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## FISCAL IMPACT REPORT

SPONSOR: Garcia DATE TYPED: 01/30/01 HB \_\_\_\_\_  
 SHORT TITLE: Satellite Consumer Protection Bureau SB 7  
 ANALYST: Valdes

### APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY01	FY02	FY01	FY02		
	\$ 450.0			Recurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

### SOURCES OF INFORMATION

Attorney General

### SUMMARY

#### Synopsis of Bill

Senate Bill 7 appropriates \$450.0 to the Attorney General to establish a satellite Consumer Protection Bureau office in Las Cruces.

#### Significant Issues

According to the Attorney General, the establishment of this office will allow the Consumer Protection Bureau to educate and protect the public and have a stronger presence in southern New Mexico. There are a significant amount of businesses and individuals being exploited by illegal activities in this area. The office will provide quicker response time for investigations and increase the amount of cases resolved. The education function of the bureau will be more cost-effective and efficient because travel time from Santa Fe will be eliminated. Increased presence and education will help reduce consumer fraud in the southern region of the state.

### PERFORMANCE IMPLICATIONS

The Attorney General's office will move to performance budgeting in FY03. This bill would improve performance and service to the public in southern New Mexico on consumer protection issues.

### FISCAL IMPLICATIONS

## **Senate Bill 7 -- Page 2**

This bill would create a permanent consumer protection office in Las Cruces with an initial cost of \$450.0, which would be appropriated from the General Fund. This expansion would be a recurring cost to the General Fund. The appropriation would provide three FTE positions including an attorney, an investigator and a consumer advocate. It would also fund overhead costs of the office.

According to the agency, it is possible this office could generate additional revenue through consumer settlements.

### **ADMINISTRATIVE IMPLICATIONS**

Establishment of the Las Cruces office will allow more efficient consumer protection services, according to the agency.

### **OTHER SUBSTANTIVE ISSUES**

This expansion was requested last year and was not funded by the 2000 Legislature. The request was not recommended by the LFC or the executive.

MV/ar