

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION

April 3, 2011

TO: Honorable Steve Ogden, Chair, Senate Committee on Finance

FROM: John S O'Brien, Director, Legislative Budget Board

IN RE: SB1524 by Hinojosa (Relating to the payment and distribution of consumer assistance funds in an action by the attorney general.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would amend the Civil Practice and Remedies Code and create the Consumer Assistance Account in the departmental suspense account held in the state treasury. The account would consist of proceeds from judgment or orders for payment of restitution in actions brought by the Attorney General arising from conduct that violates a consumer protection, public health, or general welfare law. The Office of the Attorney General (OAG) would distribute money in the fund to charitable entities to fund programs that provide assistance to consumers. The OAG would adopt rules to implement provisions of the bill and would enter into a Memorandum of Understanding with the Supreme Court for the administration and monitoring of consumer legal assistance activities. It is anticipated that any additional costs associated with implementation of the legislation could be absorbed within existing resources.

According to the Comptroller of Public Accounts, the Consumer Assistance Account in the departmental suspense account held in the state treasury created by provisions within the bill cannot be used in this manner as described. Instead, the new account would be created as an account or trust fund in General Revenue Fund 0001 consisting of consumer assistance funds paid under a court order or judgment.

Furthermore, the bill would do one or more of the following: create or recreate a dedicated account in the General Revenue Fund, create or recreate a special or trust fund either with or outside of the Treasury, or create a dedicated revenue source. The fund, account, or revenue dedication included in this bill would be subject to funds consolidation review by the current Legislature.

This bill would take effect immediately upon enactment, assuming that it received the requisite two-thirds majority votes in both houses of the Legislature. Otherwise, it would take effect September 1, 2011.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 212 Office of Court Administration, Texas Judicial Council, 302 Office of the Attorney General, 304 Comptroller of Public Accounts

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