

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

**DEPARTMENT/AGENCY** Arkansas Water Well Construction Commission  
**DIVISION** Water Resources Management  
**DIVISION DIRECTOR** Edward Swaim  
**CONTACT PERSON** Deanna Ray or Crystal Phelps  
**ADDRESS** 101 E. Capitol, Ste 350, Little Rock, AR 72201  
**PHONE NO.** (501) 682-3965 **FAX NO.** (501)6823991 **E-MAIL** Deanna.Ray@arkansas.gov  
**NAME OF PRESENTER AT COMMITTEE MEETING** Randy Young, Executive Director, Crystal Phelps, General Counsel and Deanna Ray, Associate General Counsel  
**PRESENTER E-MAIL** crystal.phelps@arkansas.gov and Deanna.Ray@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? Arkansas Water Well Construction Commission Rules and Regulations

2. What is the subject of the proposed rule? Water Well Construction

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 regulation. \_\_\_\_\_

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If yes, a copy of the repealed rule is to be included with your completed questionnaire.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. Ark. Code Ann. § 17-50-101 et seq.

7. What is the purpose of this proposed rule? Why is it necessary? The purpose of this rule is to update the current rules and regulations for the AWWCC in accordance with changes in the industry as well as changes in the law during the 2015 Legislative Session. Additionally, the rule has been amended to include a clear procedure for determining excessive sediment and a section on rig confiscation, both within AWWCC's current statutory authority.

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). <http://www.arkansas.gov/awwcc/>

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

Date: February 4, 2016

Time: 2:00 pm  
Arkansas River Room in the offices of  
the Arkansas Natural Resources

Place: Commission

10. When does the public comment period expire for permanent promulgation? (Must provide a date.)  
February 11, 2016

11. What is the proposed effective date of this proposed rule? (Must provide a date.)  
May 1, 2016

12. Do you expect this rule to be controversial? Yes  No   
If yes, please \_\_\_\_\_

explain.

13. 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.

Arkansas Water Well Contractor's Association in support

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**FINANCIAL IMPACT STATEMENT**

**PLEASE ANSWER ALL QUESTIONS COMPLETELY**

**DEPARTMENT**     Arkansas Water Well Construction Commission

**DIVISION**         Water Resources Management

**PERSON COMPLETING THIS STATEMENT**   Deanna Ray

**TELEPHONE NO.**   (501)682-3965 **FAX NO.**   (501)682-3991 **EMAIL:** Deanna.Ray@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**     Arkansas Water Well Construction Commission Rules and Regulations

- 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;  
Water well contractors will be required to carry higher bond insurance. Increasing the amount of the bond purchased by water well contractors will allow greater protection for consumers.  

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- (b) The reason for adoption of the more costly rule;  
AWWCC wanted to provide more protection to water well users.  

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- (c) Whether the more costly rule is based on the interests of public health, safety, or welfare, and if so, please explain; and;  
Yes. Increasing the bond costs helps insure consumers will have a way to be made whole if a water well is not properly repaired or constructed.  

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- (d) Whether the reason is within the scope of the agency's statutory authority; and if so, please explain.  
Yes. AWWCC's statutory authority states that it is imperative that the general health, safety and welfare be protected by providing a means for the proper development of the natural resource of underground water. (§17-50-102(a))  

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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   0

General Revenue   0

Federal Funds	<u>0</u>
Cash Funds	<u>0</u>
Special Revenue	<u>0</u>
Other (Identify)	<u>0</u>

Federal Funds	<u>0</u>
Cash Funds	<u>0</u>
Special Revenue	<u>0</u>
Other (Identify)	<u>0</u>

Total \_\_\_\_\_

Total 0

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

**Current Fiscal Year**

General Revenue	<u>0</u>
Federal Funds	<u>0</u>
Cash Funds	<u>0</u>
Special Revenue	<u>0</u>
Other (Identify)	<u>0</u>
<b>Total</b>	<u>0</u>

**Next Fiscal Year**

General Revenue	<u>0</u>
Federal Funds	<u>0</u>
Cash Funds	<u>0</u>
Special Revenue	<u>0</u>
Other (Identify)	<u>0</u>
<b>Total</b>	<u>0</u>

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**

\$ approx. \$100

**Next Fiscal Year**

\$ approx. \$200

This rule will affect all contractors, water well drillers and pump installers. For these purposes, the fiscal year runs from July to June. Water well contractors must renew their licenses by July 31 of each year, and at that time, they must provide proof of bond.

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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**

\$ 0

**Next Fiscal Year**

\$ 0

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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?

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.