

LIQUEFIED PETROLEUM GAS BOARD

Enabling Laws

Act 23 of 2003

Act 31 of 1965

History and Organization

The mission of the Liquefied Petroleum Gas Board is to protect the interests and welfare of the general public by providing enforcement of safety requirements contained in the laws and codes that regulate the manufacture, sale, installation, and use of containers and equipment in the storage, transportation, dispensing, and utilization of liquefied petroleum gases.

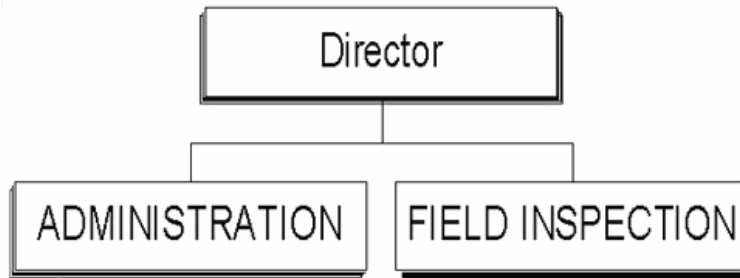
Act 204 of 1939 provided the initial authority for regulation of these activities. Those duties were first assigned to a section of the Boiler Inspection Division of the State Department of Labor.

Act 18 of 1957 created a separate agency known as the State Liquefied Petroleum Gas Board that became responsible for enforcement and administration of the rules, regulations, and laws governing the L. P. Gas industry. A seven (7) member L. P. Gas Board was also created by this Act to make judgments concerning permit awards and adjudicate service and territorial disputes. A current structure of fees for permits, licenses, inspections, and registrations provides special revenue funding for Agency operations. The Agency receives no general revenue support.

Act 31 of 1965 is the present authority under which the Agency operates. This Act replaces all the previous acts and amendments and authorizes a fee for inspections of piping in domestic, commercial, industrial, and other types of buildings in which L. P. Gas is utilized.

The Agency's staff consists of seven (7) positions split between an Administrative Section and a Field Section. The Administrative Section provides the necessary administration, supervision, and clerical support for efficient operations. The Field Section conducts all inspections required for containers, systems, appliances, and equipment utilized in the storage, transportation, delivery, and usage of L. P. Gas in this State. The Field Section is also responsible for presentation of safety and educational programs on a continuing basis.

Special accomplishments and programs initiated since the formation of the current Board organizational structure in 1957 include the aforementioned safety programs among dealers, their employees, and members of various fire departments throughout the State; setting up of qualifications for a general safety supervisor for each L. P. Gas dealer; stricter enforcement of the L. P. Gas Code and the rules and regulations contained therein; improvements in installation methods and placement of large numbers of bulk and commercial storage containers; and periodic spot inspections of existing domestic installations.



Agency Commentary

At the present time, the Liquefied Petroleum Gas Board staff consists of seven (7) positions which are charged with the responsibility of regulating the L. P. Gas industry in the State, according to the mandates in the L. P. Gas Code.

In order for this agency to continue in the efficient performance of its duties, this budget is predicated on each year’s Base Level plus Capital Outlay for the replacement of two (2) vehicles in the first year of the 2005-07 Biennium and three (3) vehicles in the second year.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
 AUDIT OF :
 OFFICE OF LIQUEFIED PETROLEUM GAS BOARD
 FOR THE YEAR ENDED JUNE 30, 2003

Findings	Recommendations
<p>The Agency did not maintain adequate accountability over capital assets. Eight (8) equipment items totaling \$40,245 were sent to Marketing and Redistribution but were not removed from the equipment records. Also, the Agency’s new office building valued at \$766,760 was completed in April 2002, but was not recorded as an asset in AASIS. This lack of adequate accountability over capital assets could result in inaccurate financial reporting</p>	<p>The Agency strengthen accountability over capital assets.</p>

Employment Summary

	Male	Female	Total	%
White Employees	4	3	7	100 %
Black Employees	0	0	0	0 %
Other Racial Minorities	0	0	0	0 %
Total Minorities			0	0 %
Total Employees			7	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: 050 - Liquefied Petroleum Gas Board-Operations

Funding Sources: SIL-Liquefied Petroleum Gas Fund

The L. P. Gas Board is funded by inspection, permit, and license fees that are enumerated in Arkansas Code § 19-6-407 and are deposited as special revenues in the Liquefied Petroleum Gas Board Fund. 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 (7) Base Level positions. This includes a \$600 minimum increase for employees earning \$20,000 or below. 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 the addition of Capital Outlay in amounts of \$38,000 for FY06 and \$57,000 for FY07 to replace 2 vehicles in the first year and 3 vehicles in the second year.

The Executive Recommendation provides for the Agency Request.

Appropriation / Program Summary

Appropriation / Program: 050 Liquefied Petroleum Gas Board-Operations
Funding Sources: SIL-Liquefied Petroleum Gas Fund

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	238,116	235,685	235,668	242,661	242,661	242,661	249,808	249,808	249,808
#Positions	7	7	7	7	7	7	7	7	7
Extra Help 5010001	5,139	8,300	8,300	8,300	8,300	8,300	8,300	8,300	8,300
#Extra Help	1	1	1	1	1	1	1	1	1
Personal Services Matching 5010003	72,792	68,482	65,897	73,140	73,140	73,140	74,483	74,483	74,483
Operating Expenses 5020002	112,300	130,000	130,000	130,000	130,000	130,000	130,000	130,000	130,000
Travel-Conference Fees 5050009	5,052	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000
Professional Fees and Services 5060010	19,266	38,650	38,650	38,650	38,650	38,650	38,650	38,650	38,650
Data Processing 5090012	0	0	0	0	0	0	0	0	0
Capital Outlay 5120011	23,897	38,000	38,000	0	38,000	38,000	0	57,000	57,000
Total	476,562	525,117	522,515	498,751	536,751	536,751	507,241	564,241	564,241
Funding Sources									
Fund Balance 4000005	462,752	540,092		569,975	569,975	569,975	588,224	588,224	588,224
Special Revenue 4000030	553,902	555,000		517,000	555,000	555,000	498,000	555,000	555,000
Total Funding	1,016,654	1,095,092		1,086,975	1,124,975	1,124,975	1,086,224	1,143,224	1,143,224
Excess Appropriation/(Funding)	(540,092)	(569,975)		(588,224)	(588,224)	(588,224)	(578,983)	(578,983)	(578,983)
Grand Total	476,562	525,117		498,751	536,751	536,751	507,241	564,241	564,241

The FY04 Actual and FY05 Budgeted amounts in Regular Salaries and Personal Services Matching exceeds the authorized amount due to salary and matching rate adjustments during the 2003-05 biennium.

Change Level by Appropriation

Appropriation / Program: 050-Liquefied Petroleum Gas Board-Operations

Funding Sources: SIL-Liquefied Petroleum Gas Fund

Agency Request

Change Level		2005-2006	Pos	Cumulative	% of BL	2006-2007	Pos	Cumulative	% of BL
BL	Base Level	498,751	7	498,751	100.0	507,241	7	507,241	100.0
C01	Existing Program	38,000	0	536,751	107.6	57,000	0	564,241	111.2

Executive Recommendation

Change Level		2005-2006	Pos	Cumulative	% of BL	2006-2007	Pos	Cumulative	% of BL
BL	Base Level	498,751	7	498,751	100.0	507,241	7	507,241	100.0
C01	Existing Program	38,000	0	536,751	107.6	57,000	0	564,241	111.2

Justification

C01	Capital Outlay for replacement of (2) vehicles the first year and (3) vehicles the second year of the biennium.
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