

# LIQUEFIED PETROLEUM GAS BOARD

## Enabling Laws

Act 18 of 2005  
A.C.A. §15-75-101

## 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.

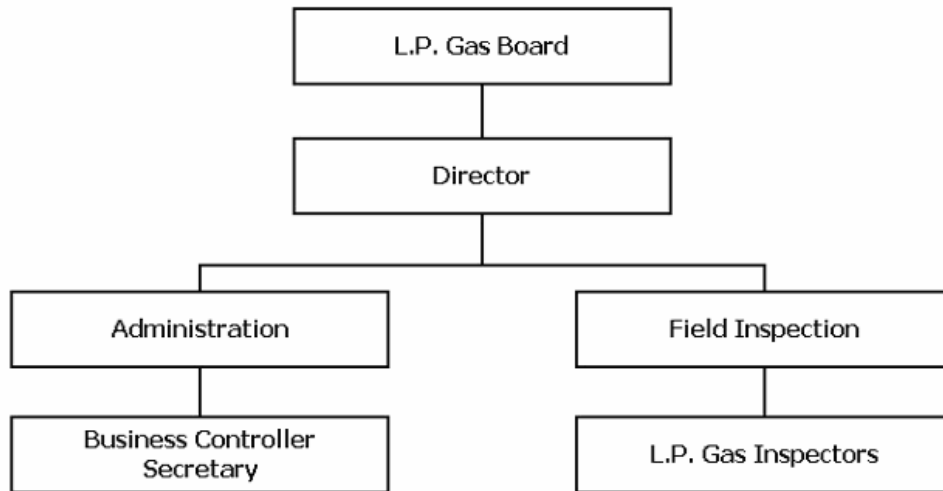
Act 204 of 1939 provided the initial authority for regulation of these activities. Those duties were first assigned to a section of the Boiler Inspection Division of the State Department of Labor.

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 Liquefied Petroleum Gas industry. A seven (7) member Liquefied Petroleum 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 Liquefied Petroleum Gas is utilized.

The Agency's staff consists of seven (7) positions split between an Administrative Section and a Field Inspection Section. The Administrative Section provides the necessary administration, supervision, and clerical support for efficient operations. The Field Inspection Section conducts all inspections required for containers, systems, appliances, and equipment utilized in the storage, transportation, delivery, and usage of Liquefied Petroleum 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 Liquefied Petroleum Gas dealer; stricter enforcement of the Liquefied Petroleum 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 Liquefied Petroleum Gas industry in the State, according to the mandates in the Liquefied Petroleum Gas Code.

In order for the 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 and three (3) vehicles in the second year of the 2007-09 Biennium.

**Audit Findings**

DIVISION OF LEGISLATIVE AUDIT  
 AUDIT OF :  
 OFFICE OF LIQUEFIED PETROLEUM GAS BOARD  
 FOR THE YEAR ENDED JUNE 30, 2004

Findings	Recommendations
None	None

**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		
L.P. Code	A.C.A. 15-75-207	N	N	5,000	Rules and Regulation Changes

**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			Total	Total	Total	Total			Total				
7	7	0	7	0	0.00%	7	7	0	7	0	0.00%	7	7	0	7	0	0.00%

## **Analysis of Budget Request**

**Appropriation:** 050 - Liquefied Petroleum Gas Board-Operations

**Funding Sources:** SIL-Liquefied Petroleum Gas Fund

The Liquefied Petroleum 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.

A cost of living increase is not incorporated in the Board request pending the outcome of the Classification and Compensation Study. The Base Level Request of \$250,310 for FY08 and \$250,310 for FY09 for Regular Salaries does include Board Member Stipend payments. FY07 salary levels have been held flat each year for all incumbents. Personal Services Matching may reflect increases in the Base Level due to the Social Security Tax maximum income limit and certain increases in Worker's Compensation and Unemployment Tax rates. Personal Services Matching also includes a \$30 increase in the monthly contribution for State employee's health insurance for a total State match per budgeted employee of \$350 per month.

The Board is requesting Base Level plus the restoration of Capital Outlay in the amounts of \$38,000 for FY08 and \$57,000 for FY09 to replace 2 vehicles in the first year and 3 vehicles in the second year. Vehicle replacement is due to the high annual mileage being accumulated while completing the agency mission.

The Executive Recommendation provides for the Agency Request.

## Appropriation

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

Commitment Item	Historical Data			Agency Request and Executive Recommendation					
	2005-2006 Actual	2006-2007 Budget	2006-2007 Authorized	2007-2008			2008-2009		
				Base Level	Agency	Executive	Base Level	Agency	Executive
Regular Salaries 5010000	253,544	250,310	249,808	250,310	250,310	250,310	250,310	250,310	250,310
<b>#Positions</b>	<b>7</b>	<b>7</b>	<b>7</b>	<b>7</b>	<b>7</b>	<b>7</b>	<b>7</b>	<b>7</b>	<b>7</b>
Extra Help 5010001	0	8,300	8,300	8,300	8,300	8,300	8,300	8,300	8,300
<b>#Extra Help</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>
Personal Services Matching 5010003	76,788	78,166	74,483	80,664	80,664	80,664	80,664	80,664	80,664
Operating Expenses 5020002	128,026	130,000	130,000	130,000	130,000	130,000	130,000	130,000	130,000
Conference & Travel Expenses 5050009	966	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000
Professional Fees 5060010	8,694	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	21,770	57,000	57,000	0	38,000	38,000	0	57,000	57,000
<b>Total</b>	<b>489,788</b>	<b>568,426</b>	<b>564,241</b>	<b>513,924</b>	<b>551,924</b>	<b>551,924</b>	<b>513,924</b>	<b>570,924</b>	<b>570,924</b>
<b>Funding Sources</b>									
Fund Balance 4000005	753,158	737,394		656,383	656,383	656,383	610,088	610,088	610,088
Special Revenue 4000030	474,024	487,415		467,629	505,629	505,629	458,748	515,748	515,748
<b>Total Funding</b>	<b>1,227,182</b>	<b>1,224,809</b>		<b>1,124,012</b>	<b>1,162,012</b>	<b>1,162,012</b>	<b>1,068,836</b>	<b>1,125,836</b>	<b>1,125,836</b>
Excess Appropriation/(Funding)	(737,394)	(656,383)		(610,088)	(610,088)	(610,088)	(554,912)	(554,912)	(554,912)
<b>Grand Total</b>	<b>489,788</b>	<b>568,426</b>		<b>513,924</b>	<b>551,924</b>	<b>551,924</b>	<b>513,924</b>	<b>570,924</b>	<b>570,924</b>

The FY06 Actual and FY07 Budgeted amounts in Regular Salaries and Personal Services Matching exceed the authorized amounts due to salary and matching rate adjustments during the 2005-2007 biennium.

## Change Level by Appropriation

**Appropriation:** 050-Liquefied Petroleum Gas Board-Operations

**Funding Sources:** SIL-Liquefied Petroleum Gas Fund

### Agency Request

Change Level		2007-2008	Pos	Cumulative	% of BL	2008-2009	Pos	Cumulative	% of BL
<b>BL</b>	<b>Base Level</b>	513,924	7	513,924	100.0	513,924	7	513,924	100.0
C01	Existing Program	38,000	0	551,924	107.3	57,000	0	570,924	111.0

### Executive Recommendation

Change Level		2007-2008	Pos	Cumulative	% of BL	2008-2009	Pos	Cumulative	% of BL
<b>BL</b>	<b>Base Level</b>	513,924	7	513,924	100.0	513,924	7	513,924	100.0
C01	Existing Program	38,000	0	551,924	107.3	57,000	0	570,924	111.0

### 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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