



6. A reference to any study relevant to the rule that the agency reviewed and proposes either to rely on or not to rely on in its evaluation of or justification for the rule, where the public may obtain or review each study, all data underlying each study, and any analysis of each study and other supporting material:
 Not applicable

7. A showing of good cause why the rulemaking is necessary to promote a statewide interest if the rulemaking will diminish a previous grant of authority of a political subdivision of this state:
 Not applicable

8. The preliminary summary of the economic, small business, and consumer impact:
 The Agency foresees only minor economic impacts based on the proposed change. These impacts include effected licensees being able to contract-for higher cost projects and increase revenue due to the proposed increase in the dollar limitation.

9. The agency’s contact person who can answer questions about the economic, small business and consumer impact statement:

Name: Jim Knupp, Legislative Liaison
 Address: Arizona Registrar of Contractors
 1700 W. Washington St., Ste. 105
 Phoenix, AZ 85007
 Telephone: (602) 771-6710
 E-mail: jim.knupp@azroc.gov
 Web site: www.azroc.gov

10. The time, place, and nature of the proceedings to make, amend, repeal, or renumber the rule, or if no proceeding is scheduled, where, when, and how persons may request an oral proceeding on the proposed rule:

The agency does not intend to hold public hearings on this rule, unless a public hearing is requested within 30-days of the publication of this rule. The Agency will accept written comments Monday through Friday, 8 a.m. to 5 p.m., at the address indicated in question #4. E-mail comments will be accepted.

11. All agencies shall list other matters prescribed by statute applicable to the specific agency or to any specific rule or class of rules. Additionally, an agency subject to Council review under A.R.S. §§ 41-1052 and 41-1055 shall respond to the following questions:

None

a. Whether the rule requires a permit, whether a general permit is used and if not, the reasons why a general permit is not used:

The agency does not issue general permits because activities or practices in license classifications are not substantially similar in nature. Statutes require the agency to classify licenses in a manner consistent with established usage and procedure found in the construction industry.

b. Whether a federal law is applicable to the subject of the rule, whether the rule is more stringent than federal law and if so, citation to the statutory authority to exceed the requirements of federal law:

Not applicable

c. Whether a person submitted an analysis to the agency that compares the rule’s impact of the competitiveness of business in this state to the impact on business in other states:

Not applicable

12. A list of any incorporated by reference material as specified in A.R.S. § 41-1028 and its location in the rules:

None

13. The full text of the rules follows:

TITLE 4. PROFESSIONS AND OCCUPATIONS

CHAPTER 9. REGISTRAR OF CONTRACTORS

ARTICLE 1. GENERAL PROVISIONS

Section
 R4-9-102. Commercial Contractor License Classifications and Scopes of Work

ARTICLE 1. GENERAL PROVISIONS

R4-9-102. Commercial Contractor License Classifications and Scopes of Work

A. No change

ENGINEERING CONTRACTING



- A No change
- A-4 No change
- A-5 No change
- A-7 No change
- A-9 No change
- A-11 No change
- A-12 No change
- A-14 No change
- A-15 No change
- A-16 No change
- A-17 No change
- A-19 No change

GENERAL COMMERCIAL CONTRACTING

- B-1 No change
- B-2 No change

SPECIALTY COMMERCIAL CONTRACTING

- C-4 No change
- C-6 No change
- C-9 No change
- C-11 No change
- C-16 No change
- C-27 No change
- C-37 No change
- C-39 No change
- C-49 No change
- C-53 No change
- C-58 No change
- C-74 No change
- C-77 No change
- C-78 No change
- C-79 No change

B. Commercial contracting scopes. The scope of work which may be done under the commercial contracting license classifications is as follows:

A- GENERAL ENGINEERING

No change

- 1. No change
- 2. No change
- 3. No change
- 4. No change
- 5. No change
- 6. No change
- 7. No change
- 8. No change
- 9. No change
- 10. No change
- 11. No change

No change

- A-4 No change
- No change

A-5 EXCAVATING, GRADING AND OIL SURFACING

No change

- 1. No change
- 2. No change
- 3. No change
- 4. No change
- 5. No change
- 6. No change

No change



- A-7 PIERS AND FOUNDATIONS
No change
- A-9 SWIMMING POOLS
No change
No change
- A-11 STEEL AND ALUMINUM ERECTION
No change
- A-12 SEWERS, DRAINS AND PIPE LAYING
No change
- A-14 ASPHALT PAVING
No change
- A-15 SEAL COATING
No change
- A-16 WATERWORKS
No change
- A-17 ELECTRICAL AND TRANSMISSION LINES
No change
No change
- A-19 SWIMMING POOLS, INCLUDING SOLAR
No change
No change
- B-1 GENERAL COMMERCIAL CONTRACTOR
No change
No change
- B-2 GENERAL SMALL COMMERCIAL CONTRACTOR

Small commercial construction in connection with any new structure or addition built, being built, or to be built for the support, shelter and enclosure of persons, animals, chattels or movable property of any kind for which the total amount paid to the licensee does not exceed ~~\$750,000~~ \$2,000,000. This scope includes the supervision of all or any part of the above and includes the management or direct or indirect supervision of any work performed.

Also included are the scopes of work allowed by the CR-2 through CR-80 license classifications. Work related to electrical, plumbing, air conditioning systems, boilers, swimming pools, spas and water wells must be subcontracted to an appropriately licensed contractor. This classification does not include work authorized by the A-, B-, or B-3 scopes.

- C-4 BOILERS, STEAMFITTING AND PROCESS PIPING
No change
No change
- C-6 SWIMMING POOL SERVICE AND REPAIR
No change
No change
No change
- C-9 CONCRETE
No change
No change
No change
No change
- C-11 ELECTRICAL
No change
No change



- C-16 FIRE PROTECTION SYSTEMS
 - No change
 - No change
 - No change
- C-27 LIGHTWEIGHT PARTITIONS
 - No change
 - No change
- C-37 PLUMBING
 - No change
 - No change
 - No change
 - No change
- C-39 AIR CONDITIONING AND REFRIGERATION
 - No change
 - No change
 - No change
 - No change
- C-49 REFRIGERATION
 - No change
 - No change
 - No change
 - No change
- C-53 WATER WELL DRILLING
 - No change
 - No change
 - No change
 - No change
- C-58 COMFORT HEATING, VENTILATING,
EVAPORATIVE COOLING
 - No change
 - No change
 - No change
- C-74 BOILERS, STEAMFITTING AND PROCESS
PIPING, INCLUDING SOLAR
 - No change
 - No change
- C-77 PLUMBING INCLUDING SOLAR
 - No change
 - No change
 - No change
 - No change
- C-78 SOLAR PLUMBING LIQUID SYSTEMS ONLY
 - No change
 - No change
 - No change
 - No change
- C-79 AIR CONDITIONING AND REFRIGERATION
INCLUDING SOLAR



7. A showing of good cause why the rulemaking is necessary to promote a statewide interest if the rulemaking will diminish a previous grant of authority of a political subdivision of this state:

Not applicable

8. The preliminary summary of the economic, small business and consumer impact:

The Industrial Commission anticipates that the rule change related to incorporating by reference the recent amendments to federal safety standards on injury and illness recording and reporting will not have a significant economic impact on a substantial number of small entities. Federal OSHA has determined that this rulemaking has net annualized costs nationally of \$9 million, with total annualized new costs of \$20.6 million to employers, total annualized cost savings of \$11.5 million for employers who no longer have to meet certain recordkeeping requirements, and average annualized costs of \$82 per year for the most-affected firms (those newly required to keep records every year). Thus, this rulemaking imposes far less than \$100 million in annual costs on the economy and, consequently, OSHA has determined that this rule is not “economically significant” within the context of Executive Order (E.O.) 12866. OSHA has also determined that this final rule is economically feasible and will not have a significant economic impact on a substantial number of small entities. By contrast, OSHA estimates that the rulemaking will improve access to information about workplace safety and health, with potential benefits that could include:

- Allowing the Agency to identify the workplaces where workers are at greatest risk, in general and/or from specific hazards, and target its compliance assistance and enforcement efforts accordingly.
- Increasing the ability of employers, employees, and employee representatives to identify and abate hazards that pose serious risks to workers at their workplaces.

OSHA stated that the conversion from SIC to NAICS and the revised reporting requirements have substantially different goals and thus different potential benefits. OSHA said it expects the conversion from SIC to NAICS to result in more useful injury and illness data. The SIC system currently in use is obsolete and has not been used by many other data collection entities for years. Converting to NAICS will enable both affected employers and OSHA to achieve consistency and comparability with other data collection efforts conducted by both public and private entities. OSHA reported there was little controversy concerning the concept of converting from SIC to NAICS. However, there is no way to convert from SIC to NAICS without changing in some way the number of establishments required to routinely record injuries and illnesses. This result is inevitable because there is no one-for-one mapping from SIC to NAICS for many industries.

The requirement to report all work-related fatalities, in-patient hospitalizations, amputations, and losses of an eye will likely assure better use of inspection and enforcement resources by targeting those resources to establishments with the most serious hazards.

Having data on establishments that experience significant events will improve inspection targeting. Studies have shown that OSHA inspections can lead to a reduction in the rate of injuries and illnesses, and that the effect is greater where injury and illness rates are higher and where the inspection finds violations that result in a citation. Most studies reviewed by OSHA showed reductions in injuries and illnesses at a given facility only when the inspection uncovered safety and health violations that resulted in citations. A working paper, funded by the RAND Corporation, Haviland (Haviland, et al., 2008), estimated that firms with between 20 and 250 employees experience a 19 to 24 percent reduction in injury rates per year for two years following an inspection that results in a citation.

OSHA reported that these provisions in Part 1904 will increase the amount of injury and illness data recorded on employer records and available for review and collection by OSHA. It is believed that improved data availability will likely result in increased inspections in facilities more likely to have violations that result in citations, which will, in turn, have some positive effect on the rates of injuries and illnesses at those facilities. As a result of these considerations, OSHA certifies that the final rule will not have a significant economic impact on a substantial number of small entities.

9. The agency’s contact person who can answer questions about the economic, small business and consumer impact statement:

Name: Larry Gast, ADOSH Assistant Director
 Address: Industrial Commission of Arizona
 Division of Occupational Safety and Health
 800 W. Washington St., Suite 203
 Phoenix, AZ. 85007
 Telephone: (602) 542-1695
 Fax: (602) 542-1614
 E-mail: Larry.Gast@azdosh.gov

10. The time, place, and nature of the proceedings to make, amend, repeal, or renumber the rule, or if no proceeding is scheduled, where, when, and how persons may request an oral proceeding on the proposed rule:

Written comments can be submitted to the address listed in item 9 by the close of the comment period, which is at



5:00 p.m. on December 1, 2015. An oral proceeding is scheduled for December 1, 2015 at 10:00 a.m., at the Industrial Commission of Arizona, 800 W. Washington St., Room 206, Phoenix, AZ, 85007.

11. All agencies shall list other matters prescribed by statute applicable to the specific agency or to any specific rule or class of rules. Additionally, an agency subject to Council review under A.R.S. §§ 41-1052 and 41-1055 shall respond to the following questions:

Not applicable

a. Whether the rule requires a permit, whether a general permit is used and if not, the reasons why a general permit is not used:

The rules do not require issuance of a regulatory permit or license.

b. Whether a federal law is applicable to the subject of the rule, whether the rule is more stringent than federal law and if so, citation to the statutory authority to exceed the requirements of federal law:

Not applicable

c. Whether a person submitted an analysis to the agency that compares the rule's impact of the competitiveness of business in this state to the impact on business in other states:

No analysis was submitted.

12. A list of any incorporated by reference material as specified in A.R.S. § 41-1028 and its location in the rules:

29 CFR 1904 The Federal Occupational Injury and Illness Recording and Reporting Requirements with amendments as of September 18, 2014. This incorporation by reference will appear in R20-5-629.

13. The full text of the rules follows:

TITLE 20. COMMERCE, FINANCIAL INSTITUTIONS, AND INSURANCE

CHAPTER 5. INDUSTRIAL COMMISSION OF ARIZONA

ARTICLE 6. OCCUPATIONAL SAFETY AND HEALTH STANDARDS

Section

R20-5-629. The Occupational Injury and Illness Recording and Reporting Requirements, 29 CFR 1904

ARTICLE 6. OCCUPATIONAL SAFETY AND HEALTH STANDARDS

R20-5-629. The Occupational Injury and Illness Recording and Reporting Requirements, 29 CFR 1904

Each employer shall comply with the Occupational Injury and Illness Recording and Reporting Requirements, published in 29 CFR 1904, as amended ~~June 30, 2003~~, September 18, 2014, incorporated by reference. This incorporation by reference contains no future editions or amendments. Copies of the incorporated materials are available for review at the Industrial Commission of Arizona and may be obtained from the United States Government Printing Office, Superintendent of Documents, Washington, D.C. 20402. These standards shall apply to all employers, both public and private, in the state of Arizona which are the subject of R20-5-629. This incorporation by reference does not include amendments or editions to 29 CFR 1904 published after ~~June 30, 2003~~. September 18, 2014.