

**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  
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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, 5<sup>th</sup> Floor  
Little Rock, AR 72201

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1. What is the short title of this rule? Definitions  
2. What is the subject of the proposed rule? Define "remodeling" to include additions of up to 50% to an existing structure.

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 adds a definition of "Remodeler." This clarifies that an addition of 50% or less to an existing building is remodeling and is

not considered to be new construction. This will allow a contractor with a remodeling classification to add on up to 50% to an existing structure without having to have the full "Building" classification.

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If yes, a copy of the repealed rule is to be included with your completed questionnaire.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 adds a definition of "Remodeler." This clarifies that an addition of 50% or less to an existing building is remodeling and is not considered to be new construction. This will allow a contractor with a remodeling classification to add on up to 50% to an existing structure without having to have the full "Building" classification. This clears up any confusion as to what is "new construction" and what is "remodeling."
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:** Definitions

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

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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

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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 224-25-12(f)**

(f) Remodel: Remodeling is the significant structural alteration or repair of an existing structure, including additions to existing structures. Additions that add more than fifty percent (50%) to the existing structure are considered new construction, not an addition.

**CLEAN VERSION OF PROPOSED  
RULE 224-25-12(f)**

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## **SUMMARY OF PROPOSED RULE 224-25-12(f)**

This adds a definition of “Remodeler.” This clarifies that an addition of 50% or less to an existing building is remodeling and is not considered to be new construction. This will allow a contractor with a remodeling classification to add on up to 50% to an existing structure without having to have the full “Building” classification.