

ARKANSAS REGISTER

Proposed Rule Cover Sheet



Secretary of State
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Little Rock, Arkansas 72201-1094
(501) 682-5070
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Name of Department _____

Agency or Division Name _____

Other Subdivision or Department, If Applicable _____

Previous Agency Name, If Applicable _____

Contact Person _____

Contact E-mail _____

Contact Phone _____

Name of Rule _____

Newspaper Name _____

Date of Publishing _____

Final Date for Public Comment _____

Location and Time of Public Meeting _____

THE COMMISSION FOR ARKANSAS PUBLIC SCHOOL
ACADEMIC FACILITIES AND TRANSPORTATION
RULES GOVERNING THE ACADEMIC FACILITIES CATASTROPHIC PROGRAM
January 2008

1.00 REGULATORY AUTHORITY

~~1.01~~—The Commission for Arkansas Public School Academic Facilities and Transportation’s Transportation has authority for ~~to promulgating~~ promulgate these Rules ~~is pursuant to~~ under Ark. Code Ann. §§ 6-20-2501 ~~et seq., 6-21-112 et seq., and 25-15-201 et seq., and Act 989 of 2007.~~

2.00 PURPOSE

~~2.01~~—The purpose of these ~~rules~~ Rules is to establish ~~the rules governing~~ a program and process of providing state financial participation to a school district based on a school district’s academic facilities wealth index for eligible catastrophic ~~repair~~ repairs and new construction projects to supplement insurance or other public or private emergency assistance received by or payable to the school district.

3.00 DEFINITIONS

For the purpose of these Rules, the following terms mean:

3.01 “Academic facility” ~~has the same meaning as in Ark. Code Ann. § 6-20-2502(2).~~ —~~A building or space, including related areas such as the physical plant and grounds, where students receive instruction that is an integral part of an adequate education as described in Ark. Code Ann. § 6-20-2302.~~

~~3.01.1~~ ~~A public school building or space, including related areas such as the physical plant and grounds, used for an extracurricular activity or an organized physical activity court as defined in Ark. Code Ann. § 6-16-137 shall not be considered an academic facility for the purposes of this Rule to the extent that the building, space, or related area is used for extracurricular activities or organized physical activities courses, except for physical educational training and instruction under Ark. Code Ann. § 6-16-132; and~~

~~3.01.2~~ ~~The Division of Public School Academic Facilities and Transportation shall determine the extent to which a building, space, or related area is used for extracurricular activities or organized physical activities courses based on information supplied by the school district and, if necessary, on-site inspection and;~~

~~3.01.3 Buildings or spaces, including related areas such as the physical plant and grounds, used for pre-kindergarten education shall not be considered academic facilities for purposes of these Rules and;~~

~~3.01.4 District administration buildings and spaces, including related areas such as the physical plant and grounds, shall not be considered academic facilities for the purposes of these Rules.~~

3.02 “Academic facilities wealth index” has the same meaning as in Ark. Code Ann. § 6-20-2502(1). means a percentage derived from the following computations:

~~3.02.1 Determine the value of one (1) mill per student in each school district as follows:~~

~~(a) — Multiply the value of one (1) mill by the total assessed valuation of taxable real, personal, and utility property in the school district as shown by the applicable county assessment for the most recent year; and~~

~~(b) — Divide the product from Section 3.02.1(a) of these Rules by the greater of the prior year average daily membership of the school district or the prior three-year average of the school district’s average daily membership.~~

~~3.02.2 Determine student millage rankings by listing the computation under Section 3.02.1(a) of these Rules for each school district from students with the lowest value per mill to students with the highest value per mill;~~

~~3.02.3 Allocate the student millage rankings into percentiles with the first percentile containing the one percent (1%) of students with the lowest value per mill and the one-hundredth percentile containing the one percent (1%) of students with the highest value per mill; and~~

~~3.02.4 Divide the value of one (1) mill per student in each school district as computed under Section 3.02.1 of these Rules by the amount corresponding to the ninety-fifth percentile of the student millage rankings under Section 3.02.3 of these Rules.~~

~~3.02.5 The percentage derived from the computation under Section 3.02.4 of this Rule is the academic facilities wealth index for a school district, which shall be computed annually and used to determine the amount of the school district’s share of financial participation in a local academic facilities project eligible for state financial participation under priorities established by the Division.~~

- ~~3.02.6 The state's share of financial participation in a local academic facilities project eligible for state financial participation under priorities established by the Division is the percentage derived from subtracting the school district's percentage share of financial participation determined under Section 3.02.5 of these Rules from one hundred percent (100%).~~
- ~~3.02.7 Every school district with a wealth index of one (1.00) or greater will be funded at the same level as the first school district with a wealth index below one (1.00), except that funding under this subdivision will not exceed the amount of funding provided for a wealth index of nine hundred ninety five thousandths (.995).~~
- 3.03 “Act of God or violence” —~~an~~ means an act, event, happening, or occurrence due to natural or man-made causes (whether a criminal act or otherwise) such as flood, tornado, fire, earthquake, explosion, or other disasters ~~which~~ that could not have been prevented by reasonable maintenance, repair, or renovation of an academic facility.
- 3.04 “Average daily membership” has the same meaning as in Ark. Code Ann. § 6-20-2303(3). — ~~The total number of days of school attended plus the total number of days absent by students in grades kindergarten through twelve (K-12) during the first three (3) quarters of each school year divided by the number of school days actually taught in the school district during that period of time rounded up to the nearest hundredth.~~
- ~~3.03.1 As applied to these Rules, students who may be counted for average daily membership are:~~
- ~~3.03.1.1 — Students who reside within the boundaries of the school district and who are enrolled in a public school operated by the school district;~~
- ~~3.03.1.2 — Legally transferred students living outside the school district but attending a public school in the school district; and~~
- ~~3.03.1.3 — Students who are eligible to attend and reside within the boundaries of a school district and who are enrolled in the Arkansas National Guard Youth Challenge Program, so long as the students are participants in the program.~~
- 3.05 “Catastrophic project” —a means a repair, renovation, or new construction project necessary due to such great damage or destruction to an academic facility caused by an Act of God or violence.
- 3.06 “Commission” —the means the Commission for Arkansas Public School Academic Facilities and Transportation.

- 3.07 ~~“Division”~~ —the means the Arkansas Division of Public School Academic Facilities and Transportation.
- 3.08 ~~“Facility condition index”~~ —that particular index established by dividing the current condition costs to bring a public school academic facility up to current codes by the facility’s replacement cost, using data for such costs available in 2004.
- ~~3.09~~ 3.08 ~~“Local enhancements”~~ —the means the portion of any maintenance, repair, or renovation project or new construction project that is designed to bring an academic facility or related areas such as the physical plant or grounds to a state or condition or efficiency that exceeds state academic facilities standards.
- ~~3.10~~ 3.09 ~~“Local resources”~~ —any means any moneys lawfully generated by a school district for the purpose of funding the school district’s share of financial participation in any academic facilities project for which a school district is eligible to receive state financial participation under priorities established by the Division. Also referred to as “raised funds” for the purpose of defining self-funded a self-funded project.
- ~~3.11~~ 3.10 ~~“Maintenance, repair, and renovation”~~ means any activity or improvement to an academic facility and, if necessary, related areas such as the physical plant and grounds that: maintains, conserves, or protects the state of condition or efficiency of an academic facility.
- ~~3.11.1~~ Maintains, conserves or protects the state of condition or efficiency of the academic facility; or
- ~~3.11.2~~ Brings the state of condition or efficiency of the academic facility up to the facility’s original condition of completeness or efficiency.
- ~~3.12~~ 3.11 ~~“Millage rate”~~ —the means the millage rate listed in the most recent tax ordinance approved by the county quorum court under the authority of Ark. Code Ann. § 14-14-904.
- ~~3.13~~ 3.12 ~~“New construction”~~ means any improvement to an academic facility and, if necessary, related areas such as the physical plant and grounds that brings the state of condition or efficiency of the academic facility to a state of condition or efficiency better than the academic facility’s original current condition of completeness or efficiency.
- ~~3.13.1~~ “New construction” includes a new addition to an existing academic facility and construction of a new academic facility.

~~3.14~~ 3.13 “Project” ~~—an~~ means an undertaking in which a school district engages in:

~~3.14.1~~ 3.13.1 Maintenance, repair and renovation activities with regard to an academic facility;

~~3.14.2~~ 3.13.2 New construction of an academic facility; or

~~3.14.3~~ 3.13.3 Any combination of maintenance, repair, and renovation activities with regard to an academic facility and new construction activities with regard to an academic facility.

~~3.15~~ 3.14 “Space utilization” means the number of gross square feet per student in a public school academic facility adjusted for academic program, school enrollment, grade configuration, and type of public school in accordance with rules promulgated by the Commission for Arkansas Public School Academic Facilities and Transportation.

4.00 ACADEMIC FACILITIES CATASTROPHIC PROGRAM APPLICATION PROCESS

4.01 A school district may apply for state financial participation to assist with a catastrophic project provided an academic facility in the district has been damaged due to an Act of God or violence that otherwise could not have been prevented by reasonable maintenance, repair or, renovation of the academic facility. ~~The application should~~ school district must be submitted apply in writing to the Division within ~~60~~ sixty (60) days of the event of damage occurring. However, the Division may waive this requirement for good cause.

4.02 ~~In order to apply, a school district shall submit a written application on the form contained within the Division Guidelines (non-regulatory forms and instructions which are necessary to complete the application process) which Guidelines are attached to these Rules as “Appendix A” and which are hereby incorporated into and made a part of these Rules as if fully set forth herein to the Office of Director of the Division of Public School Academic Facilities and Transportation, 501 Woodlane St., Suite 520S, Little Rock, Arkansas 72201. The application will contain the following documented evidence:~~ As part of its application for state financial participation in a catastrophic project, the school district shall complete the Catastrophic Program Application form that is posted on the Division’s website, and shall provide the Division with the completed form and the following documented evidence:

~~4.02.1 A Catastrophic Program Application form (See Division~~
~~Guidelines).~~

- ~~4.02.2~~ 4.02.1 The estimated cost of the project by a design or construction professional;
- ~~4.02.3~~ 4.02.2 The availability of insurance and any other public or private emergency assistance to pay for the project;
- ~~4.02.4~~ 4.02.3 A notarized statement from the school district treasurer certifying that the amount of state assistance requested for the emergency project is not covered by insurance or other public or private emergency assistance received by or payable to the school district;
- ~~4.02.5~~ 4.02.4 A written estimate from a licensed architect, engineer, or contractor of the cost to repair the damaged facilities; ~~and~~
- ~~4.02.6~~ 4.02.5 A written statement of how the catastrophic project supports the prudent and resourceful expenditure of state funds and improves the school district's ability to deliver ~~and~~ an adequate and equitable education to public school students in the district;
and
- ~~4.02.7~~ 4.02.6 Proof of full replacement value insurance to include a provision requiring code upgrades.
- 4.03 The ~~division~~ Division shall evaluate a school district's application for catastrophic assistance and may conduct an on-site inspection prior to making a decision on the application as it deems necessary.
- 4.04 The application shall be submitted to office of the Director of the Division:
 - ~~4.04.1~~ 4.04.1 ~~via~~ Via first class mail, return receipt requested;
 - ~~4.04.2~~ 4.04.2 ~~or via~~ Via hand delivery during normal business hours, with the school district receiving a stamped recognition of the delivery; or hand delivery during normal business hours.
 - ~~4.04.3~~ 4.04.3 Via electronic mail, with the school district receiving an electronic mail response confirming receipt (not including automatically generated delivery confirmations).

5.00 DIVISION APPROVAL CRITERIA

- 5.01 The ~~division's~~ Division's consideration and approval will be based on several factors, including but not limited to the following:
- 5.01.1 School district compliance with appropriate academic facility standards, including but not limited to, appropriate space utilization;
 - 5.01.2 The amount of availability of insurance or other public or private emergency assistance;
 - 5.01.3 The academic facilities wealth index of the school district;
 - 5.01.4 The prudent and resourceful expenditure of state funds with regard to public school academic facilities;
 - 5.01.5 Whether the facility is considered an academic facility. For example, the Division shall not consider for approval applications for the replacement or repair of administrative buildings, athletic fields, and other facilities not meeting the definition of an academic facility; and
 - 5.01.6 Whether the insurance as required in Section ~~4.02.47~~ 4.02.6 of these Rules is in force at the time of the catastrophic loss.
- 5.02 The Division shall consider each application for state financial participation in a catastrophic project on a case-by-case basis, taking into account the funding for the catastrophic program.

6.00 DIVISION AND SCHOOL DISTRICT OBLIGATIONS

- 6.01 If a school district qualifies for state financial participation under these ~~rules~~ Rules, the Division shall, within thirty (30) calendar days of approval, certify the amount of the state financial participation to the Commission for oversight purposes and the Commission shall, within thirty (30) calendar days written notice of certification, certify the amount to the Arkansas Department of Education.
- 6.02 School districts shall track and account for the catastrophic funds received as state financial participation under these ~~rules~~ Rules as restricted funds and shall account for the funds in accordance with provisions of law, including but not limited to, the Arkansas Educational Financial Accounting and Reporting Act of ~~2005~~ 2004, Ark. Code Ann. § 6-20-2201 *et seq.* and rules established by the Arkansas State Board of Education and the Commission.

- 6.03 Approved school districts shall make every effort to conform a catastrophic project to current academic facilities standards, including appropriate space utilization requirements, unless the Division determines it is impractical to conform the catastrophic project to current standards.
- 6.04 School districts shall use state financial participation funds in a catastrophic program to pay only for the cost of that portion of a catastrophic project that is not covered by insurance or other public or private emergency assistance received by or payable to the school district.
- 6.05 School districts shall comply with all local, state, and federal laws and rules related to construction, repair, or renovation projects including, but not limited to, bidding laws and rules.
- 6.06 The amount of state financial participation shall not exceed the amount resulting from the application of the academic facilities wealth index to the cost necessary to bring the academic facility into compliance with the Arkansas Public School Academic Facility Manual, less any withholding or reduction imposed by the Commission under Ark. Code Ann. § 6-21-114(d) for a school district's failure to comply with the Commission's insurance requirements, including without limitation, the failure to carry replacement cost coverage, if applicable, on all buildings and facilities. State financial participation for any approved ~~Catastrophic Project~~ catastrophic project will be calculated using the most current wealth index applicable to the school district at the time the application was approved.

7.00 APPEAL PROCESS

- ~~7.01~~ A school district may appeal any written determination of the ~~division~~ Division to the Commission as follows: in accordance with the Commission for Arkansas Public School Academic Facilities and Transportation Rules Governing Appeals from Determinations of the Arkansas Division of Public School Academic Facilities and Transportation.
 - ~~(i) A school district may request and the Division shall provide upon request a written determination of any appealable issue by the division.~~
 - ~~(ii) After receipt of a written determination from the Division, the school district shall file its written appeal within ten (10) calendar days via first class mail, return receipt requested, in the Office of the Director of the Division of Public School Academic Facilities and Transportation, 501 Woodlane St., Suite 600, Little Rock, Arkansas 72201, no later than 4:30 pm on the tenth calendar day from receipt of the Division's written determination. The Division~~

~~shall within thirty (30) calendar days receipt of the appeal schedule the appeal for the Commission's consideration and determination.~~

- ~~(iii) The school district shall provide in clear express terms a detailed explanation and evidence showing that the Division's decision was clearly erroneous or outside the legal authority vested in the division.~~
- ~~(iv) The school district shall have the burden to establish a *prima facie* case, unless the Commission shall decide to hear the appeal *sua sponte*.~~
- ~~(v) The school district shall not be entitled to a hearing before the Commission unless the Commission should indicate in writing that it desires to hear the appeal and provides notice of the time and location of the hearing.~~
- ~~(vi) Any appeal hearing shall be conducted pursuant to the hearing policy established by the Commission.~~
- ~~(vii) Provided the Commission determines the school district has established a *prima facie* case or the Commission *sua sponte* decides to hear an appeal, the Commission shall render a decision to approve or deny the appeal within sixty (60) calendar days of receipt of the appeal by the Commission from the division.~~

~~7.02 All decisions of the Commission regarding a school district's appeal of a division determination shall be final and shall not be subject to any right of further appeal or request for rehearing to the Commission or subject to right to petition for judicial review under the Arkansas Administrative Procedures Act, § 25-15-201 *et seq.*~~

~~7.03 Section 8.00 of these rules shall remain effective until new rules governing Commission appeals have been promulgated. at that time, Section 7.00 of these Rules shall be sunsetted and will be of no further force or effect. All subsequent appeals shall be considered under the new Commission Rules Governing Commission Appeals. when such Rules re promulgated and become effective.~~

State of Arkansas
Division of Public School Academic Facilities and Transportation-
Academic Facilities Catastrophic Program

A program to assist school districts in emergency projects made necessary due to an Act of God or Violence.

Program Overview

- ~~Act 2206 created the Academic Facilities Catastrophic Program. The Program authorizes the Division to distribute state assistance to school districts for emergency facility projects due to an act of God or violence. The law defines a catastrophic project as "repair and new construction for the purpose of supplementing insurance or other public or private emergency assistance received by or payable to the school district."~~
- ~~The law requires that any state assistance under this program shall be used to pay the cost of only the portion of a catastrophic project that is not covered by insurance or other public or private emergency assistance received by or payable to the school district.~~
- ~~Any damage to classroom facilities caused by the age of the facilities or by the lack of timely maintenance to the facilities shall not be eligible for state assistance under this program.~~

Eligibility

- ~~Funding will be based on the district's academic facilities wealth index. The law states "a school district may apply for state financial participation in a catastrophic project if an academic facility in the district is damaged due to an Act of God or violence that could not have been prevented by reasonable maintenance, repair, or renovation of the building."~~

Definition of "Act of God or Violence"

For the purposes of a project qualifying under this program, an "Act of God or Violence" shall be defined as:

An act, event, happening, or occurrence due to natural causes or disaster; a disaster (flood, tornado, fire, earthquake, or other disasters) produced by nature. It is of such character that it could not have been prevented or escaped from by any amount of foresight or prudence or by reasonable degree of care or diligence.

Application Procedure

Applications may be made to the Division beginning on May 4, 2005. A school district is required to apply to the Division within **sixty (60)** days of the damage occurring, unless waived by the Division for good cause. In order to qualify for state assistance, a school district shall submit all of the following to the Division:

1. A Catastrophic Program Application Form.
2. A notarized statement from the school district treasurer certifying that the amount of state assistance requested for the emergency project is not covered by insurance or other public or private emergency assistance received by or payable to the school district.
3. A written estimate from a licensed architect, engineer or contractor of the cost to repair the damaged facilities.
4. How the catastrophic project supports the prudent and resourceful expenditure of state funds and improves the school district's ability to deliver an adequate and equitable education to public school students in the district.

The Division reserves the right to make an independent assessment of the cause of the need for the repair or replacement of classroom facilities.

Division Approval

- Approval of the district's application will be based on the following factors:
 - Compliance with appropriate academic facility standards, including, without limitation, appropriate space utilization;
 - The amount and availability of insurance or other public or private emergency assistance
 - The academic facilities wealth index of the school district; and
 - The prudent and resourceful expenditure of state funds with regard to public school academic facilities.
- The Division will only consider applications for classroom facilities that are consistent with spaces that the Division funds in accordance with the Arkansas School Facility Manual. For example, the Division will not consider applications for the replacement of administrative buildings, athletic fields and other areas not considered an academic facility.
- The Division will consider applications on a case-by-case basis, taking into account the moneys available for the program.

Division Review

- The Division will conduct an on-site visit of the facility in need of emergency repair or replacement to verify the cause of the need for the emergency repair or replacement of a school facility.
- If a determination is made by the Division that 1) an emergency project is necessary due to an act of God or violence, and 2) the state assistance requested for the emergency project is not covered by insurance or other public or private emergency assistance received by or payable to the school district, then the Division may approve state assistance for a school district.

Agreement

No commitment for funding will be made and no funds will be released until the Division has received an agreement signed by the applicant school district. The agreement will provide that a school district is prohibited from using the funds for any purpose other than the approved emergency project.

Reporting Requirements

Participant school districts will be required to submit reports to the Division regarding the status and closeout of the project.

Contact for Assistance

If you have questions regarding the Academic Facilities Catastrophic Program or application process, please contact the Division by phone at (501) 682-4261 or e-mail at info@arkansasfacilities.com.

Arkansas Division of Public School



Academic Facilities & Transportation

**DIVISION OF PUBLIC SCHOOL ACADEMIC FACILITIES and
TRANSPORTATION**
Academic Facilities Catastrophic Program

School District Name: _____

School District Address: _____

County: _____

Superintendent Name: _____

Superintendent Phone: L_J _____ Fax: L _____

Superintendent E-Mail: _____

Please describe the act of God or violence that caused the damage to the facility. Provide an explanation of the need for the emergency project due to the act of God. Give a general overview of the emergency project, including the number of buildings involved and the number of students affected (please attach description).

What is the estimated cost to repair the damage? \$ _____ (Please attach a copy of a written estimate from a licensed architect, engineer or contractor of the cost to replace the damaged facilities)

Specify the date the damage occurred : _____

Specify the amount of your request: \$ _____

If your district is insured for the occurrence, please state the deductible amount and limit of coverage.

Deductible \$ _____ Limit \$ _____

Contact Person:

Name Position

Phone: L_J _____ Fax: () _____

To the best of his/ her knowledge and belief, the undersigned certifies the truth and accuracy of the information provided in this Application Form.

Superintendent Date

Notary My Commission expires _____, 20

QUESTIONNAIRE
FOR FILING PROPOSED RULES WITH THE
ARKANSAS LEGISLATIVE COUNCIL

DEPARTMENT/AGENCY _____
DIVISION _____
DIVISION DIRECTOR _____
CONTACT PERSON _____
ADDRESS _____
PHONE NO. _____ FAX NO. _____ E-MAIL _____
NAME OF PRESENTER AT COMMITTEE MEETING _____
PRESENTER E-MAIL _____

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. Rule" below.
- E. Submit two (2) copies of the Questionnaire and Financial Impact Statement attached to the front of two (2) copies of the proposed rule and required documents. Mail or deliver to:

Jessica C. Sutton
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?

- 2. What is the subject of the proposed rule?

- 3. Is this rule required to comply with a federal statute, rule, or regulation? Yes No
If yes, please provide the federal rule, regulation, and/or statute citation.

- 4. Was this rule filed under the emergency provisions of the Administrative Procedure Act?
Yes 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? Yes No

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

Does this repeal an existing rule? Yes 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 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.

7. What is the purpose of this proposed rule? Why is it necessary?

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).

9. Will a public hearing be held on this proposed rule? Yes No If yes, please complete the following:

Date: _____

Time: _____

Place: _____

10. When does the public comment period expire for permanent promulgation? (Must provide a date.)

11. What is the proposed effective date of this proposed rule? (Must provide a date.)

12. Please provide a copy of the notice required under Ark. Code Ann. § 25-15-204(a), and proof of the publication of said notice. _____

13. Please provide proof of filing the rule with the Secretary of State as required pursuant to Ark. Code Ann. § 25-15-204(e). _____

14. Please give the names of persons, groups, or organizations that you expect to comment on these rules? Please provide their position (for or against) if known.

FINANCIAL IMPACT STATEMENT

PLEASE ANSWER ALL QUESTIONS COMPLETELY

DEPARTMENT _____
DIVISION _____
PERSON COMPLETING THIS STATEMENT _____
TELEPHONE NO. _____ FAX NO. _____ EMAIL: _____

To comply with Ark. Code Ann. § 25-15-204(e), please complete the following Financial Impact Statement and file two (2) copies with the Questionnaire and proposed rules.

SHORT TITLE OF THIS RULE

1. Does this proposed, amended, or repealed rule have a financial impact? Yes 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 No

3. In consideration of the alternatives to this rule, was this rule determined by the agency to be the least costly rule considered? Yes No

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?

Current Fiscal Year

Next Fiscal Year

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

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

Next Fiscal Year

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

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

Total _____

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

Next Fiscal Year

\$ _____

\$ _____

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

Next Fiscal Year

\$ _____

\$ _____

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?
Yes 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 rule's 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 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.

SUMMARY OF AMENDMENTS

COMMISSION FOR ARKANSAS PUBLIC SCHOOL ACADEMIC FACILITIES AND TRANSPORTATION RULES GOVERNING THE ACADEMIC FACILITIES CATASTROPHIC PROGRAM

These rules were amended to update definitions to bring them in line with existing rules or law, and to eliminate an unnecessary definition. Appendix “A” also was removed, which was a non-regulatory guidance concerning the catastrophic program application process, and the application process was simplified. Other amendments are technical and stylistic.