

# ARKANSAS ABSTRACTERS' BOARD

## Enabling Laws

Act 47 of 2012  
Act 109 of 1969 as amended.  
See A.C.A. § 17-11-401

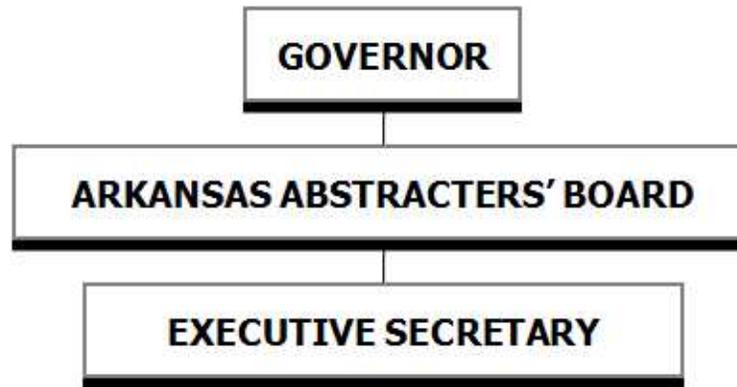
## History and Organization

The Arkansas Abstracter's Board of Examiners was created by Act 109 of 1969. This Act established a three-member board, appointed by the Governor, confirmed by the Senate, to serve six (6) year terms. The terms are staggered so that one member is replaced every two years. Act 1042 of 2007 changed the name of the Board to the Arkansas Abstracters' Board. This act increases the number of board members from three to five.

Act 1042 of 2007 also provides that two of the board members shall be actively engaged in the making of abstracts to real estate titles in the State of Arkansas for a period of no less than five (5) years prior to their appointment. A third member shall be knowledgeable of the abstract business, and two members shall be at large.

The Arkansas Abstracters' Board is staffed with one (1) part-time employee, an Abstracter Secretary General. This Board is responsible for the proper supervision and renewal of some 100-125 firm licenses and more than 325 individual licenses on an annual basis. In addition, the Board schedules and administers a semi-annual examination to approximately 30 individuals, which is given in the April and October time frames each year. Also, the Board is responsible for the examination of the records of all new firms making application for license.

In addition, the Board is responsible for responding to complaints regarding possible unlicensed operations, etc. and scheduling hearings as needed to resolve the complaints. Enforcement of the provisions of A.C.A. § 17-11-201 is within the duties of this Board and periodic inspections may be made on a random basis to ensure compliance. Revocation of certificates of authority is within the jurisdiction of this Board when non-compliance is determined in a hearing before the Board, when requested by the licensee.



### **Agency Commentary**

The Arkansas Abstracters' Board has the responsibility to regulate and license both abstract companies and individual abstracters of real estate titles. Funding is derived from special revenues collected based on fees charged for licenses, examinations, and transfers. With the increased interest in mineral rights, we are expecting an increase in the demand for abstract licenses. Two additional board members were appointed during the 2007-2009 Biennium. The Board's records and business have been maintained and conducted out of its one employee's home.

The Board is requesting Base Level for the 2013 - 2015 Biennium.

### **Audit Findings**

DIVISION OF LEGISLATIVE AUDIT  
AUDIT OF :  
ARKANSAS ABTRACTOR'S BOARD OF EXAMINERS

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#### Findings

A separate report for this Agency was not issued. However, financial activity for the Agency was included in the audit of the State's CAFR for the year ended June 30, 2011.

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#### Recommendations

**State Contracts Over \$25,000 Awarded To Minority Owned Businesses Fiscal Year 2012**

None

**Employment Summary**

	Male	Female	Total	%
White Employees	0	1	1	100 %
Black Employees	0	0	0	0 %
Other Racial Minorities	0	0	0	0 %
Total Minorities			0	0 %
Total Employees			1	100 %

**Publications**

**A.C.A. 25-1-204**

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution
		Governor	General Assembly		
None	N/A	N	N	0	N/A

## Agency Position Usage Report

FY2010 - 2011						FY2011 - 2012						FY2012 - 2013					
Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused	Authorized in Act	Budgeted			Unbudgeted	% of Authorized Unused
	Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total			Filled	Unfilled	Total	Total	
1	1	0	1	0	0.00 %	1	1	0	1	0	0.00 %	1	1	0	1	0	0.00 %

## **Analysis of Budget Request**

**Appropriation:** 069 - Abstracter's Board-Operations

**Funding Sources:** SXA - Arkansas Abstracters' Board Fund

Act 109 of 1969 established a three member Abstracter's Board of Examiners. Act 1042 of 2007 increased the Board to five members. The Board has the responsibility to regulate and license both abstract companies and individual abstracters of real estate titles. The Board schedules and administers a semi-annual examination to individuals seeking certification as a registered abstracter. Over 300 individuals and 125 firm licenses are issued and renewed each year. Funding is derived from special revenues collected based on fees charged for licenses, examinations, and transfers.

Base Level Regular Salaries and Personal Services Matching include Career Service payments for eligible employees. Personal Services Matching also includes a \$20 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$410 per month. Base Level salaries and matching do not include appropriation for a Cost of Living Adjustment or Merit Pay Increases.

Base Level is \$53,162 each year and is the Agency Request.

The Executive Recommendation provides for the Agency Request.

## Appropriation Summary

**Appropriation:** 069 - Abstracter's Board-Operations

**Funding Sources:** SXA - Arkansas Abstracters' Board Fund

### Historical Data

### Agency Request and Executive Recommendation

Commitment Item	2011-2012	2012-2013	2012-2013	2013-2014			2014-2015		
	Actual	Budget	Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries 5010000	9,128	7,977	7,977	8,753	8,753	8,753	8,753	8,753	8,753
<b>#Positions</b>	<b>1</b>								
Personal Services Matching 5010003	5,972	6,426	6,288	6,842	6,842	6,842	6,842	6,842	6,842
Operating Expenses 5020002	2,088	12,567	12,567	12,567	12,567	12,567	12,567	12,567	12,567
Conference & Travel Expenses 5050009	0	0	0	0	0	0	0	0	0
Professional Fees 5060010	0	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000
Data Processing 5090012	0	0	0	0	0	0	0	0	0
Capital Outlay 5120011	0	0	0	0	0	0	0	0	0
<b>Total</b>	<b>17,188</b>	<b>51,970</b>	<b>51,832</b>	<b>53,162</b>	<b>53,162</b>	<b>53,162</b>	<b>53,162</b>	<b>53,162</b>	<b>53,162</b>
<b>Funding Sources</b>									
Fund Balance 4000005	57,730	76,541		57,571	57,571	57,571	37,409	37,409	37,409
Special Revenue 4000030	35,999	33,000		33,000	33,000	33,000	33,000	33,000	33,000
Total Funding	93,729	109,541		90,571	90,571	90,571	70,409	70,409	70,409
Excess Appropriation/(Funding)	(76,541)	(57,571)		(37,409)	(37,409)	(37,409)	(17,247)	(17,247)	(17,247)
<b>Grand Total</b>	<b>17,188</b>	<b>51,970</b>		<b>53,162</b>	<b>53,162</b>	<b>53,162</b>	<b>53,162</b>	<b>53,162</b>	<b>53,162</b>

FY13 Budget amount in Personal Services Matching exceeds the Authorized amount due to matching rate adjustments during the 2011-2013 Biennium.