

AR TITLE INSURANCE AGENTS' LICENSING BOARD

Enabling Laws

Act 47 of 2003

Act 1742 of 2001 as amended. See A.C.A. § 23-103-101

History and Organization

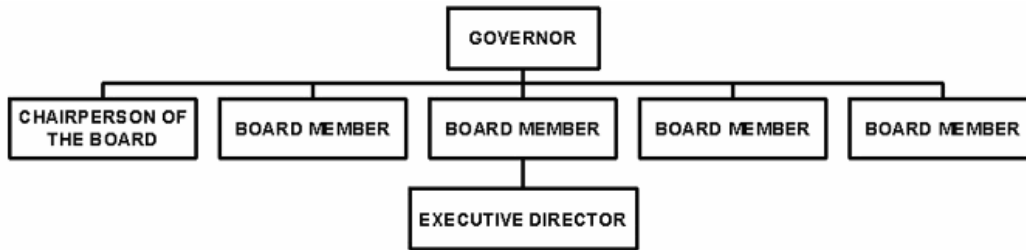
The mission of the Arkansas Title Insurance Agents' Licensing Board is to ensure that highly qualified individuals and businesses possess the skills and knowledge necessary to effectively and efficiently issue title insurance commitments and policies in the State of Arkansas, to the citizens of Arkansas.

The goals of the Board are: 1) to provide the opportunity, through applications and examinations, to individuals and businesses to obtain licenses to sell title insurance commitments and policies in Arkansas; 2) to keep an accurate listing of all resident and non-resident Signing Agent licenses, as well as resident and non-resident Issuing Agent licenses; and 3) to establish that the licensee possesses the knowledge, skill, ability and understanding to act as a title insurance agent.

Act 1742 of 2001 created the Arkansas Title Insurance Agents' Licensing Board. The Board is comprised of five (5) members, directed by a Chairperson. These members endeavor to hold the title insurance industry accountable to the consumers of title insurance products by approving licenses for those individuals and agencies that meet the strict criteria established by the Act. The Board also has established procedures for investigating any complaints that are formerly submitted against a licensed title insurance agent or agency, and takes appropriate action against the complainant when necessary. These actions can include revocation or suspension of a title insurance license.

Act 1767 of 2003 created a new licensing structure that requires a license for an Issuing Agent, a Signing Agent, and continuing education credits before a Signing Agent license can be renewed. Additionally, late fees have been introduced and testing exemptions have been removed. These requirements became effective with the December 2003 - January 2004 renewal period.

The Arkansas Title Insurance Agents' Licensing Board office is manned by the Executive Director. The Executive Director is responsible for the daily operations of the Board, which includes but is not limited to preparation of licenses, scheduling of Board meetings and arranging reimbursement for the Board members. The Executive Director also acts as the liaison between the public, other state agencies and the Board members, and reports to the Chairperson of the Board.



Agency Commentary

The Arkansas Title Insurance Agents’ Licensing Board is responsible for licensing highly qualified individuals to become Issuing Agents and Signing Agents in the State of Arkansas, and to collect the fees associated with said licenses. Funding for the appropriation is completely cash funded - the Board does not require any federal or state funds to operate, and does not receive any funds from sources other than the title insurance agents’ license and examination fees.

The Arkansas Title Insurance Agents’ Licensing Board is accepting the Base Level budget as presented by the Department of Finance and Administration at this time. The Board is not requesting any changes for the 2005-07 biennium.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
 AUDIT OF :
 TITLE INSURANCE AGENT'S LICENSING BOARD
 FOR THE YEAR ENDED JUNE 30, 2002

Findings	Recommendations
THE 2002 FISCAL YEAR WAS THE FIRST YEAR OF OPERATION FOR THE ARKANSAS TITLE INSURANCE AGENTS' LICENSING BOARD. AN AUDIT HAD NOT BEEN PREPARED AS OF THE PUBLICATION DATE OF THIS MANUAL.	

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

Analysis of Budget Request

Appropriation / Program: 456 - Title Insurance Agents' Licensing Operations

Funding Sources: MTB - Title Insurance Agents' Licensing Board

The Arkansas Title Insurance Agents' Licensing Board was established by Act 1742 of 2001 and was appropriated by Act 1592 of 2001. It is charged with licensing title insurance agents, assuring the performance of agents within the licensure guidelines, and adjudicating complaints.

Base Level for this appropriation includes graduated salary increases of 3% to 1.5% each year over FY05 salary levels, along with related Personal Services Matching costs for one (1) Base Level position. Included in Personal Services Matching is a \$40 increase in the monthly contribution for State employee's health insurance for a total State match of \$320 per month.

The Board is requesting Base Level for the 2005-07 biennium.

The Executive Recommendation provides for the Agency Request.

Appropriation / Program Summary

Appropriation / Program: 456 Title Insurance Agents' Licensing Operations
Funding Sources: MTB - Title Insurance Agents' Licensing Board

Commitment Item	Historical Data			Agency Request and Executive Recommendation					
	2003-2004 Actual	2004-2005 Budget	2004-2005 Authorized	2005-2006			2006-2007		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries 5010000	34,761	35,755	35,755	36,827	36,827	36,827	37,931	37,931	37,931
#Positions	1	1	1	1	1	1	1	1	1
Personal Services Matching 5010003	9,760	10,060	9,693	10,763	10,763	10,763	10,971	10,971	10,971
Operating Expenses 5020002	15,447	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000
Travel-Conference Fees 5050009	0	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Professional Fees and Services 5060010	114	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Data Processing 5090012	0	0	0	0	0	0	0	0	0
Capital Outlay 5120011	0	0	0	0	0	0	0	0	0
Total	60,082	90,815	90,448	92,590	92,590	92,590	93,902	93,902	93,902
Funding Sources									
Fund Balance 4000005	90,068	136,507		127,267	127,267	127,267	121,127	121,127	121,127
Special Revenue 4000030	106,521	81,575		86,450	86,450	86,450	93,625	93,625	93,625
Total Funding	196,589	218,082		213,717	213,717	213,717	214,752	214,752	214,752
Excess Appropriation/(Funding)	(136,507)	(127,267)		(121,127)	(121,127)	(121,127)	(120,850)	(120,850)	(120,850)
Grand Total	60,082	90,815		92,590	92,590	92,590	93,902	93,902	93,902

The FY05 Budgeted amount in Personal Services Matching exceeds the authorized amount due to matching rate adjustments during the 2003-05 biennium.