

PROFESSIONAL BAIL BONDSMAN LICENSING BOARD

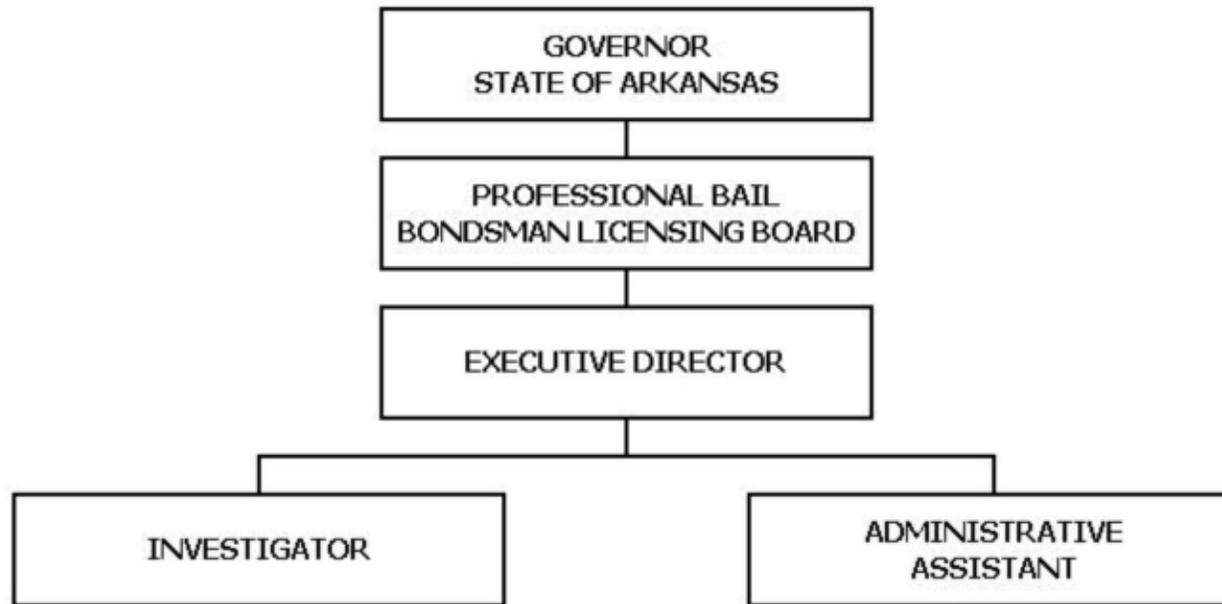
Enabling Laws

Act 182 of 2012
A.C.A. § 17-19-101 et seq.

History and Organization

A.C.A. § 17-19-106 et seq. established the Professional Bail Bond Company & Professional Bail Bondsman Licensing Board. The Act provided for a seven member Board to be appointed by the Governor for terms of seven years. The Board consists of one (1) Sheriff, one (1) Chief of Police, one (1) elected Judge, one (1) citizen at large, and three (3) bail bond company owners. Act 1817 of 2001 provided that one (1) member of the Board be an African-American and that one (1) member be female. In 2010, the Supreme Court of Arkansas (No. 09-1269) declared unconstitutional that one member of the Board be a municipal or circuit judge. The position has remained unfilled.

The Board is organized as follows: An executive director, appointed by the Board, is responsible for the day-to-day administration of the duties and functions of the Board. The Board employs an investigator and an administrative assistant.



Agency Commentary

Act 500 of 1993 established the Professional Bail Bond Company & Professional Bail Bondsman Licensing Board and provided the Board with the authority and responsibility of administering and enforcing the provisions of Arkansas Code Annotated Title 17, Chapter 19. The Board was given authority to adopt and enforce such reasonable rules and regulations as it determines are necessary to enable the effective and efficient administration of its official duty of licensing and regulating professional bail bond companies and professional bail bondsman.

The primary activities of the Board are as follows: 1) Administer the Professional Bail Bondsman Examination weekly, 2) License those who pass the examination and otherwise qualify, 3) Determine whether those who apply for an Arkansas Bail Bond Company License qualify, 4) Annually issue renewal licenses to all qualified bail bondsman and bail bond companies, 5) Conduct investigations into allegations of violations of Statutes and Rules & Regulations based on complaints and/or information received by the Board office, 6) Conduct hearings and take disciplinary action where appropriate, 7) Monitor mandatory continuing professional education for professional bail bondsman who hold a valid Arkansas license, and 8) Conduct yearly audits of bail bond companies to ensure compliance with record keeping and reporting requirements.

The Board requests Base Level appropriation for the 2013-2015 Biennium.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
 AUDIT OF :
 PROFESSIONAL BAIL BONDSMAN LICENSING BOARD
 FOR THE YEAR ENDED JUNE 30, 2010

Findings

Recommendations

None

None

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

None

Employment Summary

	Male	Female	Total	%
White Employees	2	1	3	100 %
Black Employees	0	0	0	0 %
Other Racial Minorities	0	0	0	0 %
Total Minorities			0	0 %
Total Employees			3	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		
Bail Bonds Company and Bail Bondsman Licensing Board	A.C.A. §17-29-206 (f)	N	N	150	Required by law. Public Use.

Department Appropriation Summary

Historical Data

Agency Request and Executive Recommendation

Appropriation	2011-2012		2012-2013		2012-2013		2013-2014						2014-2015					
	Actual	Pos	Budget	Pos	Authorized	Pos	Base Level	Pos	Agency	Pos	Executive	Pos	Base Level	Pos	Agency	Pos	Executive	Pos
1DV Bail Bondsman-Operations	314,191	3	322,772	3	320,942	3	317,566	3	317,566	3	317,566	3	318,297	3	318,297	3	318,297	3
4HD Treasury Cash Reimbursement	11,260	0	500,000	0	500,000	0	500,000	0	500,000	0	500,000	0	500,000	0	500,000	0	500,000	0
Total	325,451	3	822,772	3	820,942	3	817,566	3	817,566	3	817,566	3	818,297	3	818,297	3	818,297	3

Funding Sources		%		%		%		%		%		%		%		%	
Fund Balance	4000005	281,576	48.1	260,159	24.6			232,804	22.4	232,804	22.4	232,804	22.4	220,341	21.3	220,341	21.3
Cash Fund	4000045	145,886	24.9	613,225	58.1			610,750	58.8	610,750	58.8	610,750	58.8	610,750	59.0	610,750	59.0
AR Insurance Fund	4000100	318,413	54.4	320,942	30.4			318,413	30.7	318,413	30.7	318,413	30.7	318,413	30.8	318,413	30.8
Transfer to General Revenue	4000635	(160,265)	(27.4)	(138,750)	(13.1)			(124,060)	(12.0)	(124,060)	(12.0)	(124,060)	(12.0)	(114,713)	(11.1)	(114,713)	(11.1)
Total Funds		585,610	100.0	1,055,576	100.0			1,037,907	100.0	1,037,907	100.0	1,037,907	100.0	1,034,791	100.0	1,034,791	100.0
Excess Appropriation/(Funding)		(260,159)		(232,804)				(220,341)		(220,341)		(220,341)		(216,494)		(216,494)	
Grand Total		325,451		822,772				817,566		817,566		817,566		818,297		818,297	

The FY13 Budget amount in the Bail Bondsman-Operations appropriation (1DV) exceeds Authorized due to matching rate adjustments during the 2011-2013 Biennium. At fiscal year end, all but twenty-five percent (25%) of Bail Bondsman-Operations (1DV) fund balance must be transferred to the General Revenue Fund Account in the State Treasury.

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	
3	3	0	3	0	0.00 %	3	3	0	3	0	0.00 %	3	3	0	3	0	0.00 %

Analysis of Budget Request

Appropriation: 1DV - Bail Bondsman-Operations

Funding Sources: MBB - Professional Bail Bondsman Licensing Board

The Professional Bail Bondsman Licensing Board uses this appropriation to cover operating expenses and to administer and enforce the provisions of the law relating to the licensing and regulating of professional bail bond companies and bondsmen. The Insurance Department collects \$10 per bond written in the State, and by statute must provide the Board with funding up to the appropriated level each fiscal year. Receipts from examination fees, license renewals and penalties also fund operations of the Board. The Board also uses this appropriation to comply with Section 4 of Act 700 of 1993, which requires the Board to transfer all but 25% of its fund balance to the State Treasury at the end of each fiscal year.

Base Level Regular Salaries and Personal Services Matching includes 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. The Base Level request for Regular Salaries includes board member stipend payments.

The Board requests Base Level for each year of the biennium.

The Executive Recommendation provides for the Agency Request. Expenditure of appropriation is contingent upon available funding.

Appropriation Summary

Appropriation: 1DV - Bail Bondsman-Operations
Funding Sources: MBB - Professional Bail Bondsman Licensing Board

Historical Data

Agency Request and Executive Recommendation

Commitment Item		Historical Data			Agency Request and Executive Recommendation			Agency Request and Executive Recommendation		
		2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	2013-2014			2014-2015		
					Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries	5010000	137,414	133,597	133,987	133,597	133,597	133,597	134,197	134,197	134,197
#Positions		3	3	3	3	3	3	3	3	3
Personal Services Matching	5010003	42,317	41,789	39,569	42,583	42,583	42,583	42,714	42,714	42,714
Operating Expenses	5020002	90,437	103,386	103,386	103,386	103,386	103,386	103,386	103,386	103,386
Conference & Travel Expenses	5050009	2,079	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
Professional Fees	5060010	23,146	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000
Data Processing	5090012	0	0	0	0	0	0	0	0	0
Capital Outlay	5120011	18,798	6,000	6,000	0	0	0	0	0	0
Total		314,191	322,772	320,942	317,566	317,566	317,566	318,297	318,297	318,297
Funding Sources										
Fund Balance	4000005	214,186	192,769		165,414	165,414	165,414	152,951	152,951	152,951
Cash Fund	4000045	134,626	113,225		110,750	110,750	110,750	110,750	110,750	110,750
AR Insurance Fund	4000100	318,413	320,942		318,413	318,413	318,413	318,413	318,413	318,413
Transfer to General Revenue	4000635	(160,265)	(138,750)		(124,060)	(124,060)	(124,060)	(114,713)	(114,713)	(114,713)
Total Funding		506,960	488,186		470,517	470,517	470,517	467,401	467,401	467,401
Excess Appropriation/(Funding)		(192,769)	(165,414)		(152,951)	(152,951)	(152,951)	(149,104)	(149,104)	(149,104)
Grand Total		314,191	322,772		317,566	317,566	317,566	318,297	318,297	318,297

The FY13 Budget amount in Personal Services Matching exceeds the authorized amount due to matching rate adjustments during the 2011-2013 Biennium. At fiscal year end this agency must transfer all but twenty-five percent (25%) of its fund balance to the General Revenue Fund Account in the State Treasury. The biennial estimates of Cash funding is lower due to increased requirements for starting a bail bond company and associated licensing fees, and a lower estimate of existing companies agent's renewals due to economic conditions.

Analysis of Budget Request

Appropriation: 4HD - Treasury Cash Reimbursement

Funding Sources: NBB - Cash in Treasury

The Professional Bail Bondsman Licensing Board uses this appropriation to allow the Board to process security deposits and pay outstanding judgments of bail bonds companies that go out of business. This appropriation allows proper accounting of these transactions on the state accounting system.

The Board requests Base Level of \$500,000 for the 2013-2015 Biennium.

The Executive Recommendation provides for the Agency Request. Expenditure of appropriation is contingent upon available funding.

Appropriation Summary

Appropriation: 4HD - Treasury Cash Reimbursement

Funding Sources: NBB - Cash in Treasury

Historical Data

Agency Request and Executive Recommendation

Commitment Item	Historical Data			2013-2014			2014-2015		
	2011-2012 Actual	2012-2013 Budget	2012-2013 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Refunds/Reimbursements 5110014	11,260	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
Total	11,260	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
Funding Sources									
Fund Balance 4000005	67,390	67,390		67,390	67,390	67,390	67,390	67,390	67,390
Cash Fund 4000045	11,260	500,000		500,000	500,000	500,000	500,000	500,000	500,000
Total Funding	78,650	567,390		567,390	567,390	567,390	567,390	567,390	567,390
Excess Appropriation/(Funding)	(67,390)	(67,390)		(67,390)	(67,390)	(67,390)	(67,390)	(67,390)	(67,390)
Grand Total	11,260	500,000		500,000	500,000	500,000	500,000	500,000	500,000