

PROFESSIONAL BAIL BONDSMAN LICENSING BOARD

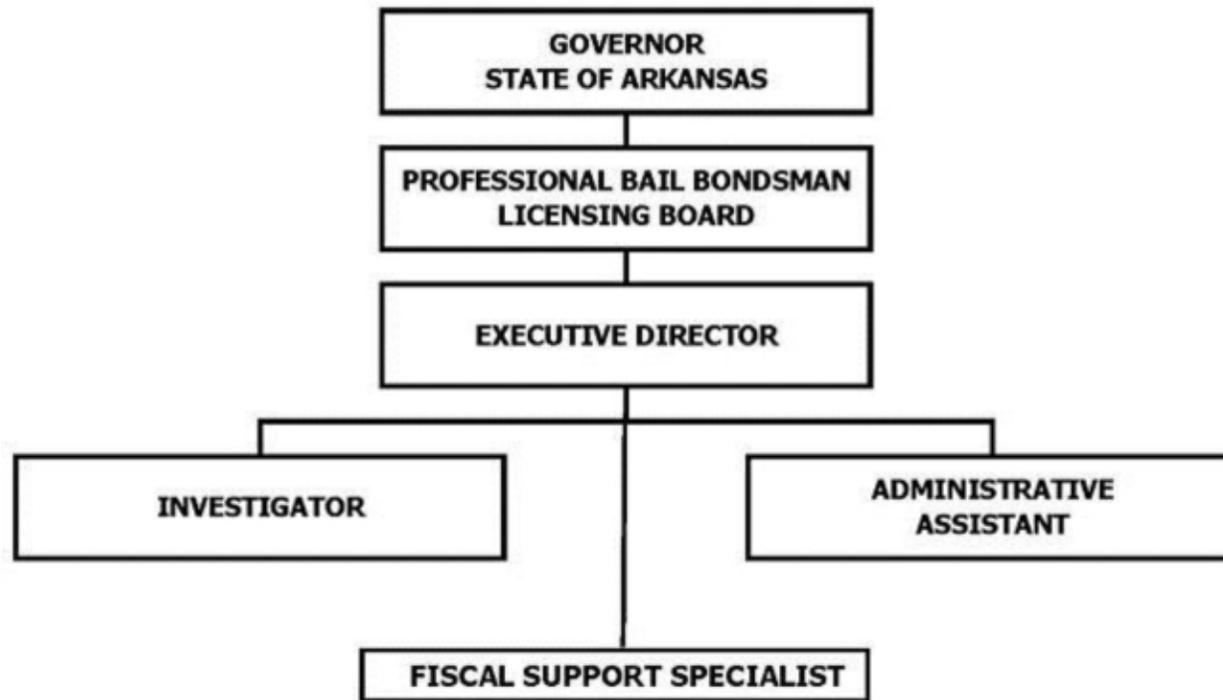
Enabling Laws

Act 251 of 2014
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 currently employs an investigator, an administrative assistant, and a Fiscal Support Specialist.



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 an increase of \$44,982 in Regular Salaries and Personal Services Matching for restoration of a Fiscal Support Specialist Growth Pool position approved in July of 2013. This position is responsible for support on monitoring of revenues to agency under new statutory authority.

The Board requests an increase in Capital Outlay of \$24,500 for each fiscal year. This increase will be used to replace the two (2) agency vehicles. The 2012 Impala for investigator use currently has approximately 50,000 miles and at current rate will exceed 85,000 miles by the end of FY2015. The 2013 Impala currently has approximately 30,000 miles and will exceed 85,000 miles by the FY2016. Past state bids have been used to estimate replacement and fees.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
PROFESSIONAL BAIL BONDSMAN LICENSING BOARD
FOR THE YEAR ENDED JUNE 30, 2012

Findings

Recommendations

None

None

State Contracts Over \$50,000 Awarded To Minority Owned Businesses Fiscal Year 2014

None

Employment Summary

	Male	Female	Total	%
White Employees	3	1	4	100 %
Black Employees	0	0	0	0 %
Other Racial Minorities	0	0	0	0 %
Total Minorities			0	0 %
Total Employees			4	100 %

Publications

A.C.A. 25-1-201 et seq.

Name	Statutory Authorization	Required for		# of Copies	Reason(s) for Continued Publication and Distribution	Unbound Black & White Copies Produced During the Last Two Years	Cost of Unbound Copies Produced During the Last Two Years
		Governor	General Assembly				
Bail Bonds Company and Bail Bondsman Licensing Board	A.C.A. §17-19-206 (f)	N	N	75	Required by law. Public Use.	150	60.00

Department Appropriation Summary

Historical Data

Agency Request and Executive Recommendation

Appropriation	2013-2014		2014-2015		2014-2015		2015-2016					2016-2017						
	Actual	Pos	Budget	Pos	Authorized	Pos	Base Level	Pos	Agency	Pos	Executive	Pos	Base Level	Pos	Agency	Pos	Executive	Pos
1DV Bail Bondsman-Operations	321,880	4	368,407	4	321,276	3	325,932	3	395,414	4	395,414	4	325,932	3	395,536	4	395,536	4
4HD Treasury Cash Reimbursement	87,751	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
F67 Bail Bond Recovery	0	0	3,500,000	0	3,500,000	0	3,500,000	0	3,500,000	0	3,500,000	0	3,500,000	0	3,500,000	0	3,500,000	0
Total	409,631	4	4,368,407	4	4,321,276	3	4,325,932	3	4,395,414	4	4,395,414	4	4,325,932	3	4,395,536	4	4,395,536	4

Funding Sources		%		%		%		%		%		%		%		%	
Fund Balance	4000005	334,704	27.2	822,822	15.9	822,393	15.8	822,393	15.8	822,393	15.8	878,825	16.7	809,343	15.6	809,343	15.6
Special Revenue	4000030	137,697	11.2	3,500,000	67.4	3,500,000	67.2	3,500,000	67.2	3,500,000	67.2	3,500,000	66.5	3,500,000	67.4	3,500,000	67.4
Cash Fund	4000045	659,038	53.5	1,231,950	23.7	1,231,950	23.7	1,231,950	23.7	1,231,950	23.7	1,231,950	23.4	1,231,950	23.7	1,231,950	23.7
AR Insurance Fund	4000100	484,887	39.3	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Transfer to General Revenue	4000635	(152,725)	(12.4)	(107,379)	(2.1)	(120,000)	(2.3)	(120,000)	(2.3)	(120,000)	(2.3)	(120,000)	(2.3)	(120,000)	(2.3)	(120,000)	(2.3)
Transfers (to) / from Agencies	4000693	(231,148)	(18.8)	(256,593)	(4.9)	(229,586)	(4.4)	(229,586)	(4.4)	(229,586)	(4.4)	(229,464)	(4.4)	(229,464)	(4.4)	(229,464)	(4.4)
Total Funds		1,232,453	100.0	5,190,800	100.0	5,204,757	100.0	5,204,757	100.0	5,204,757	100.0	5,261,311	100.0	5,191,829	100.0	5,191,829	100.0
Excess Appropriation/(Funding)		(822,822)		(822,393)		(878,825)		(809,343)		(809,343)		(935,379)		(796,293)		(796,293)	
Grand Total		409,631		4,368,407		4,325,932		4,395,414		4,395,414		4,325,932		4,395,536		4,395,536	

FY15 Budget and positions for Bail Bondsman-Operations (1DV) exceeds the authorized amount due to transfers from the Agency Growth Pool and Payplan Holding Account during the 2013-2015 Biennium.

Transfers (to)/from Agencies is a transfer to the Domestic Peace Fund.

Agency Position Usage Report

FY2012 - 2013						FY2013 - 2014						FY2014 - 2015					
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	4	0	4	-1	-33.33 %	3	4	0	4	-1	-33.33 %

Total Budgeted positions in FY14 and FY15 exceed Authorized amount due to positions authorized from the Central Growth Pool.

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 for personal services and operating expenses to administer and enforce the law pertaining to licensing and regulating professional bail bond companies and bondsmen. The Board collects \$10 per bond written and by statute funds the Board to provide for the personal services and operating expenses; and the remainder directly into the Domestic Peace Fund administered by the Arkansas Child Abuse/Rape/Domestic Violence Commission. The Board is required 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 include the continuation of the previously authorized 2015 1% Cost of Living Adjustment and Career Service payments for eligible employees. Personal Services Matching also includes a \$10 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$420 per month. Base level salaries and matching do not include appropriation for Merit Pay Increases. The Base Level request for Regular Salaries includes board member stipend payments.

The Board requests a Change Level increase of \$69,482 for FY16 and \$69,604 for FY17 for the following:

- Regular Salaries and Personal Services Matching of \$44,982 in FY16 and \$45,104 in FY17 to continue a Growth Pool Position, a Fiscal Support Specialist (C112). This position is responsible for daily operations including auditing reports of over 40 bail bond companies, 75 counties sheriff's departments, and act as liaison to 75 counties treasurers in implementation of new state laws.
- Capital Outlay of \$24,500 each year for vehicle purchase. It will be used to replace one (1) car each year of the two (2) cars the agency owns. The 2012 vehicle has approximately 50,000 miles and at current use will exceed 85,000 miles at the end of FY15. The 2013 vehicle has approximately 30,000 miles and at current use will exceed 85,000 miles at the end of FY16.

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	2013-2014 Actual	2014-2015 Budget	2014-2015 Authorized	2015-2016			2016-2017		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries 5010000	147,640	170,648	136,639	139,611	172,224	172,224	139,611	172,324	172,324
#Positions	4	4	3	3	4	4	3	4	4
Personal Services Matching 5010003	47,470	56,373	43,251	44,935	57,304	57,304	44,935	57,326	57,326
Operating Expenses 5020002	100,088	103,386	103,386	103,386	103,386	103,386	103,386	103,386	103,386
Conference & Travel Expenses 5050009	2,872	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
Professional Fees 5060010	23,810	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	0	0	0	0	24,500	24,500	0	24,500	24,500
Total	321,880	368,407	321,276	325,932	395,414	395,414	325,932	395,536	395,536
Funding Sources									
Fund Balance 4000005	204,134	546,066		545,637	545,637	545,637	602,069	532,587	532,587
Cash Fund 4000045	562,798	731,950		731,950	731,950	731,950	731,950	731,950	731,950
AR Insurance Fund 4000100	484,887	0		0	0	0	0	0	0
Transfer to General Revenue 4000635	(152,725)	(107,379)		(120,000)	(120,000)	(120,000)	(120,000)	(120,000)	(120,000)
Transfers (to) / from Agencies 4000693	(231,148)	(256,593)		(229,586)	(229,586)	(229,586)	(229,464)	(229,464)	(229,464)
Total Funding	867,946	914,044		928,001	928,001	928,001	984,555	915,073	915,073
Excess Appropriation/(Funding)	(546,066)	(545,637)		(602,069)	(532,587)	(532,587)	(658,623)	(519,537)	(519,537)
Grand Total	321,880	368,407		325,932	395,414	395,414	325,932	395,536	395,536

FY15 Budget amounts in Regular Salaries and Personal Services Matching and positions exceed the authorized amounts due to transfers from the Agency Growth Pool and Payplan Holding Account during the 2013-2015 Biennium.

Transfers (to)/from Agencies is a transfer to the Domestic Peace Fund.

Change Level by Appropriation

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

Agency Request

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	Base Level	325,932	3	325,932	100.0	325,932	3	325,932	100.0
C01	Existing Program	24,500	0	350,432	107.5	24,500	0	350,432	107.5
C06	Restore Position/Approp	44,982	1	395,414	121.3	45,104	1	395,536	121.4

Executive Recommendation

Change Level		2015-2016	Pos	Cumulative	% of BL	2016-2017	Pos	Cumulative	% of BL
BL	Base Level	325,932	3	325,932	100.0	325,932	3	325,932	100.0
C01	Existing Program	24,500	0	350,432	107.5	24,500	0	350,432	107.5
C06	Restore Position/Approp	44,982	1	395,414	121.3	45,104	1	395,536	121.4

Justification

C01	The Board requests an increase in Capital Outlay of \$24,500 each year of the biennium. It will be used to replace one (1) car each year of the two (2) cars the Board owns. The 2012 car has ~50,000 miles and at current use will exceed 85,000 miles at the end of FY15. The 2013 car has ~30,000 miles and will exceed 85,000 miles at the end of FY16. Previous state bids are used to estimate replacement and fees.
C06	The Board requests an increase of \$44,982 for FY16 and \$45,104 for FY17 in Regular Salaries and Personal Services Matching for restoration of a Fiscal Support Specialist position. The Growth Pool position was approved in July of 2013. This position is responsible for daily operation of in house auditing reports of over 40 bail bond companies, 75 counties Sheriff's Departments, and act as liaison to 75 counties Treasurers in the implementation of new state laws. The position will also coordinate transfer of reports and funds to the Arkansas Public Defender Commission for staff funding and the Arkansas Sheriff's Association for alcohol and drug prevention programs as required by law. The Domestic Peace Fund administered by the Arkansas Child Abuse/Rape/Domestic Violence Commission is also funded under the new law.

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 appropriation for the 2015-2017 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			2015-2016			2016-2017		
	2013-2014 Actual	2014-2015 Budget	2014-2015 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Refunds/Reimbursements 5110014	87,751	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
Total	87,751	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
Funding Sources									
Fund Balance 4000005	130,570	139,059		139,059	139,059	139,059	139,059	139,059	139,059
Cash Fund 4000045	96,240	500,000		500,000	500,000	500,000	500,000	500,000	500,000
Total Funding	226,810	639,059		639,059	639,059	639,059	639,059	639,059	639,059
Excess Appropriation/(Funding)	(139,059)	(139,059)		(139,059)	(139,059)	(139,059)	(139,059)	(139,059)	(139,059)
Grand Total	87,751	500,000		500,000	500,000	500,000	500,000	500,000	500,000

Analysis of Budget Request

Appropriation: F67 - Bail Bond Recovery

Funding Sources: SBL - Special Revenue

This appropriation will be used for personal services and operating expenses for recovery of forfeited professional bonds. The Bail Bond Recovery Fund is funded through a \$4 nonrefundable administrative fee for each bond issued.

The Board requests Base Level appropriation for the 2015-2017 Biennium.

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

Appropriation Summary

Appropriation: F67 - Bail Bond Recovery

Funding Sources: SBL - Special Revenue

Historical Data

Agency Request and Executive Recommendation

Commitment Item	Historical Data			2015-2016			2016-2017		
	2013-2014 Actual	2014-2015 Budget	2014-2015 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Pers. Svs. & Op. Exp. Bond Recr 5900046	0	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000
Total	0	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000
Funding Sources									
Fund Balance 4000005	0	137,697		137,697	137,697	137,697	137,697	137,697	137,697
Special Revenue 4000030	137,697	3,500,000		3,500,000	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000
Total Funding	137,697	3,637,697		3,637,697	3,637,697	3,637,697	3,637,697	3,637,697	3,637,697
Excess Appropriation/(Funding)	(137,697)	(137,697)		(137,697)	(137,697)	(137,697)	(137,697)	(137,697)	(137,697)
Grand Total	0	3,500,000		3,500,000	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000