## STATEMENT REGARDNIG COMPLIANCE WITH EXECUTIVE ORDER 05-04 (ECONOMIC IMPACT ON SMALL BUSINESSES)

Arkansas Executive Order 05-04 provides that:

Before submitting proposed rules for adoption, amendment, or repeal, the agency shall first determine whether the proposed rules affect small businesses. As a part of its analysis, the agency shall examine whether a means exists to make the rules less costly for small businesses without compromising the objective of the rules. Executive Order 05-04, Section 2 (issued Feb. 1, 2005)

If an agency determines that a proposed rule does not affect small businesses, nothing further is required under the Executive Order. If an agency determines that a proposed rule does affect small businesses, the Executive Order requires that an economic impact statement be prepared and submitted to the Director of the Department of Economic Development for review and comment before the rulemaking is initiated.

The amendment to Section 2.304 of APCEC Regulation No. 2 proposed by the River

Valley Regional Water District does not affect small businesses. The amendment does not
impose any regulatory burden or obligation on any private business entity, large or small. The
amendment does not require any action by any small businesses. It does not restrict any
opportunities that are available to any small businesses. The amendment does not impose any
fees on any small businesses. It does not create any reporting or notification obligations for any
small businesses. The amendment does not require any small businesses to make any
applications or secure any permits. Stated simply, the amendment does not apply in any way to
any small businesses. The amendment merely creates a procedure by which regional water
districts and other public water authorities can, under limited circumstances, seek approval from
the Pollution Control and Ecology Commission to use extraordinary resource waters as a source
of drinking water supply.

Because the amendment proposed by River Valley Regional Water District does not affect any small businesses and does not impose any fees, costs, or obligations on any small businesses, there is no means by which the proposal could be made less costly for small businesses.

Based on this analysis, the River Valley Regional Water District respectfully submits that no economic impact statement regarding the proposal is required under Executive Order 05-04, and no review by ADED is called for.

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