT STATEMENT

PLEASE ANSWER ALL OF THE QUESTIONS COMPLETELY

DEPARTMENT Contractors Licensing Board

DIVISION N/A

PERSON COMPLETING THIS STATEMENT Gregory L. Crow

TELEPHONE NO. (501) 371-1500 FAX NO. (501) 372-2247 E-MAIL: gregory.crow@arkansas.gov

To comply with Ark. Code Ann. §25-15-204(e), please complete the following Financial Impact Statement and file two copies with the questionnaire and proposed rules.

SHORT TITLE OF THIS RULE: Classification and Experience

1. Does this proposed, amended, or repealed rule have a financial impact: No
2. Is the rule based on the best reasonably obtainable scientific, technical, Economic, or other evidence and information available concerning the Need for, consequences of, and alternatives to the rule? Yes
3. In consideration of the alternatives to this rule, was this rule determined by The agency to be the least costly rule considered? Yes

If an agency is proposing a more costly rule, please state the following:

- (a) How the additional benefits of the more costly rule justify its additional cost;

- (b) The reason for adoption of the more costly rule?

- (c) Whether the more costly rule is based on the interests of public health, safety, or welfare, and if so, please explain; and:

- (d) Whether the reason is within the scope of the agency's statutory authority; and if so, please explain.

4. If the purpose of this rule is to implement a federal rule or regulation, please state the following:

- (a) What is the cost to implement the federal rule or regulation? N/A

Current Fiscal Year

General Revenue _____
Federal Funds _____
Cash Funds _____
Special Revenue _____
Other (Identify) _____

Next Fiscal Year

General Revenue _____
Federal Funds _____
Cash Funds _____
Special Revenue _____
Other (Identify) _____

Total _____

Total _____

(b) What is the additional cost of the state rule?

Current Fiscal Year

General Revenue _____
Federal Funds _____
Cash Funds _____
Special Revenue _____
Other (Identify) _____

Total _____

Next Fiscal Year

General Revenue _____
Federal Funds _____
Cash Funds _____
Special Revenue _____
Other (Identify) _____

Total _____

5. What is the total estimated cost by fiscal year to any private individual, entity and business subject to the proposed, amended, or repealed rule? Identify the entity(ies) subject to the proposed rule and explain how they are affected.

Current Fiscal Year

\$ None

Next Fiscal Year

\$ None

-
6. What is the total estimated cost by fiscal year to state, county, and municipal government to implement this rule? Is this the cost of the program or grant? Please explain how the government is affected.

Current Fiscal Year

\$ None

Next Fiscal Year

\$ None

-
7. With respect to the agency's answers to Questions #5 and #6 above, is there a new or increased cost or obligation of at least one hundred thousand dollars (\$100,000) per year to a private individual, private entity, private business, state government, county government, municipal government, or to two (2) or more of those entities combined?

No.

If YES, the agency is required by Ark. Code Ann. §25-15-204(e)(4) to file written findings at the time of filing the financial impact statement. The written findings shall be filed simultaneously with the financial impact statement and shall include, without limitation, the following:

- (1) a statement of the rule's basis and purpose;
- (2) the problem the agency seeks to address with the proposed rule, including a statement of whether a rule is required by statute;
- (3) a description of the factual evidence that:
 - (a) justifies the agency's need for the proposed rule; and
 - (b) describes how the benefits of the rule meet the relevant statutory objectives and justify the rules costs;

- (4) a list of less costly alternatives to the proposed rule and the reasons why the alternatives do not adequately address the problem to be solved by the proposed rule;
- (5) a list of alternatives to the proposed rule that were suggested as a result of the public comment and the reasons why the alternatives do not adequately address the problem to be solved by the proposed rule;
- (6) a statement of whether existing rules have created or contributed to the problem the agency seeks to address with the proposed rule and, if existing rules have created or contributed to the problem, an explanation of why amendment or repeal of the rule creating or contributing to the problem is not a sufficient response; and
- (7) an agency plan for review of the rule no less than every ten (10) years to determine whether, based upon the evidence, there remains a need for the rule including, without limitation, whether:
 - (a) the rule is achieving the statutory objectives;
 - (b) the benefits of the rule continue to justify its costs; and
 - (c) the rule can be amended or repealed to reduce costs while continuing to achieve the statutory objectives.

**MARK UP COPY OF PROPOSED
RULE 224-25-5(j)**

(j) A license for any classification may be issued as unrestricted or as restricted. Licensees holding a restricted license are limited to projects less than Seven Hundred and Fifty Thousand Dollars (\$750,000).

**CLEAN VERSION OF PROPOSED
RULE 224-25-5(j)**

(j) A license for any classification may be issued as unrestricted or as restricted. Licensees holding a restricted license are limited to projects less than Seven Hundred and Fifty Thousand Dollars (\$750,000).

SUMMARY OF PROPOSED RULE 224-25-5(j)

This rule is in response to Act 805 of 2017 which allows the Board to issue a license to a contractor who submits a Compiled Financial Statement, with a limit of projects less than \$750,000. It creates the name for the type of license that will be issued if a Compiled Financial Statement is used, "Restricted."