

**ADMINISTRATIVE REGULATIONS
OF THE ARKANSAS AMUSEMENT RIDE
AND AMUSEMENT ATTRACTION SAFETY
INSURANCE ACT**

Regulation 5. Inspections

5.4 Six (6) Month Inspections

- a. Inflatable attractions, self-contained mobile playgrounds, artificial climbing walls, and other patron propelled amusement rides or attractions shall be inspected every six (6) months, unless a more frequent schedule of inspections is established by regulation of the director for certain types of inflatable attractions and self-contained mobile playgrounds.
- b. Pursuant to Ark. Code Ann. § 23-89-506(4)(C), mechanical bulls, gyro devices, and trackless trains shall be inspected every six (6) months.

Regulation 13. Effective Date

13.1 The effective date of these regulations is August 15, 2005.

13.2 Regulation 5.4 was amended to allow inspection of mechanical bulls, gyro devices, and trackless trains every six (6) months effective January 12, 2014.

BY _____

SECRETARY OF STATE
STATE OF ARKANSAS

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REGISTER DIV.

FILED

FINANCIAL IMPACT STATEMENT

AUG 26 2013

PLEASE ANSWER ALL QUESTIONS COMPLETELY

DEPARTMENT Arkansas Department of Labor BUREAU OF LEGISLATIVE RESEARCH
 DIVISION Amusement Ride Safety Division
 PERSON COMPLETING THIS STATEMENT Daniel Faulkner, Staff Attorney
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To comply with Act 1104 of 1995, please complete the following Financial Impact Statement and file two copies with the questionnaire and proposed rules.

SHORT TITLE OF THIS RULE Administrative Regulations of the Arkansas Amusement Ride and Amusement Attraction Safety Insurance Act

1. Does this proposed, amended, or repealed rule have a financial impact? Yes No
2. Does this proposed, amended, or repealed rule affect small businesses? Yes No
 If yes, please attach a copy of the economic impact statement required to be filed with the Arkansas Economic Development Commission under Arkansas Code § 25-15-301 et seq.

This rule is being adopted as an emergency regulation, so the economic impact statement is not included pursuant to Ark. Code Ann. § 25-15-302(a)(2)(A). However, this regulation will actually reduce inspection costs to small businesses (see #5 below)

3. If you believe that the development of a financial impact statement is so speculative as to be cost prohibited, please explain.

It is difficult to definitively assess agency cost until the regulation is effective. Based on inspections of mechanical bulls, gyro devices, and trackless trains from April 1, 2011 through July 13, 2012, the agency anticipates that travel costs will be reduced roughly \$6,700.00 annually. When combined with the decreased inspection fees (see #5 below), there will be a net revenue loss of \$3,400.00.

However, the agency is confident that this change will allow improved inspection scheduling/coordination and reduced comp time, ultimately making this change revenue neutral. It is difficult to accurately estimate these potential cost savings until this new inspection schedule is in place.

4. If the purpose of this rule is to implement a federal rule or regulation, please give the incremental cost for implementing the rule. Please indicate if the cost provided is the cost of the program.

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 party subject to the proposed, amended, or repealed rule? Identify the party subject to the proposed rule and explain how they are affected.

Current Fiscal Year

Next Fiscal Year

\$ -\$10,100

\$ -\$10,100

This cost savings amount is an estimate based on inspections of mechanical bulls, gyro devices, and trackless trains from April 1, 2011 through July 13, 2012. Each owner/operator is currently charged a \$100 inspection fee each time of set-up pursuant to Ark. Code Ann. § 23-89-506(e). This regulation will allow the agency to inspect the listed rides every six months, which will cost \$200 annually. This will result in savings to the owner/operator (provided they operate more than twice a year).

It is difficult to accurately estimate cost savings on an individual owner/operator basis since the current fees are based on number of set-ups which fluctuate based on each owner/operator, season, etc. However, the more times a ride/attraction operates, the greater the savings. Some of these rides operate more than 20 times per year. These owner/operators will have a significant annual cost savings.

6. What is the total estimated cost by fiscal year to the agency to implement this rule? Is this the cost of the program or grant? Please explain.

Current Fiscal Year

Next Fiscal Year

\$ _____

\$ _____

See explanation of agency cost in #3 above
