

PROFESSIONAL BAIL BONDSMAN LICENSING BOARD

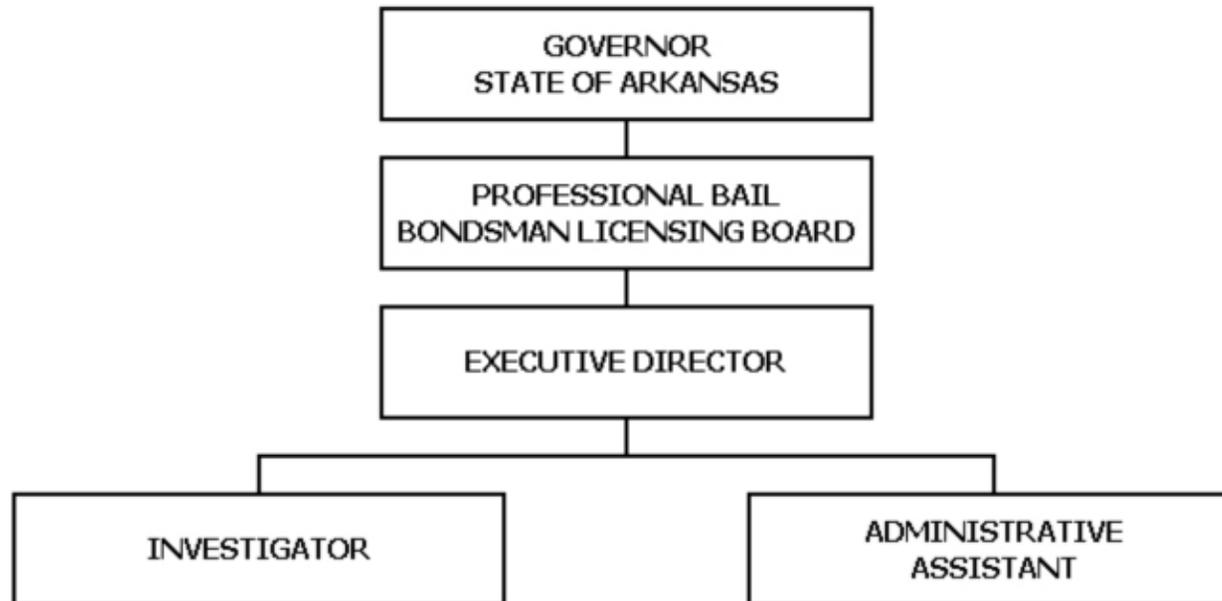
Enabling Laws

Act 76 of 2010
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.

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 is requesting the following changes above Base Level for the 2011-2013 biennium: Board Member Stipend payments increase of \$1,270.00 due to an increase in hearings. Currently the board has twelve (12) meeting days per year; three (3) additional meetings will be for regulatory hearings. An increase of \$1,200.00 for fuel costs is requested for FY12 and FY13 due to increases in investigators' travel and case load. The Board is requesting Capital Outlay of \$6,000 each fiscal year to replace one (1) vehicle. The replacement vehicles will be purchased from the State Marketing & Redistribution. The Board has two vehicles - one with approximately 130,000 miles, and the other vehicle has approximately 98,000 miles.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
AUDIT OF :
PROFESSIONAL BAIL BONDSMAN LICENSING BOARD

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, 2009.

Recommendations

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 | 2009-2010 | | 2010-2011 | | 2010-2011 | | 2011-2012 | | | | | 2012-2013 | | | | | | |
|---------------------------------|----------------|----------|----------------|----------|----------------|----------|----------------|----------|----------------|----------|----------------|-----------|----------------|----------|----------------|----------|----------------|----------|
| | Actual | Pos | Budget | Pos | Authorized | Pos | Base Level | Pos | Agency | Pos | Executive | Pos | Base Level | Pos | Agency | Pos | Executive | Pos |
| 1DV Bail Bondsman-Operations | 296,995 | 3 | 311,001 | 3 | 323,830 | 3 | 303,990 | 3 | 313,526 | 3 | 313,526 | 3 | 303,990 | 3 | 313,526 | 3 | 313,526 | 3 |
| 4HD Treasury Cash Reimbursement | 0 | 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 | 296,995 | 3 | 811,001 | 3 | 823,830 | 3 | 803,990 | 3 | 813,526 | 3 | 813,526 | 3 | 803,990 | 3 | 813,526 | 3 | 813,526 | 3 |

| Funding Sources | | % | | % | | % | | % | | % | | % | | % | | % | |
|--------------------------------|---------|----------------|--------------|------------------|--------------|---|--|------------------|--------------|------------------|--------------|------------------|--------------|------------------|--------------|------------------|--------------|
| Fund Balance | 4000005 | 301,958 | 50.8 | 297,426 | 27.3 | | | 280,255 | 26.7 | 280,255 | 26.5 | 280,255 | 26.5 | 244,781 | 23.5 | 244,781 | 23.3 |
| Cash Fund | 4000045 | 142,151 | 23.9 | 635,000 | 58.2 | | | 601,214 | 57.3 | 610,750 | 57.7 | 610,750 | 57.7 | 601,214 | 57.8 | 610,750 | 58.2 |
| AR Insurance Fund | 4000100 | 319,424 | 53.7 | 323,830 | 29.7 | | | 319,424 | 30.5 | 319,424 | 30.2 | 319,424 | 30.2 | 319,424 | 30.7 | 319,424 | 30.4 |
| Transfer to General Revenue | 4000635 | (169,112) | (28.4) | (165,000) | (15.1) | | | (152,122) | (14.5) | (152,122) | (14.4) | (152,122) | (14.4) | (125,641) | (12.1) | (125,641) | (12.0) |
| Total Funds | | 594,421 | 100.0 | 1,091,256 | 100.0 | | | 1,048,771 | 100.0 | 1,058,307 | 100.0 | 1,058,307 | 100.0 | 1,039,778 | 100.0 | 1,049,314 | 100.0 |
| Excess Appropriation/(Funding) | | (297,426) | | (280,255) | | | | (244,781) | | (244,781) | | (244,781) | | (235,788) | | (235,788) | |
| Grand Total | | 296,995 | | 811,001 | | | | 803,990 | | 813,526 | | 813,526 | | 803,990 | | 813,526 | |

Agency Position Usage Report

| FY2008 - 2009 | | | | | | FY2009 - 2010 | | | | | | FY2010 - 2011 | | | | | |
|-------------------|----------|----------|-------|------------|------------------------|-------------------|----------|----------|-------|------------|------------------------|-------------------|----------|----------|-------|------------|------------------------|
| 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 salaries and matching do not include appropriation for a Cost of Living Adjustment or Career Service Payments. The Base Level request for Regular Salaries includes board member stipend payments.

The Board requests Change Levels of \$9,536 in FY12 and FY13. The Board requests an increase in Regular Salaries and Personal Services Matching of \$2,336 for Board Member Stipends due to an increase in scheduled regulatory hearings. The Board requests an increase in the Operating Expenses line item of \$1,200 in FY12 and FY13 for increases in fuel purchases due to larger case loads requiring more travel by investigators.

The Board requests an increase in the Capital Outlay line item of \$6,000 for FY12 and FY13, to replace one (1) aging, high mileage vehicle each year from State Marketing & Redistribution, in accordance with A.C.A. §22-8-201 et seq., Automobile and Pickup Truck Acquisition Act, which establishes guidelines for automobile replacement. The Board has two (2) vehicles, one with approximately 130,000 miles and the other, approximately 98,000 miles.

Executive Recommendation provides for 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 | 2009-2010 Actual | 2010-2011 Budget | 2010-2011 Authorized | 2011-2012 | | | 2012-2013 | | |
|---------------------------------------|---------------------|---------------------|-------------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | | | | Base Level | Agency | Executive | Base Level | Agency | Executive |
| Regular Salaries 5010000 | 132,072 | 126,395 | 137,522 | 125,495 | 127,665 | 127,665 | 125,495 | 127,665 | 127,665 |
| #Positions | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| Personal Services Matching 5010003 | 37,313 | 38,420 | 40,122 | 38,309 | 38,475 | 38,475 | 38,309 | 38,475 | 38,475 |
| Operating Expenses 5020002 | 96,324 | 102,186 | 102,186 | 102,186 | 103,386 | 103,386 | 102,186 | 103,386 | 103,386 |
| Conference & Travel Expenses 5050009 | 1,508 | 3,000 | 3,000 | 3,000 | 3,000 | 3,000 | 3,000 | 3,000 | 3,000 |
| Professional Fees 5060010 | 23,878 | 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 | 5,900 | 6,000 | 6,000 | 0 | 6,000 | 6,000 | 0 | 6,000 | 6,000 |
| Total | 296,995 | 311,001 | 323,830 | 303,990 | 313,526 | 313,526 | 303,990 | 313,526 | 313,526 |
| Funding Sources | | | | | | | | | |
| Fund Balance 4000005 | 225,483 | 219,514 | | 202,343 | 202,343 | 202,343 | 166,869 | 166,869 | 166,869 |
| Cash Fund 4000045 | 140,714 | 135,000 | | 101,214 | 110,750 | 110,750 | 101,214 | 110,750 | 110,750 |
| AR Insurance Fund 4000100 | 319,424 | 323,830 | | 319,424 | 319,424 | 319,424 | 319,424 | 319,424 | 319,424 |
| Transfer to General Revenue 4000635 | (169,112) | (165,000) | | (152,122) | (152,122) | (152,122) | (125,641) | (125,641) | (125,641) |
| Total Funding | 516,509 | 513,344 | | 470,859 | 480,395 | 480,395 | 461,866 | 471,402 | 471,402 |
| Excess Appropriation/(Funding) | (219,514) | (202,343) | | (166,869) | (166,869) | (166,869) | (157,876) | (157,876) | (157,876) |
| Grand Total | 296,995 | 311,001 | | 303,990 | 313,526 | 313,526 | 303,990 | 313,526 | 313,526 |

Change Level by Appropriation

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

Agency Request

| Change Level | | 2011-2012 | Pos | Cumulative | % of BL | 2012-2013 | Pos | Cumulative | % of BL |
|--------------|-------------------|----------------|----------|----------------|--------------|----------------|----------|----------------|--------------|
| BL | Base Level | 303,990 | 3 | 303,990 | 100.0 | 303,990 | 3 | 303,990 | 100.0 |
| C01 | Existing Program | 9,536 | 0 | 313,526 | 103.1 | 9,536 | 0 | 313,526 | 103.1 |

Executive Recommendation

| Change Level | | 2011-2012 | Pos | Cumulative | % of BL | 2012-2013 | Pos | Cumulative | % of BL |
|--------------|-------------------|----------------|----------|----------------|--------------|----------------|----------|----------------|--------------|
| BL | Base Level | 303,990 | 3 | 303,990 | 100.0 | 303,990 | 3 | 303,990 | 100.0 |
| C01 | Existing Program | 9,536 | 0 | 313,526 | 103.1 | 9,536 | 0 | 313,526 | 103.1 |

Justification

| | |
|-----|---|
| C01 | The Board requests an increases for FY12 and FY13 for Regular Salaries for Board Member Stipends and Personal Services Matching of \$2,336, due to an increase in scheduled hearings, for a quarterly regulatory hearing; an increase of \$1,200 in Operating Expenses for fuel purchases due to increased case load and increase in investigator travel and anticipated increase in fuel prices. The Board requests an increase in Capital Outlay of \$6,000 each year to replace one (1) vehicle each FY from M&R. The Board has two (2) vehicles, one with approximately 130,000 miles and the other approximately 98,000 miles. |
|-----|---|

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 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 each year for the 2011-2013 biennium.

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 | | | 2011-2012 | | | 2012-2013 | | |
|--------------------------------|---------------------|---------------------|-------------------------|------------|----------|-----------|------------|----------|-----------|
| | 2009-2010 Actual | 2010-2011 Budget | 2010-2011 Authorized | Base Level | Agency | Executive | Base Level | Agency | Executive |
| Refunds/Reimbursements 5110014 | 0 | 500,000 | 500,000 | 500,000 | 500,000 | 500,000 | 500,000 | 500,000 | 500,000 |
| Total | 0 | 500,000 | 500,000 | 500,000 | 500,000 | 500,000 | 500,000 | 500,000 | 500,000 |
| Funding Sources | | | | | | | | | |
| Fund Balance 4000005 | 76,475 | 77,912 | | 77,912 | 77,912 | 77,912 | 77,912 | 77,912 | 77,912 |
| Cash Fund 4000045 | 1,437 | 500,000 | | 500,000 | 500,000 | 500,000 | 500,000 | 500,000 | 500,000 |
| Total Funding | 77,912 | 577,912 | | 577,912 | 577,912 | 577,912 | 577,912 | 577,912 | 577,912 |
| Excess Appropriation/(Funding) | (77,912) | (77,912) | | (77,912) | (77,912) | (77,912) | (77,912) | (77,912) | (77,912) |
| Grand Total | 0 | 500,000 | | 500,000 | 500,000 | 500,000 | 500,000 | 500,000 | 500,000 |