

# ARKANSAS HOME INSPECTOR REGISTRATION BOARD

## Enabling Laws

Act 499 2007  
A.C.A. §17-52-301 et seq.

## History and Organization

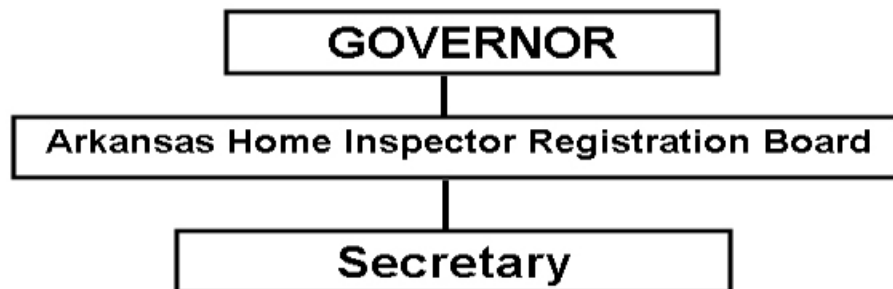
The Arkansas Home Inspector Registration Board was created by Act 1328 of 2003.

The purpose of the Board is to protect the public from those persons who are untrained and unqualified to perform home 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 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 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 law, 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 law.

The Arkansas Home Inspector Registration Board is requesting an increase totaling \$18,000 for FY2010 and \$13,000 for FY2011. Additional appropriation is needed to cover increases in contracted

administrative support services each year. The Board solicits bids every two (2) years for an administrative support contract. The current administrator was selected on the basis of extensive experience and background; the other two (2) viable proposals did not have the background or expertise. In addition, increases are requested to conduct background investigations on all licensees and new applicants during FY2010 and on new applicants in FY2011. 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, 2007

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

FY2006 - 2007						FY2007 - 2008						FY2008 - 2009					
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			Total	Total	Filled	Unfilled			Total	Total	Filled	Unfilled	
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 - Cash

The Arkansas Home Inspector Registration Board was created by Act 1328 of 2003. The Board became a state agency effective July 1, 2004, having met fund balance requirements. 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 the Board. The Board is funded by license fees.

The Board requests an increase for the Various Operating Expenses line item of \$18,000 for FY10 and \$13,000 for FY11. This includes an increase of \$12,000 for administrative support expense for each year of the biennium, the board solicits bids every two years for this support contract; and \$6,000 for FY10 and \$1,000 for FY11 for background investigations of existing home inspectors and new applicants.

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

**Appropriation Summary**

**Appropriation:** 2JV - Operations

**Funding Sources:** MHR - Home Inspectors Registration Board - Cash

**Historical Data**

**Agency Request and Executive Recommendation**

Commitment Item	Historical Data			2009-2010			2010-2011		
	2007-2008 Actual	2008-2009 Budget	2008-2009 Authorized	Base Level	Agency	Executive	Base Level	Agency	Executive
Various Operation Expenses 5900046	30,471	33,090	33,090	33,090	51,090	51,090	33,090	46,090	46,090
<b>Total</b>	<b>30,471</b>	<b>33,090</b>	<b>33,090</b>	<b>33,090</b>	<b>51,090</b>	<b>51,090</b>	<b>33,090</b>	<b>46,090</b>	<b>46,090</b>
<b>Funding Sources</b>									
Fund Balance 4000005	202,814	250,427		289,337	289,337	289,337	310,247	310,247	310,247
Cash Fund 4000045	78,084	72,000		54,000	72,000	72,000	57,000	70,000	70,000
<b>Total Funding</b>	<b>280,898</b>	<b>322,427</b>		<b>343,337</b>	<b>361,337</b>	<b>361,337</b>	<b>367,247</b>	<b>380,247</b>	<b>380,247</b>
<b>Excess Appropriation/(Funding)</b>	<b>(250,427)</b>	<b>(289,337)</b>		<b>(310,247)</b>	<b>(310,247)</b>	<b>(310,247)</b>	<b>(334,157)</b>	<b>(334,157)</b>	<b>(334,157)</b>
<b>Grand Total</b>	<b>30,471</b>	<b>33,090</b>		<b>33,090</b>	<b>51,090</b>	<b>51,090</b>	<b>33,090</b>	<b>46,090</b>	<b>46,090</b>

## Change Level by Appropriation

**Appropriation:** 2JV - Operations

**Funding Sources:** MHR - Home Inspectors Registration Board - Cash

### Agency Request

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
<b>BL</b>	<b>Base Level</b>	<b>33,090</b>	<b>0</b>	<b>33,090</b>	<b>100.0</b>	<b>33,090</b>	<b>0</b>	<b>33,090</b>	<b>100.0</b>
C01	Existing Program	18,000	0	51,090	154.4	13,000	0	46,090	139.3

### Executive Recommendation

Change Level		2009-2010	Pos	Cumulative	% of BL	2010-2011	Pos	Cumulative	% of BL
<b>BL</b>	<b>Base Level</b>	<b>33,090</b>	<b>0</b>	<b>33,090</b>	<b>100.0</b>	<b>33,090</b>	<b>0</b>	<b>33,090</b>	<b>100.0</b>
C01	Existing Program	18,000	0	51,090	154.4	13,000	0	46,090	139.3

### Justification

C01	The Change Level request is to cover the increase in cost of contracted administrative support of \$12,000 for each year of the biennium and \$6,000 for FY10 and \$1,000 for FY11 for background investigations of current home inspectors and new applicants/licensees. The Board solicits bids every two (2) years for its administrative support contract.
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