

ARKANSAS HOME INSPECTOR REGISTRATION BOARD

Enabling Laws

Act 2014 of 2005
A.C.A. §17-52-301 et. seq.

History and Organization

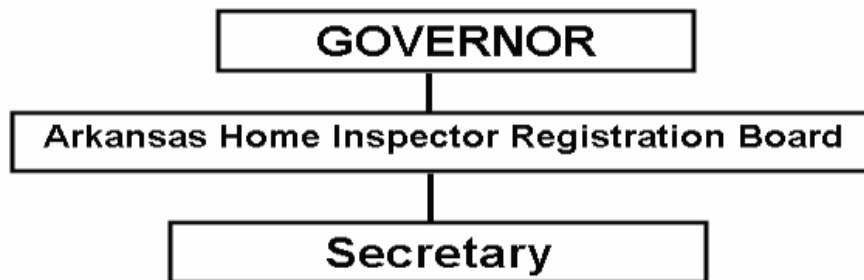
The Arkansas Home Inspector Registration Board was created by Act 1328 of 2003.

The purpose of the Board is to protect the public from those persons who are untrained and unqualified to perform home inspection, to license those individuals who meet the qualifications of licensure under the Act, and to hear and resolve such disciplinary matters as may come before it.

The Board evaluates qualifications of applicants, and investigates complaints or allegations of violations of the Act.

The Board is composed of seven (7) members appointed by the Governor as follows: four (4) registered home inspectors, one (1) licensed real estate professional, one (1) licensed real estate appraiser, and one (1) at large member to serve as a consumer advocate.

The Board currently contracts for part-time administrative support and office facilities in order to provide a central place for records storage, Board meetings, and service to licensees and the general public.



Agency Commentary

The Arkansas Home Inspector Registration Board was created by Act 1328 of 2003. The purpose of the Board is to protect the public from those persons who are untrained and unqualified to conduct home inspections, to license those individuals who meet the qualifications of licensure under the Act, and to hear and resolve such disciplinary matters as may come before it. The Board is funded by license fees.

The Board evaluates qualifications of applicants, and investigates complaints or allegations of violations in provisions of the Act.

The Arkansas Home Inspector Registration Board is requesting an increase totaling \$16,910.00 for both years of the 2007-09 biennium. Additional appropriation is needed to cover increases in administrative support contracts and for retention of a court reporter. In addition, increases will also be needed for normal office administrative supply expenses, and board member mileage. The need for these increases is due to a steadily rising number of administrative and disciplinary hearings.

The Agency has ample funding to cover the request.

Audit Findings

DIVISION OF LEGISLATIVE AUDIT
 AUDIT OF :
 ARKANSAS HOME INSPECTOR REGISTRATION BOARD
 FOR THE YEAR ENDED JUNE 30, 2005

| Findings | Recommendations |
|----------|-----------------|
| None | None |

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 |

Agency Position Usage Report

| FY2004-2005 | | | | | | FY2005-2006 | | | | | | FY2006-2007 | | | | | |
|-------------------|----------|----------|-------|------------|------------------------|-------------------|----------|----------|-------|------------|------------------------|-------------------|----------|----------|-------|------------|------------------------|
| 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 | |
| 0 | 0 | 0 | 0 | 0 | 0.00% | 0 | 0 | 0 | 0 | 0 | 0.00% | 0 | 0 | 0 | 0 | 0 | 0.00% |

Analysis of Budget Request

Appropriation: 2JV - Operations

Funding Sources: MHR - Home Inspectors Registration Board

The Arkansas Home Inspector Registration Board was created by Act 1328 of 2003. Act 1328 repealed Subchapters 1 and 2 of Arkansas Code Title 17, Chapter 52 and added an additional subchapter. Subchapter 3, "The Arkansas Home Inspectors Registration Act" created the Arkansas Home Inspector Registration Board. The Board became a state agency effective July 1, 2004, having met fund balance requirements.

The purpose of the Board is to protect consumers of home inspection services, to license those individuals who meet the qualifications of licensure under the Act, and to hear and resolve such disciplinary matters as may come before the Board. The Board is funded by license fees.

The Board currently contracts for part-time administrative support and office facilities to provide a central location for records storage, Board meetings, and service to licensees and the general public.

The Board requests an increase for the Various Operations Expense line item of \$16,910 for FY08 and \$16,910 for FY09. Due to a rising number of administrative and disciplinary hearings, increases are requested for Operating Expenses of \$12,910, to cover the retention of a court reporter, various administrative operating expenses, and board member mileage reimbursement, and Professional Fees of \$4,000, for the administrative support contract.

The Executive Recommendation provides for Base Level of \$33,090 for each year of the 2007-2009 biennium. Expenditure of appropriation is contingent upon available funding.

Appropriation

Appropriation: 2JV Operations
Funding Sources: MHR - Home Inspectors Registration Board

Historical Data

Agency Request and Executive Recommendation

| Commitment Item | 2005-2006 | 2006-2007 | 2006-2007 | 2007-2008 | | | 2008-2009 | | |
|------------------------------------|----------------|----------------|---------------|----------------|----------------|----------------|----------------|----------------|----------------|
| | Actual | Budget | Authorized | Base Level | Agency | Executive | Base Level | Agency | Executive |
| Various Operation Expenses 5900046 | 28,123 | 33,090 | 33,090 | 33,090 | 50,000 | 33,090 | 33,090 | 50,000 | 33,090 |
| Total | 28,123 | 33,090 | 33,090 | 33,090 | 50,000 | 33,090 | 33,090 | 50,000 | 33,090 |
| Funding Sources | | | | | | | | | |
| Fund Balance 4000005 | 118,379 | 159,237 | | 181,147 | 181,147 | 181,147 | 187,797 | 187,797 | 187,797 |
| Fees 4000245 | 68,981 | 55,000 | | 39,740 | 56,650 | 39,740 | 41,439 | 58,349 | 41,439 |
| Total Funding | 187,360 | 214,237 | | 220,887 | 237,797 | 220,887 | 229,236 | 246,146 | 229,236 |
| Excess Appropriation/(Funding) | (159,237) | (181,147) | | (187,797) | (187,797) | (187,797) | (196,146) | (196,146) | (196,146) |
| Grand Total | 28,123 | 33,090 | | 33,090 | 50,000 | 33,090 | 33,090 | 50,000 | 33,090 |

Change Level by Appropriation

Appropriation: 2JV-Operations

Funding Sources: MHR - Home Inspectors Registration Board

Agency Request

| Change Level | | 2007-2008 | Pos | Cumulative | % of BL | 2008-2009 | Pos | Cumulative | % of BL |
|--------------|-------------------|-----------|-----|------------|---------|-----------|-----|------------|---------|
| BL | Base Level | 33,090 | 0 | 33,090 | 100.0 | 33,090 | 0 | 33,090 | 100.0 |
| C01 | Existing Program | 16,910 | 0 | 50,000 | 151.1 | 16,910 | 0 | 50,000 | 151.1 |

Executive Recommendation

| Change Level | | 2007-2008 | Pos | Cumulative | % of BL | 2008-2009 | Pos | Cumulative | % of BL |
|--------------|-------------------|-----------|-----|------------|---------|-----------|-----|------------|---------|
| BL | Base Level | 33,090 | 0 | 33,090 | 100.0 | 33,090 | 0 | 33,090 | 100.0 |
| C01 | Existing Program | 0 | 0 | 33,090 | 100.0 | 0 | 0 | 33,090 | 100.0 |

Justification

| | |
|-----|---|
| C01 | Additional appropriation is requested to cover increases in administrative support costs, retention of a court reporter, administrative supply expenses, and board member mileage reimbursement due to the rising number of administrative and disciplinary hearings. |
|-----|---|