

## Department of Planning and Budget 2005 Fiscal Impact Statement

1. **Bill Number:** SB970

<b>House of Origin</b>	<input checked="" type="checkbox"/> Introduced	<input type="checkbox"/> Substitute	<input type="checkbox"/> Engrossed
<b>Second House</b>	<input type="checkbox"/> In Committee	<input type="checkbox"/> Substitute	<input type="checkbox"/> Enrolled

2. **Patron:** O'Brien

3. **Committee:** General Laws

4. **Title:** Department of Consumer Affairs; created

5. **Summary/Purpose:** The bill removes the Office of Consumer Affairs from the Department of Agriculture and Consumer Services and establishes it as the Department of Consumer Affairs. The Department of Consumer Affairs will be headed by a director appointed by the Governor to serve at his pleasure. The Department of Consumer Affairs will be the successor in interest to the Office of Consumer Affairs by serving as the central coordinating agency and clearinghouse for receiving and investigating complaints by Virginia consumers of illegal, fraudulent, deceptive or dangerous practices.

6. **Fiscal Impact:** Estimates are preliminary.

**6a. Expenditure Impact:**

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2004-05	---	---	---
2005-06	\$150,000	Unknown	GF/NGF
2006-07	\$150,000	Unknown	GF/NGF
2007-08	\$150,000	Unknown	GF/NGF
2008-09	\$150,000	Unknown	GF/NGF
2009-10	\$150,000	Unknown	GF/NGF
2010-11	\$150,000	Unknown	GF/NGF

7. **Budget amendment necessary:** Yes, an amendment to Senate Bill 700, the Budget Bill, is needed to establish the appropriation for the Department of Consumer Affairs within the Commerce and Trade Secretariat.

8. **Fiscal implications:** The \$150,000 referenced in item 6a. attempts to capture administrative support activities, such as information systems, telecommunications, finance, budget, purchasing, and human resources for the office. Currently, resources from the Office of Consumer Affairs are pooled with resources from other programs within the Department of Agriculture and Consumer Services and general fund support to provide administrative support services. The support activities are provided by existing personnel within the Department of Agriculture and Consumer Services, and the Department of Consumer Affairs will require funding and positions to replace this administrative support. There may be some opportunity to use centralized service bureaus, such as the payroll service bureau at the Department of Accounts, but funding may be required to pay for these services.

The cost estimate does not include rent charges, because it is assumed that rent currently being paid by the Office of Consumer Services through the Department of Agriculture and Consumer Affairs will transfer to the new agency. However, additional funding for rent may be required if administrative support positions are added to the Department of Consumer Affairs.

**9. Specific agency or political subdivisions affected:** Department of Agriculture and Consumer Services, Office of Consumer Affairs.

**10. Technical amendment necessary:** No.

**11. Other comments:** None.

**Date:** 1/25/05 kbs

**Document:** G:\05 Fis\Sb970.Doc

cc: Secretary of Agriculture and Forestry  
Secretary of Commerce and Trade