



Department of Labor and Licensing

Act 413 of 2021 Report

Update on divisions

- **Division of Labor**

- The **Code Enforcement Section** consists of the Board of Electrical Examiners; Elevator Safety Board; HVACR Licensing Board; and Boiler Inspection Program. All these programs are participating in the information technology projects referenced below. Additionally, the Board of Electrical Examiners eliminated its third-party vendor contract for continuing education reporting. Bringing the service in-house will save \$3000 per month.
- The **Labor Standards Section** is responsible for enforcing the Arkansas Minimum Wage Act and the state's child labor laws, as well as other miscellaneous laws relating to employment standards and payment of wages. During FY2021, the section collected \$350,000 in back wages for Arkansas workers.
- The **Occupational Safety and Health Section** consists of three (3) federal grant programs: OSHA Consultation Program; a statistical program funded by the Bureau of Labor Statistics to track occupational injuries, illnesses, and fatalities; and a Mine Safety and Health Administration training program for miners. This section also has a state-funded program that focuses on occupational safety and health for public sector employees.

The OSHA Consultation program has continued work throughout the pandemic assisting employers both in-person and virtually. Upon request, staff will provide recommendations on how to work safely in the current environment, including how to conduct virtual self-inspections.

- **State Athletic Commission** is the licensing and regulatory commission for certain combative sports, such as boxing and mixed martial arts.
- **Amusement Ride Inspection Program.**
- **Division of Occupational and Professional Licensing Boards and Commissions**
 - **State Board of Public Accountancy.** The board has eliminated two positions and upgraded others to help retain employees, at net projected savings of \$45,000 per year
 - **Appraiser Licensing and Certification Board.** The board has recently received a one-

time federal grant for \$116,500. The money will be used for information technology upgrades and appraiser training.

- **Arkansas State Board of Architects, Landscape Architects, and Interior Designers.** The board has recently completed digitization of all records and files to improve data security and save time on document retrieval. The board also recently voted to move forward with the Enterprise Licensing Platform (ELP) referenced below as a project.
- **Arkansas Auctioneers Licensing Board.** Board funds have been moved from private accounts into the Treasury.
- **State Board of Barber Examiners.** The barber profession took a direct hit because of COVID-19. Barber shops were at first closed and subsequently re-opened with specific restrictions. During this time the office continued to operate and field questions from practitioners and coordinate with the Department of Health.
- **State Board of Collection Agencies.** The State Board of Collection Agencies distributes over \$1.4 million each year to Arkansas institutions of higher education and to the Department of Human Services, primarily for nursing and health programs. These funds are derived from licensing fees, more than 98% of which come from out-of-state collection agencies.
- **Arkansas Contractors Licensing Board.** The board works to secure the repayment of funds fraudulently taken by unlicensed scam artists preying upon Arkansas citizens. Many of the victims are elderly. A few recent examples are: The return of \$8,000 on a remodeling project in Brinkley; the return of \$3,500 on a bathroom remodeling project in Carlisle; the return of \$11,000, to two victims, on two asphalt scams in Sherwood.
- **Arkansas Fire Protection Licensing Board.** This past year the board's rule changes included the reduction in some fees, as well as the lowering of the passing score on examinations, other than the sprinkler fitter exam.
- **Board of Registration for Professional Geologists.** This was the first board to "go live" with the new Enterprise Licensing Platform (ELP) project referenced below.
- **Arkansas Manufactured Home Commission.** Throughout the time of COVID-19 restrictions, commission staff continued service with no interruption. Most work requiring on-site visits had processes adapted to facilitate completion by phone, email, and/or virtual visits. As most on-site work resumed, some of the new processes have been retained due to discovered efficiencies.
- **Arkansas Motor Vehicle Commission.** Over the last two years, the commission has worked to reduce misleading auto advertising. In cooperation with the Attorney General's Office, the focus has been on the elimination of the "Scratch Off and Pull Tab" lottery-style mailers as a deceptive trade practice.

- **Arkansas Real Estate Commission.** Since late 2019, the Arkansas Real Estate Commission has ordered payment of over \$43,000 in damages and restitution to consumers who suffered financial harm from the actions of real estate licensees found to have violated Arkansas law. An additional \$14,830 was ordered by the commission to be paid by several unlicensed, out-of-state individuals who defrauded two Arkansas citizens in a time-share exit scam.

Additionally, over the last two years, AREC has received and processed record numbers of new license applications. In 2009 and the years immediately following, the AREC averaged approximately 100 applications per month. In 2020, there was an average of 219 applications processed per month, and as of the end of July this year, AREC has processed 2,006 applications – an average of 287 per month. There are currently 15,057 total licensees, which is the highest number of licensees since December of 2008. All of this has been done without adding any staff positions. Much of it was done while licensing staff were working remote during the pandemic.

- **Arkansas Workers Compensation**

The most recent 2020 study issued in January 2021 reflects that Arkansas has the lowest costs for workers compensation in the United States.

The commission is also upgrading information technology resources to improve efficiencies.

Significant Department Projects

- **Project Name:** Enterprise Licensing Platform (ELP) is a digital licensing and permitting platform developed through the Information Network of Arkansas (INA) which will allow the entire licensing and permitting process to occur on-line. This will reduce paperwork, cash and check transactions, as well as labor costs per transaction. It will improve data security and will also improve record retention efforts, by eliminating the need to scan paper. The licensing and permitting processes will be faster by eliminating delays from mail service. Currently, the Board of Electrical Examiners and the Board of Registration for Professional Geologists have been on boarded. Work is on-going for the Elevator Safety Board; the Boiler Inspection program; Board of Collection Agencies; Motor Vehicle Commission; Contractors Licensing Board; State Athletic Commission; and the Board of Architects, Landscape Architects and Interior Designers.
- **Project Name:** There are smaller information technology projects, all with the same goals of the ELP projects. Specifically, the department is expanding the use of INA's mobile payment platform for field use and the use of a portal at the receptionist desk which will allow credit card transactions to be made for walk-in business for any entity within the department. The funds

are directly deposited to Treasury and reporting is available. The department is currently testing electronic travel reimbursement forms (TR-1) for the Contractors Licensing Board and the Code Enforcement Section of the Division of Labor. Laserfiche document imaging is being expanded to the Workers Compensation Commission.

- Project Name: Website Upgrade. The department is working with INA to modernize and convert our website, improving public access and information.
- Project Name: Conference and training room upgrades. Plans and quotes have been gathered for upgrading and modernizing conference and training rooms to allow for distance training and meetings to be held remotely in more areas of the building. This will allow more simultaneous meetings without adjustments for conflicts.
- Project Name: Remote work platforms and expanded Zoom conferencing were established on a Cabinet-wide basis during the worst of the pandemic and remain valuable tools today.
- Project Name: The department is currently working to update department wide policies to provide consistency in workplace policies. Standard operating procedures are being finalized for each position where they do not exist to provide a basis for training. This will reduce the impact of the loss of institutional knowledge when an employee retires or leaves employment.

Transformation Examples

- Example 1: The department moved fourteen (14) boards, commissions, and agencies from various locations to the current location at 900 W. Capitol, Little Rock. This included staff, equipment, furniture, files, networks, and servers.
- Example 2: The department has utilized some traditional options, such as concurrent employment, to achieve savings and efficiencies. For example, one employee is employed concurrently by the Auctioneers Licensing Board and the Board of Registration for Professional Geologists. She is the sole employee for each board and spends 50% of her time with each board, resulting in salary savings for each.
- Example 3. The HVACR Licensing Board was one of the first entities transferred to the department. The board and the department have upgraded inspectors to smart phones and tablets to allow full use and access of email and database from the field. Inspectors were moved from area health units to home-based office to reduce rental costs. An online electronic based inspection form was developed, and all other critical program forms were converted to an electronic submission program, so that inspectors could complete work in the field as it occurs. The board currently has four (4) vehicles that are scheduled for replacement.
- Example 4. Copiers were consolidated following the move to 900 West Capitol. The number of leased copier/scanners went from fifteen (15) to ten (10).

Staffing

2015
267

2016
252

2017
246

2018
246

2019
242

2020
240

2021
227

Legislative Initiatives

- Initiative Name: Act 330 of 2021 authorized the Contractors Licensing Board to provide the option of a license or registration renewal up to three (3) years.
- Initiative Name: Act 491 of 2021 repealed the Arkansas Pawnbroker Act.
- Initiative Name: Act 492 of 2021 eliminated some obsolete language regarding the administration of the Home Inspector Registration Board.