EXHIBIT E

1	INTERIM STUDY PROPOSAL 2025-013
2	
3	State of Arkansas
4	95th General Assembly A Bill
5	Regular Session, 2025 SENATE BILL 456
6	
7	By: Senator J. Petty
8	By: Representative R. Burkes
9	Filed with: Senate Committee on City, County, and Local Affairs
10	pursuant to A.C.A. §10-3-217
11	For An Act To Be Entitled
12	AN ACT TO CREATE THE HOME OPPORTUNITIES MADE EASIER
13	ACT; AND FOR OTHER PURPOSES.
14	
15	
16	Subtitle
17	TO CREATE THE HOME OPPORTUNITIES MADE
18	EASIER ACT.
19	
20	BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
21	
22	SECTION 1. Arkansas Code Title 14, Chapter 1, is amended to add an
23	additional subchapter to read as follows:
24	
25	Subchapter 7 — Home Opportunities Made Easier Act
26	
27	14-1-701. Title.
28	This subchapter shall be known and may be cited as the "Home
29	Opportunities Made Easier Act".
30	
31	14-1-702. Legislative findings.
32	The General Assembly finds that:
33	(1) Working families are finding it increasingly difficult to
34	purchase or rent a home in or close to the communities where they work;
35	(2) Many moderate-income workers are working two (2) or three
36	(3) jobs to meet their monthly housing expenses.

1	(3) The gap between those who can afford a home and those who
2	cannot is widening at an alarming rate, and affordable rental housing is in
3	<pre>short supply;</pre>
4	(4) Regulatory barriers by state and local governments often
5	prevent the construction of a mix of different types of housing in various
6	<pre>price ranges;</pre>
7	(5) In some areas of the country regulatory delays and excesses
8	have added as much as twenty percent (20%) to the cost of building housing;
9	<u>and</u>
10	(6) Arkansas desires to be a leader in providing solutions to
11	difficult problems like those described in this section.
12	
13	14-1-703. Purpose.
14	It is the purpose of this subchapter to:
15	(1) Recognize that people should be able to use their property
16	for reasonable and traditional uses, without unreasonable, arbitrary, or
17	discriminatory zoning regulations that impair property rights and create a
18	shortage of affordable housing; and
19	(2) Allow private citizens to create more housing, free from
20	unreasonable local regulations.
21	
22	14-1-704. Definitions.
23	As used in this subchapter:
24	(1) "Duplex" means a house divided into two (2) dwelling units,
25	with a separate entrance for each;
26	(2) "Dwelling unit" means:
27	(A) A house;
28	(B) An apartment; or
29	(C) Other place of residence;
30	(3) "Home occupation" means a business conducted full-time or
31	part-time in a dwelling unit or a secondary dwelling unit that serves as the
32	principal residence of the person conducting the business;
33	(4)(A) "Local government" means:
34	(i) A county;
35	(ii) A city of the first class;
36	(iii) A city of the second class; or

1	(iv) An incorporated town;
2	(B) "Local government" includes:
3	(i) The governing body of a local government;
4	(ii) A local government zoning board; and
5	(iii) A local government planning board.
6	(5)(A) "Mobile tiny home" means a residence that is:
7	(i) Under five hundred square feet (500 sq. ft.);
8	<u>and</u>
9	(ii) On wheels so that it is mobile.
10	(B) "Mobile tiny home" does not include a traditional:
11	<u>(i) Car;</u>
12	(ii) Truck; or
13	(iii) Sports utility vehicle;
14	(6) "Nuisance" means unreasonable interference with the
15	possessory interest of an individual in the use or enjoyment of the
16	individual's land, including without limitation:
17	(A) Pollution;
18	(B) Noise;
19	(C) Unpleasant odor;
20	(D) Mist;
21	(E) Dust;
22	(F) Harmful use of pesticides; and
23	(G) Vibration;
24	(7) "Public transportation stop" means a stop where a bus,
25	subway, or other public transit service picks up and drops off passengers;
26	(8) "Quadplex" means a house divided into four (4) dwelling
27	units, with a separate entrance for each;
28	(9) "Secondary dwelling unit" means a secondary house or
29	apartment that shares the same lot as a primary home;
30	(10)(A) "Tiny home" means a detached residence that is under
31	five hundred square feet (500 sq. ft.).
32	(B) "Tiny home" does not include a:
33	(i) Tent; or
34	(ii) Home made from:
35	(a) Cardboard crates;
36	(b) Scrap wood;

1	(c) Plastic bags;
2	<pre>(d) Bedding;</pre>
3	(e) Tarps; or
4	(f) Other materials similar to those listed in
5	subdivisions (10)(B)(ii)(a)-(e); and
6	(11) "Triplex" means a house divided into three (3) dwelling
7	units, with a separate entrance for each.
8	
9	14-1-705. Restrictions on design requirements for dwelling units,
10	secondary dwelling units, and garages.
11	(a) Except as otherwise provided in this section, a local government
12	shall not establish design requirements for the aesthetics of dwelling units,
13	secondary dwelling units, and garages unless those design requirements are
14	necessary to protect:
15	(1) Public health and safety; or
16	(2) The structural integrity of the buildings.
17	(b) Design requirements prohibited under this section include without
18	limitation:
19	(1) Requiring or prohibiting a certain architectural style of
20	home, including without limitation:
21	(A) Victorian;
22	(B) Craftsman;
23	(C) Ranch; or
24	(D) Other type of architectural style;
25	(2) Requiring certain exterior building materials, including
26	without limitation:
27	(A) Stone;
28	(B) Brick; or
29	(C) A specific type of siding;
30	(3) Requiring a certain amount or style of landscaping, unless
31	the landscaping is necessary to:
32	(A) Address drainage and water runoff; or
33	(B) Create permeable surfaces; and
34	(4) Requiring garages or establishing architectural requirements
35	for garages, unless necessary:
36	(A) To protect public health and safety; or

1	(B) For the structural integrity of the garage.
2	(c) Except as otherwise provided in this section, a decision on design
3	requirements is at the sole discretion of a:
4	(1) Property owner; or
5	(2) Private homeowners' association, if applicable.
6	(d) Design requirements shall otherwise be permissible unless the
7	design requirements:
8	(1) Constitute a nuisance; or
9	(2) Conflict with existing design requirements made applicable
10	by a property's inclusion within an already designated historic district
11	under the Historic Districts Act, § 14-172-201 et seq.
12	
13	14-1-706. Multi-family dwelling units.
14	(a)(1) A zoning ordinance that allows single-family dwelling units
15	shall also allow duplexes.
16	(2) A local government may require a duplex to comply with
17	reasonable setback and height restrictions applicable to a single-family
18	dwelling unit but shall not establish additional requirements or restrictions
19	on the duplex.
20	(b)(l) A city of the first class or a city of the second class that
21	allows single-family dwelling units shall also allow triplexes and
22	quadplexes.
23	(2) A local government may require triplexes and quadplexes to
24	comply with setback and height restrictions applicable to single-family
25	dwelling units but shall not establish additional requirements or
26	restrictions on triplexes or quadplexes.
27	(c) A local government shall not prohibit or restrict a property owner
28	from fully or partially demolishing or removing an existing structure on a
29	single-family dwelling unit zoned property that the property owner wishes to
30	convert to a:
31	(1) Duplex;
32	(2) Triplex; or
33	(3) Quadplex.
34	(d) A local government shall not prohibit or restrict a property owner
35	from subdividing an existing single-family dwelling unit zoned lot in a
36	manner and number consistent with the establishment of a duplex, triplex, or

1	quadplex on that lot.
2	
3	14-1-707. Attached or unattached secondary dwelling unit allowed for
4	single-family dwelling unit.
5	(a) A lot that contains a single-family dwelling unit may have an
6	attached or detached secondary dwelling unit.
7	(b)(1) A local government may establish reasonable and objective
8	restrictions on a secondary dwelling unit, which may include reasonable
9	setback requirements.
10	(2) Reasonable restrictions under this section do not include a:
11	(A) Requirement that the secondary dwelling unit have a
12	permanent foundation;
13	(B) Prohibition on a secondary dwelling unit's being a
14	<pre>mobile tiny home;</pre>
15	(C) Requirement that the owner of the single-family
16	dwelling unit also own the secondary dwelling unit;
17	(D) Requirement that the owner of the single-family
18	dwelling unit reside on the property that has a secondary dwelling unit;
19	(E) Prohibition on renting the secondary dwelling unit; or
20	(F) Requirement that the occupant of the secondary
21	dwelling unit be related by blood or marriage to the owner of the single-
22	family dwelling unit.
23	(c)(1) If a local government requires permits for secondary dwelling
24	units, permit applications that comply with the local government's reasonable
25	restrictions shall be administratively approved.
26	(2) If the local government does not deny the permit within
27	thirty (30) days, the permit shall be deemed approved.
28	(d)(l) Instead of having a secondary dwelling unit, a property owner
29	may rent space on the owner's land to one (1) mobile tiny home, whether or
30	not the property owner owns the mobile tiny home.
31	(2) An arrangement under subdivision (d)(l) of this section does
32	not require a permit, registration, or other form of permission.
33	(e) A local government shall not prohibit or restrict a property owner
34	from subdividing an existing lot in a manner and number consistent with the
35	establishment of a secondary dwelling unit on the lot.

36

1	14-1-708. Restrictions on tiny homes and other dwellings.
2	(a)(1) An owner of a residential vacant lot or other lot allowing
3	residential use may establish a tiny home, including a mobile tiny home, on
4	the lot.
5	(2) The tiny home may be inhabited by the property owner or
6	rented to another person or persons.
7	(3) A local government shall not establish durational limits or
8	restrictions on tiny homes offered for rent under this section.
9	(b) A home that is manufactured in compliance with the United States
10	Department of Housing and Urban Development federal regulations under 42
11	U.S.C. § 3531 et seq., as it existed on January 1, 2025, shall be permitted
12	in a residential zone without requiring additional standards or inspections.
13	
14	14-1-709. Building permits for dwelling units — Unreasonable delays
15	and fees prohibited.
16	(a) A permit required for a dwelling unit besides a secondary dwelling
17	unit shall be deemed approved if not denied within sixty (60) days.
18	(b)(1) More than two (2) hearings before a local government shall not
19	be required for a building permit.
20	(2) This subsection does not apply to a resident's inquiries
21	made to an elected official, staff, or other government official of the local
22	<pre>government.</pre>
23	(3) This subsection does not affect an applicant's right to
24	appeal an adverse zoning decision.
25	(c)(1) A local government shall not require excessive fees for permit
26	applications or approvals.
27	(2) Fees over five hundred dollars (\$500) are presumptively
28	excessive.
29	(d) A local government shall not require:
30	(1) Permit applicants to pay for an unreasonable number of
31	studies on the proposed dwelling unit; or
32	(2) Studies at an unreasonable expense.
33	(e) An obligation imposed as a condition of the issuance of a permit
34	for a dwelling unit shall:
35	(1) Bear a clear nexus to the project or use for which the
36	permit is issued; and

1	(2) Be expressly stated by the issuing authority at the time of
2	the issuance of the permit and shall not be modified thereafter.
3	
4	14-1-710. Variances for use or construction of dwelling units and
5	secondary dwelling units — Unreasonable delays and fees prohibited.
6	(a)(1) A request for a variance related to the use or construction of
7	a dwelling unit shall be deemed approved if not denied within sixty (60)
8	days.
9	(2) A request for a variance related to the use or construction
10	of a secondary dwelling unit shall be deemed approved if not denied within
11	thirty (30) days.
12	(b) More than two (2) hearings before a local government shall not be
13	required for a request for a variance.
14	(c) Total fees for a variance for the use or construction of a
15	dwelling unit or a secondary dwelling unit, including any amount required to
16	be held in escrow, shall not exceed five hundred dollars (\$500).
17	(d) An obligation imposed as a condition of the issuance of a variance
18	for the use or construction of a dwelling unit of a secondary dwelling unit
19	shall:
20	(1) Bear a clear nexus to the use or construction for which the
21	variance is issued; and
22	(2) Be expressly stated by the local government at the time of
23	the issuance of the variance and shall not be modified thereafter.
24	
25	14-1-711. Parking restrictions.
26	The construction of a dwelling unit shall not be conditioned on minimum
27	parking requirements if the dwelling unit is within one half (1/2) mile of a
28	public transportation stop.
29	
30	14-1-712. Home occupations.
31	(a)(1) Except as provided under subsection (b) of this section, a home
32	occupation shall be allowed without a permit in all residential zoning
33	districts, unless the home occupation would result in a nuisance.
34	(2) A home occupation shall be allowed in a dwelling unit or a
35	secondary dwelling unit by a resident of the dwelling unit or the secondary
36	dwelling unit.

1	(3) A local government shall provide a person operating a home
2	$\underline{\text{occupation}}$ that is allegedly in violation of this subsection with notice $\underline{\text{and}}$
3	an opportunity to be heard before restricting or prohibiting the home
4	occupation.
5	(b)(1) A local government may establish reasonable restrictions on the
6	operation of home occupations to prevent a nuisance.
7	(2) A reasonable restriction under subdivision (b)(1) of this
8	section does not include:
9	(A) Prohibitions on storing inventory or using equipment
10	on the premises, including outside the home, unless the inventory or
11	equipment usage is a genuine public safety hazard or other nuisance;
12	(B)(i) Except as provided in subdivision (b)(2)(B)(ii) of
13	this section, prohibitions on a customer from visiting the dwelling where the
14	home occupation is located.
15	(ii) Reasonable restrictions on parking and the
16	number of daily or weekly customers shall be allowed;
17	(C) Prohibiting two (2) or fewer nonresident employees
18	from working at the home occupation;
19	(D) Requirements for structural modifications for a home
20	occupation;
21	(E) Restrictions on the amount of floor space the home
22	occupation may use;
23	(F) Categorical prohibitions on certain types of home
24	occupations, unless those businesses would inherently cause a nuisance;
25	(G) Prohibitions on home occupations used for charitable
26	purposes; and
27	(H) Limits on the number of home occupations in one (1)
28	dwelling.
29	
30	14-1-713. Other uses in commercially zoned districts.
31	Subject to the local powers reserved in this subchapter and unless
32	otherwise provided by law, a local government shall not prohibit or restrict:
33	(1) Residential uses in commercial zones; or
34	(2) Commercial or noncommercial uses for charitable purposes in
35	commercial zones.
36	

1	14-1-714. Retail restrictions.
2	A local government shall not:
3	(1) Limit or restrict the number of dwellings or dwelling units
4	that may be rented;
5	(2) Limit the amount of rent, deposits, or fees a property owner
6	may require to lease a dwelling or dwelling unit;
7	(3) Set minimum or maximum durational restrictions for rental
8	units;
9	(4) Restrict the number of unrelated residents from living
10	together, unless such residents create a:
11	(A) Genuine and demonstrable risk to public health and
12	safety; or
13	(B) Nuisance;
14	(5) Require a permit, permission, or registration to offer a
15	property for rent, unless the property offered for rent is:
16	(A) The subject of more than four (4) verified violations
17	in a rolling twelve-month period or two (2) or more verified violations in a
18	rolling thirty-day period; or
19	(B) Identified as being within the top ten percent (10%)
20	of properties with crime or disorder problems as set forth in a local
21	ordinance; or
22	(6) Establish excessive or onerous fees or taxes for a permit or
23	permission to offer a property for rent.
24	
25	14-1-715. Connection of zoning ordinances to health and safety.
26	(a) All zoning ordinances shall have a real and substantial connection
27	to protecting public safety, health, or reasonable enjoyments and
28	expectations of property, including without limitation:
29	(1) Requiring the structural integrity of structures;
30	(2) Requiring safe plumbing;
31	(3) Requiring safe electricity; and
32	(4) Preventing nuisances.
33	(b) A zoning ordinance not in compliance with this section is invalid
34	and unenforceable.
35	
36	14-1-716. Access to courts.

I	(a)(l) An individual or party who is allegedly harmed by a local
2	government's law, actions, or omission in violation of this subchapter may
3	challenge the law, action, or omission in state or federal court.
4	(2) The court shall also have jurisdiction to decide any factual
5	or legal claims that were or could have been presented by the individual.
6	(b) An individual or party filing a court challenge under this section
7	shall not be required to first exhaust administrative remedies before filing
8	the challenge.
9	(c) If a court finds that a challenged local government action was
10	unambiguously foreclosed under the terms of this subchapter, the property
11	owner filing the challenge shall be entitled to an award of reasonable
12	attorney's fees.
13	(d) An ambiguity in this subchapter or a local zoning ordinance shall
14	be construed in favor of the free use of property as desired by the property
15	owner.
16	
17	14-1-717. Estoppel.
18	(a) An individual or party may reasonably rely on the representations
19	of an official of local government, acting in his or her official capacity,
20	with respect to an interpretation of a relevant statute, ordinance,
21	restriction, or regulation under this subchapter.
22	(b) Estoppel shall be an affirmative defense in an action alleging
23	noncompliance with a zoning ordinance if the accused individual or party can
24	demonstrate that he or she reasonably relied on the representations of an
25	official of local government.
26	(c) A local government is estopped from bringing a code enforcement
27	action alleging noncompliance with a zoning ordinance if the accused
28	individual or party can demonstrate that the alleged violation was open and
29	known to the local government or its agents for a period of two (2) years.
30	
31	14-1-718. Implementation of subchapter.
32	(a) A local government shall amend the zoning ordinances of the local
33	government to comply with this subchapter within twelve (12) months of the
34	effective date of this act.
35	(b) Failure to amend the zoning ordinances as required under

subsection (a) of this section shall not affect the applicability of this

36

1	subchapter to a local government, which shall apply upon the effective date
2	of this act.
3	(c) Failure of a local government to amend its zoning ordinances shall
4	not prevent a property owner from fully exercising the property owner's
5	rights under this subchapter, including the right to construct any dwellings
6	allowed as a matter of right under this subchapter.
7	
8	14-1-719. Powers reserved.
9	(a) This subchapter does not impede the ability of a property owner's
10	association or other private deed-restricted community from setting its own
11	rules and regulations for its residents.
12	(b) This subchapter does not restrict the creation of new dwellings or
13	dwelling units in nonresidential zones.
14	
15	14-1-720. Construction.
16	(a) This subchapter does not restrict a local government's police
17	powers to prohibit the use of tents, crates, or other nonpermanent
18	structures:
19	(1) In parks;
20	(2) On sidewalks; and
21	(3) In other public places.
22	(b) This subchapter does not restrict the power of a local government
23	to permit single-family dwelling units in a residential zoning district.
24	(c) This subchapter is not limited to only residential zoning
25	districts but extends to all areas that provide for permissible residential
26	uses.
27	(d) This subchapter does not restrict the power of a local government
28	to enact a zoning ordinance more permissive than those set forth in this
29	subchapter.
30	
31	SECTION 2. Arkansas Code § 14-56-204(c)(1), concerning the definitions
32	related to prohibited municipal regulation of residential building design
33	elements, is amended to read as follows:
34	(c)(l) As used in this section, "residential building design elements"
35	means:
36	(A) Exterior building color;

I.S.P. 2025-013

1	(B)	Type or style of exterior cladding material;
2	(C)	Style or materials of roof structures, roof pitches,
3	or porches;	
4	(D)	Exterior nonstructural architectural ornamentation;
5	(E)	Location, design, placement, or architectural styling
6	of windows and doors,	including garage doors and garage structures;
7	(F)	The number and types of rooms;
8	(G)	The interior layout of rooms; and
9	(H)	The minimum square footage of a structure; and
10	<u>(I)</u>	Architectural building style, including a requirement
11	or prohibition on a ce	ertain architectural style of home.
12		
13		
14	Referred requested by the Arkansas Senate	
15	Prepared by: SSS/AMS	
16		
17		