

**STATE BOARD OF COLLECTION AGENCIES (0221)**  
**FISCAL YEAR 2014 & 2015 – ACT 1023 OF 2013**

**D) AGENCY SUMMARY & REVENUE SOURCES**

**MISSION**

The State Board of Collection Agencies (SBCA) regulates collection agency activities in Arkansas. Principal responsibilities include the licensing, revocation of licenses, investigation of violations, and the enforcement of bonding requirements. The board's investigative duties include the investigation of consumer complaints of unfair or unconscionable collection practices, assessment of prohibited collection charges, and unlicensed activity. Collection agencies must have a license if (a) they are located in Arkansas or (b) they contact consumers in Arkansas. The board prevents undesirable collection activities, ensures compliance with Arkansas debt collection laws and educates Arkansas consumers of their rights when dealing with a collection agency.

**TOTAL BUDGET**

The total budget is \$1,704,284 the first year and \$1,704,529 the second year of the biennium.

**FUNDING SOURCE**

The State Board of Collection Agencies is funded from the receipts of licensing fees received from collection agencies and fines imposed.

**II) SIGNIFICANT CHANGES:**

operation expense - increase of \$5,000 for database expenses.

**III) INCREASE/DECREASE POSITIONS: NONE**

Total Positions for FY 2014: 4

Total Positions for FY 2015: 4

Total Budgeted Positions for FY2013: 4

Extra Help: 1

**IV) SPECIAL LANGUAGE:**

- Amendment to Arkansas Code 17-24-306, increasing the amount of surety bond required each collection agency to secure to get a license, from \$5-25K to \$10-50K.
- Amendment to Arkansas Code 17-24-305, effective September 1, 2013, increases the annual registration fee by five dollars (\$5) for each manager and collector who solicits, collects or attempts to collect any delinquent account in Arkansas. Changes the annual distribution of income from fees received, if total collections received are insufficient to fund the allocations 100% then the distributions will be proportional.