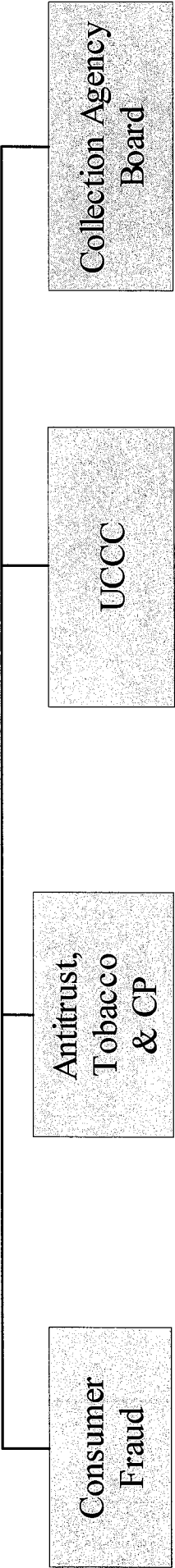


**CONSUMER  
PROTECTION**

Deputy AG for  
Consumer Protect.



## **Program Summary –2009**

### **CONSUMER PROTECTION SECTION**

The Consumer Protection Section is comprised of thirty-four FTE working in three organizational units. Each Unit has the primary mission of protecting Colorado consumers and legitimate businesses. Each Unit has separate and distinct statutory authority to carry out their respective consumer protection goals and objectives.

#### **Uniform Consumer Credit Code/Collection Agency Board Unit**

##### **Consumer Credit**

The Consumer Credit group enforces the state's consumer credit and lending laws – the Colorado Uniform Consumer Credit Code (“UCCC”). The UCCC protects the rights of consumers who borrow money, establishes reasonable limits on interest rates and fees, fosters fair competition among lenders, and promotes an adequate supply of credit. The Unit licenses and examines lenders who make high-rate loans – defined as loans with an annual percentage rate of more than 12%. The Unit also licenses deferred deposit or “pay-day” lenders. Finally the Unit enforces the Colorado Equity Protection Act, which prohibits certain terms and conditions in high-cost loans.

##### **Debt Collection**

The Collection Agency Board enforces Colorado's collection agency laws (Colorado Fair Debt Collection Practices Act). The law protects business clients who place accounts for collection and establishes protections for consumers who are contacted by collection agencies. This ensures that all collection agencies act in compliance with the law and there is no unfair competition. The CAB Unit licenses collection agencies, investigates complaints of unlawful activity, and takes administrative discipline against agencies that violate the law.

##### **Debt Management Companies**

Beginning in January 2008, the Unit will regulate debt management companies. A “debt management” company provides services as an intermediary between an individual and one or more creditors of the individual for the purpose of obtaining concessions from those creditors. Services may also include, for a fee, the provision of a settlement plan to allow a debtor make periodic payments to retire debt. Debt management companies will need to be registered and must post a bond before engaging in business in Colorado under the new law.

## **Business Regulation Unit**

### **Antitrust**

The Unit investigates and prosecutes violations of the Colorado Antitrust Act of 1992 and the federal Sherman and Clayton antitrust acts. The Attorney General has exclusive jurisdiction over civil and criminal enforcement actions under the Colorado Antitrust Act. The Unit also participates in a broad range of multistate antitrust initiatives, and joint activities with other State Attorneys General and federal law enforcement agencies.

### **Consumer Fraud**

The Unit investigates and prosecutes violations of the Colorado Consumer Protection Act, the Colorado Charitable Solicitations Act, the Colorado No-Call List Act, and other consumer and business protection statutes. The Unit also has new and greatly expanded jurisdiction to enforce violations of article 61 of Title 12 relating to mortgage brokers. The Attorney General shares jurisdiction with the local district attorneys of the State over many of these violations. The Unit also participates in a broad range of multi-state initiatives, and joint activities with federal enforcement agencies. The Unit engages in extensive consumer outreach and educational efforts for the citizens of Colorado, including outreach efforts that are specifically targeted to reach Colorado's senior citizens.

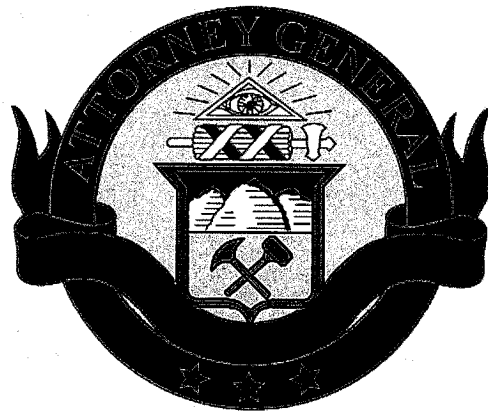
### **Tobacco Settlement Enforcement**

The Unit is responsible for the enforcement and defense of the state's Tobacco Master Settlement Agreement ("MSA") and the Smokeless Tobacco Master Settlement Agreement ("STMSA"). The MSA requires the nation's leading tobacco manufacturers to comply with extensive injunctive relief and to pay approximately \$2.8 billion dollars to Colorado over the next 25 years. The Unit is responsible for enforcing the tobacco companies' compliance with the payment and other obligations of the MSA and is responsible for making sure that certain statutory schemes implemented in furtherance of the MSA are implemented and vigorously enforced.

### **Office of Consumer Counsel Unit**

This Unit provides full legal services to the Office of Consumer Counsel, a type 1 agency within the Colorado Department of Regulatory Agencies, and the Utility Consumers' Board. By statute, the OCC is charged with representing the public interest and specific interests of residential, small business, and agricultural consumers in proceedings before the Colorado Public Utilities Commission (PUC). Such advocacy most often involves matters relating to proposed changes in electric, gas, and telephone utility rates and services. See Legal Services to State Agencies for Program Summary.

# **Consumer Protection & Anti-Trust Narrative Unit**



## PROGRAM NARRATIVE

**Program Title:** Consumer Protection – Antitrust & Consumer Fraud

**Long Bill Line Item:** Consumer Protection – Consumer Fraud and Antitrust

**Change Requests:** No.

### Federal and State Statutory Authority:

Colorado Antitrust Act of 1992, §§ 6-4-101 to 122, C.R.S. (2005); Federal Sherman and Clayton Acts, 15 U.S.C. §§ 1 through 26 (2006); Colorado Unfair Practices Act, §§ 6-2-101 to 117, C.R.S. (2005); Colorado Consumer Protection Act, §§ 6-1-101 to 908, C.R.S. (2005); Charitable Solicitations Act; §§ 6-16-101 to 113 (2005); Motor Vehicle Repair Act, §§ 42-9-101 to 113, C.R.S. (2005); Unsolicited Goods Act, §§ 6-6-101 to 103, C.R.S. (2005); Federal Trade Commission Telemarketing Sales Rule, 16 U.S.C. §§ 6101-6108

### Program Description:

**A. Antitrust** - The Antitrust and Consumer Fraud Unit enforces, both criminally and civilly, the legislative mandate set forth in the state and federal antitrust laws. Enforcement actions are brought on behalf of the state and local governments and their citizens.

The Unit's antitrust enforcement activities carry out the policies underlying the antitrust laws. Those laws are premised on the concept that fair and vigorous competition (*i.e.*, operation of the free market) ultimately results in the best allocation of resources, greatest efficiency, lowest prices, and finest goods and services. The beneficiaries of such effects are the state and local governments and all Colorado citizens.

The antitrust laws are designed to govern the marketplace to ensure that free and open competition is not displaced by collusive agreements. To that end the antitrust laws prohibit, among other things, activities such as: (a) competitors agreeing with one another to fix prices, rig bids or allocate customers or territories; (b) manufacturers or distributors requiring dealers to sell products at specified retail prices; (c) competitors monopolizing or attempting to monopolize the marketplace; and (d) competitors engaging in predatory practices to eliminate competition.

The Unit investigates and prosecutes these and other violations of the Colorado Antitrust Act of 1992 and the federal Sherman and Clayton antitrust acts. The Attorney General has exclusive jurisdiction over civil and criminal enforcement actions under the Colorado Antitrust Act. These investigations and prosecutions can be very complex and time-consuming. While some antitrust investigations/prosecutions may be concluded in as little as 6 months to 12 months, some may last as long as 3 or 4 years, or even longer.

The Unit also participates in a broad range of multi-state antitrust initiatives with other State Attorneys General, and in joint activities with federal law enforcement agencies (including the Department of Justice Antitrust Division and the Federal Trade Commission). These activities include joint investigations, joint and parallel prosecutions of antitrust violations affecting national markets, participation as *amicus curiae* in briefs in state and federal courts, and the filing of public comments in federal rulemaking and legislative proceedings.

**B. Consumer Fraud** - The primary function of the Unit's consumer protection activity is to prevent the use of deception and misrepresentation in connection with the advertisement and sale of goods and services to individual and business consumers in Colorado by enforcing the legislative mandate set forth in the state consumer protection laws.

The Unit investigates and prosecutes violations of the Colorado Consumer Protection Act, the Colorado Charitable Solicitations Act, and other consumer and business protection statutes. Over the past few years the Attorney General's enforcement authority has increased to include the No-Call List Act, a wide variety of measures designed to address identity theft. In addition several laws were enacted this year to broaden this Unit's authority over deceptive practices by individuals involved in real estate and mortgage lending transactions, including realtors, mortgage brokers, appraisers, originators and lenders. These new real estate laws are in addition to the Colorado Foreclosure Protection Act, which was passed in 2005. These laws were passed in order to address the foreclosure crisis and increase in deception that has been exposed in real estate and mortgage lending transactions. Although these real estate and mortgage fraud laws have added an additional lawyer and two new staffers to the Unit, the scope of the foreclosure crisis and amount of deception uncovered in real estate and mortgage transactions will continue to test the limits of the Unit's resources. Given the Unit's limited staffing, it is a constant challenge to try to keep up with consumer inquiries and complaints, as well as the considerable investigative and litigation demands that we face.

The Unit also participates in a broad range of multistate initiatives with other State Attorneys General, and joint activities with federal law enforcement agencies. These activities include joint investigations and parallel prosecutions of deceptive trade practices with a nation-wide impact, the conduct of national consumer education initiatives, participation as *amicus curiae* in briefs in state and federal courts, and the filing of public comments in federal rulemaking and legislative proceedings.

The Unit administers registration and/or bonding programs involving telephone solicitors and automobile repossessioners. Databases on each industry are maintained and, as appropriate, enforcement actions are undertaken to enforce compliance with these registration requirements.

The Unit is now closing in on the seventh year of its partnership with Colorado's Better Business Bureaus, known as the Colorado Consumer Line. Consumers can call 1-800-222-4444 from anywhere in the State and get information on filing a consumer complaint,

check on a business before they buy, listen to consumer tips or talk to a consumer specialist. While the time spent by the Unit on mediating consumer complaints has been reduced, consumer telephone call volume is still very high. Last year, CCL received 40,000 - 60,000 calls and inquiries.

The Unit has utilized work-study students and its partnership with the Colorado Better Business Bureaus to try to help it meet this challenge. With the development of CCL, the Unit has improved its previously very limited ability to compile data and identify and analyze consumer fraud trends affecting Colorado consumers. This information is vital to the Office's ability to make the most informed decisions about which consumer fraud cases to prosecute and what type of consumer outreach is most needed around the state.

The Unit engages in extensive consumer outreach and educational efforts for the citizens of Colorado, including outreach efforts, which are specifically targeted to reach Colorado's senior citizens. These efforts include the preparation and dissemination of consumer brochures and other educational materials, participation of staff in educational programs at senior centers, retirement communities, schools, etc., and the hosting of fraud conferences for seniors and other law enforcement agencies.

Finally, the Unit continues to participate in the AARP ElderWatch program, a senior fraud clearinghouse developed in partnership with the AARP Foundation. AARP ElderWatch provides extensive services to law enforcement agencies, adult protective services and numerous other groups and individuals interested in protecting our senior citizens.

### Prioritized Objectives & Performance Measures

Antitrust & Consumer Protection		Actual FY 06	Actual FY 07	Est. FY 08	Req. FY 09	Projected FY 10
<b>Objectives 1.1</b>	Preserve competition in marketplaces affecting Colorado business and consumers by addressing conduct, which may unreasonably restrict trade in Colorado.					
<b>Measure 1.1.1.</b> Conduct investigations and prosecutions of Colorado centered conspiracies affecting statewide or local markets.	<b>Target</b>	9	6	6	6	
	<b>Actual</b>	10	8	6	6	
<b>Measure 1.1.2.</b> Participate in multistate antitrust case/joint cases with federal antitrust enforcers.	<b>Target</b>	2	3	3	3	
	<b>Actual</b>	4	7	3	3	



<b>Measure 1.1.3.</b> Participate in outreach programs with state and local government agencies or business groups.	<b>Target</b>	2	2	2	2	
	<b>Actual</b>	2	2	2	2	
<b>Objectives 2.1</b>	Establish an elder fraud prevention program to protect Colorado's senior citizens.					
<b>Measure 2.1.1.</b> Engage in outreach and educational programs for senior citizens (# of programs/initiatives)	<b>Target</b>	20	20	20	20	
	<b>Actual</b>	20	20	20	20	
<b>Measure 2.1.2.</b> Assist seniors with complaints and mediation	<b>Target</b>	20	20	20		
	<b>Actual</b>	25	30			
<b>Objectives 3.1</b>	Attack the most serious fraudulent business practices victimizing Colorado citizens.					
<b>Measure 3.1.1.</b> Conduct investigations / prosecutions of the most serious fraudulent business practices.	<b>Target</b>	8	20	20	30	
	<b>Actual</b>	37	67 <sup>1</sup>	73 <sup>2</sup>	7 0	7 0
<b>Objectives 4.1</b>	Design improved consumer protection complaint intake and mediation services, and streamline Department of Law business licensing and registrations procedures.					
<b>Measure 4.1.1.</b> Reduce the backlog of processing new consumer complaints (length of backlog) (# of programs / initiatives)	<b>Target</b>	1wk	1wk	24-48 hrs	24-48 hrs	
	<b>Actual</b>	24 hrs	24 hrs			

<sup>1</sup> This number represents investigations or cases that were commenced or resolved during FY 07 under the Colorado Consumer Protection Act. This number represents the following:

- 35 investigations opened;
- 17 settlements, Assurances of Voluntary Discontinuance or Stipulated Final Judgments of investigations or cases regardless of when they were opened;
- 2 cases filed; and
- 13 investigations closed with no action.

<sup>2</sup> This number represents the investigations commenced and cease and desist notices that were issued in FY 07 under the Colorado No-Call Act. This number represents the following:

- 58 investigations opened; and
- 15 cease & desist notices issued.

<b>Measure 4.1.2.</b> Coordinate annual training conference for the BBB's serving Colorado to ensure efficient and thorough handling of consumer complaints (# of training's)	<b>Target</b>	1	1	1	1	
	<b>Actual</b>	1	1	1	1	

**Trends and Other Baseline Information:**

The level of resources available in the Unit dedicated to antitrust and consumer protection investigations/prosecutions directly impact the number of cases that can be pursued. Cases that consume more resources than anticipated (due to court rulings or action of opposing parties) can also influence that type and number of other investigations and/or prosecutions that the Unit can handle. Considering the upswing in consumer fraud and antitrust complaints, it is clear that the Unit's staffing resources are now falling further behind in relation to the demand for resources. This also impacts the ability of Unit staff to spend time on important preventative initiatives, especially education and outreach efforts.

The Unit continues to see an increase in its statutory jurisdiction, especially with the continued expansion of the Consumer Protection Act, and an increase in the number of consumer and business inquiries and complaints. In the past sixteen years, there has been a more than fifty percent increase in the statutory jurisdiction of the Unit, primarily through amendments to the Colorado Consumer Protection Act.

Given the limited resources available to Colorado's District Attorneys to pursue consumer fraud and other economic crimes, the burden of handling these increased demands falls on the Attorney General's Business Regulation Unit.

The focus on specific objectives, coupled with this limitation in resources, means that many antitrust and consumer fraud cases cannot be handled by the Unit. This is a trend that is expected to continue well into the future.

**Similar or Cooperating Programs:** N/A

**Assumptions and Calculations:**

***For Single Program Line items*** – the fiscal year 2009 (FY09) Personal Services and Operating Budget Request are calculated per Joint Budget Committee (JBC) policy.

1. Determine the FY08 base appropriation for personal services and operating by calculating the following:
  - From the program Schedule 3, identify the total personal services expenditures and operating expenditures in FY07. Then from the Personal Services total, subtract the following centrally allocated appropriations: Salary Survey, Performance Based Pay, Health Life Dental, Short Term Disability, AED and

SAED. From the operating total subtract these centrally allocated appropriations: Worker's Compensation, Lease Space, Vehicle Lease payments, Communication service payments, Capital outlay and IT Asset Maintenance.

- Add the above remaining two figures - Personal Services and Operating (after the centrally appropriated appropriations have been removed) to determine the amount spent in each category from the program line item appropriation.
  - Calculate the percentage of the total that is personal service and the percentage that is operating. Take the percentage that is personal services and multiply it by the FY08 line item appropriation. This number will be the FY08 base figure for Personal service. The remainder is the FY08 operating base.
2. To compute the FY09 Personal Services Budget Request:
- Take the calculated FY08 personal services base figure from above and add in the program's FY08 salary survey allocation for both classified and non-classified employees.
  - Then add in 80% of the programs performance-based pay allocation for both classified & non-classified employees.
  - Finally take a 0.2% reduction to the above total and this will be the FY09 personal services request. However, on lines less than 5 FTE the Department did not take the .2 % reduction.
3. The FY09 operating request is the same amount as the calculated FY08 operating number. The Department allocates certain centrally appropriated expenditures (Capital Complex Lease Space, IT Asset Maintenance, Worker's Compensation and Vehicle Lease Payments) to the various line items where they are expended. The actual column expenditures (FY06 and FY07) in the Schedule 3 include these allocated appropriations. The Estimate column includes the projected allocation in the current fiscal year.

For the Consumer Protection and Anti-Trust Unit the Personal Services Base for FY08 is \$1,375,265 which is 92.8% of the total FY08 Appropriation. The Operation base is \$105,964 which is 7.2% of the total.

## ASSUMPTIONS AND CALCULATIONS

Consumer Protection/ Anti-Trust	Long Bill Line Item	Total	FTE	General Fund	Cash Funds	Cash Funds Exempt	Federal Funds
	<b>Personal Services</b>						
	Previous Year Long Bill (SB07-239)	\$1,375,265	17.0	\$781,648	\$61,092	\$532,525	
	FY2007-08 Salary Survey - Classified	\$15,708		\$9,026	\$1,754	\$4,928	
	FY2007-08 Salary Survey - Exempt	\$30,989		\$21,534		\$9,455	
	FY2007-08 Performance-based Pay - Classified	\$3,704		\$3,126	\$578		
	FY2007-08 Performance-based Pay - Exempt	\$8,708		\$7,138		\$1,570	
	Subtotal PS -	\$1,434,374	17.0	\$822,472	\$63,424	\$548,478	
	<b>Special Bills -</b>						
	SB07-216 Mortgage Loan Fraud	\$220,472	3.0			\$220,472	
	OSP base adjustment (0.2%)	(\$3,310)		(\$1,645)	(\$127)	(\$1,538)	
	<b>Personal Services Appropriation Request</b>	<b>\$1,651,536</b>	<b>20.0</b>	<b>\$820,827</b>	<b>\$63,297</b>	<b>\$767,412</b>	
	<b>Operating Expenses</b>						
	Previous Year Long Bill (SB07-239)	\$105,964		\$60,226	\$4,707	\$41,031	
	<b>Special Bills -</b>						
	SB07-216 Mortgage Loan Fraud	\$44,614				\$44,614	
	<b>Operating Expenses Appropriation Request</b>	<b>\$150,578</b>		<b>\$60,226</b>	<b>\$4,707</b>	<b>\$85,645</b>	
	<b>Special Bills -</b>						
	SB07-203 Mortgage Loan Transaction	\$186,349	2.3			\$186,349	
	HB07-1322 Mortgage Fraud Prevention	\$264,608	3.0			\$264,608	
	Subtotal -	\$450,957	5.3			\$450,957	
	<b>Annulazation of Special Bills -</b>						
	SB07-203 Mortgage Loan Transaction	(\$186,349)	(2.3)			(\$186,349)	
	SB07-216 Mortgage Loan Fraud	(\$20,175)	0.0			(\$20,175)	
	HB07-1322 Mortgage Fraud Prevention	(\$264,608)	(3.0)			(\$264,608)	
	Subtotal -	(\$471,132)	(5.3)			(\$471,132)	
	<b>GRAND TOTAL - Consumer Protection</b>	<b>\$1,781,939</b>	<b>20.0</b>	<b>\$881,053</b>	<b>\$68,004</b>	<b>\$832,882</b>	

**SCHEDULE 2 - PROGRAM SUMMARY**

Department of Law		CONSUMER PROTECTION & ANTI-TRUST											
		Actual FY 06		Actual FY 07		Approp FY 08		Estimate FY 08		Request FY 09			
Item	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	
<b>CONS. PROTECT. &amp; ANTI-TRUST</b>	1,441,070	15.8	1,427,859	15.1	2,152,658	25.3	2,407,447	25.3	1,781,938	20.0	1,781,938	20.0	
General Fund	793,183		843,334		841,874		982,802		881,052		881,052		
General Fund Exempt	-		-		-		-		-		-		
Cash Fund	72,220		76,191		65,799		79,986		68,004		68,004		
Cash Fund Exempt	575,667		508,335		1,244,985		1,344,659		832,882		832,882		
Federal Funds													

**SCHEDULE 3 - PERSONAL SERVICES PROGRAM DETAIL**

**CONSUMER PROTECTION & ANTI-TRUST**

**Department of Law**

Item	Actual FY 06		Actual FY 07		Approp FY 08		Estimate FY 08		Request FY 09	
	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE
<b>I. POSITION DETAIL</b>										
Deputy Attorney General	106,596	1.0	110,872	1.0			119,496	1.0	119,496	1.0
First Assistant Attorney General	94,272	1.0								
Assistant Attorney General II	163,356	2.0	85,000	1.0			88,824	1.0	88,824	1.0
Assistant Attorney General I	230,457	3.9	292,176	4.3			418,752	6.0	418,752	6.0
Criminal Investigator II			74,462	1.0			78,804	1.0	78,804	1.0
Criminal Investigator I	126,966	2.0	54,528	1.0			56,916	1.0	56,916	1.0
Legal Assistant II	45,888	1.0	87,154	1.9			94,956	2.0	94,956	2.0
Legal Assistant I	42,216	1.0								
General Professional IV	73,776	1.0	64,302	1.0			57,456	1.0	57,456	1.0
General Professional III	48,824	1.0	50,376	1.0			52,632	1.0	52,632	1.0
Program Assistant II			41,618	1.0			43,656	1.0	43,656	1.0
Program Assistant I	80,742	1.9	44,772	1.0			46,776	1.0	46,776	1.0
General			83,080	0.9			95,544	1.0	95,544	1.0
<b>TOTAL POSITION DETAIL</b>	<b>1,013,093</b>	<b>15.8</b>	<b>988,340</b>	<b>15.1</b>			<b>1,153,812</b>	<b>17.0</b>	<b>1,153,812</b>	<b>17.0</b>

**SCHEDULE 3 - PROGRAM DETAIL**

Department of Law	Item	CONSUMER PROTECTION & ANTI-TRUST											
		Actual FY 06		Actual FY 07		Approp. FY 08		Estimate FY 08		Request FY 09			
		Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE
<b>(I.A.) CONTINUATION FTE SALARY COST</b>		1,013,093	15.8	988,340	15.1	1,153,812	17.0	1,153,812	17.0	1,153,812	17.0		
	(Permanent FTE by position)												
	Continuation Salary Subtotal												
<b>(I.B.) OTHER PERSONAL SERVICES</b>													
	PERA on Continuation Subtotal	103,326		104,557		117,112		117,112		117,112			
	Medicare on Continuation Subtotal	13,700		13,950		16,730		16,730		16,730			
	Non-Base building Performance Awards					3,103		3,103		3,103			
	Part-Time/Temporary Salaries	36,647		55,457		57,000		57,000		50,000			
	Contractual Services	76,107		32,285		89,719		89,719		93,409			
	Overtime Pay												
	Sick Leave Conversion												
	Termination/Retirement Payouts	-		15,224									
	Employment Security Payments			2,049									
	Other	1,439											
	Special Bills			223,524		283,664		283,664		497,723			
	<b>SUBTOTAL</b>												
		1,244,311	15.8	1,211,864	15.1	1,437,476	17.0	1,437,476	17.0	1,651,535	20.0		
<b>(I.C.) PERSONAL SERVICE</b>													
	<b>SUBTOTAL= A+B</b>												
<b>(I.D.) POTS EXPENDITURES</b>													
	Health/Life/Dental	45,787		54,537		56,997		56,997					
	Salary Act/Merit	[60,096]		[44,698]		[46,697]		[46,697]					
	Performance Awards					[12,411]		[12,411]					
	Short Term Disability	1,491		1,114		1,339		1,339					
	AED	2,191		7,525		12,917		12,917					
	SAED					2,425		2,425					
	[ ] Indicates a Non-add												
<b>(I.E.) BASE PERSONAL SERVICES</b>													
	<b>TOTAL = C+D</b>												
	General Fund	791,561		690,514		875,224		875,224		789,392			
	General Funds Exempt												
	Cash Funds	72,220		76,191		68,031		68,031		301,577			
	Cash Funds Exempt	430,000		508,335		567,899		567,899		560,566			
	<b>(I.F.) DIFFERENCE= II-I.E.</b>												(0)

**SCHEDULE 3 - PROGRAM DETAIL**

**CONSUMER PROTECTION & ANTI-TRUST**

Department of Law Item	Actual FY 06		Actual FY 07		Approp FY 08		Estimate FY 08		Request FY 09	
	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE
<b>(I.G.) REQUEST YEAR DECISION ITEMS</b>										
General Fund										
Cash Funds										
Cash Funds Exempt										
<b>II. PERSONAL SERVICES REQUEST (AGGREGATE ADJUSTMENTS TO THE BASE APPROPRIATION)</b>										
Previous Year Long Bill										17.0
Salary Survey-Classified									1,375,265	
PBP - Classified									15,708	
Salary Survey Exempt									3,703	
PBP - Exempt									30,989	
OSPB .2% Base Reduction									8,708	
									(3,310)	
<b>(II.A) SPECIAL BILLS</b>										
SB07-216 Mortgage Loan Fraud										
Cash Funds Exempt										
<b>II. PERSONAL SERVICES REQUEST TOTAL</b>										
General Fund	1,293,781	15.8	1,275,040	15.1			1,731,626	20.0	1,651,535	20.0
General Fund Exempt	791,561		758,095				875,224		820,827	
Cash Funds	-		-				-		63,297	
Cash Funds Exempt	72,220		76,191				68,031		767,411	
Federal Funds	430,000		440,754				788,371			
	-		-				-			



**SCHEDULE 3 - OPERATING PROGRAM DETAIL**

**CONSUMER PROTECTION & ANTI-TRUST**

**Department of Law**

Item	Actual FY 06		Actual FY 07		Approp FY 08		Estimate FY 08		Request FY 09	
	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE
<b>OPERATING EXPENSES</b>										
1930 - Purchased Services - Litigation	21,291		15,113				19,334		19,334	
2170 - Waste Disposal Services	206						250		250	
2220 - Building Grounds Maintenance	136		16				100		100	
2230 - Equipment Contract Maintenance	38		23				50		50	
2231 - ADP Equip Maint/Repair Services	373		271				380		380	
2232 - Software Upgrades	2,233		4,244				4,000		4,000	
2240 - Motor Vehicle Repair/Maintenance	140									
2251 - Rental/Lease Motor Pool Veh	480		1,995				2,000		2,000	
2252 - Leased Vehicle - Variable	1,410		1,180				1,200		1,200	
2255 - Rental of Building	46,116		44,688							
2258 - Parking	1,200		1,165				1,400		1,400	
2259 - Parking Fee Reimbursement	8									
2512 - IS Personal Travel Per Diem	73		14				150		150	
2530 - Out of State Travel	255		436				550		550	
2531 - OS Common Carrier Fares	3,143		3,467				3,500		3,500	
2532 - OS Personal Travel Per Diem	1,930		3,238				4,000		4,000	
2630 - Comm Service Div of Telecom	26,322		29,509				29,000		29,000	
2631 - Comm Svcs from Outside Sources	1,827		1,239				2,000		2,000	
2641 - Other ADP Billing	3,972		10,966				7,000		7,000	
2660 - Insurance	2,172		2,198				2,200		2,200	
2680 - Contract Printing	2,707		1,478				100		100	
2820 - Other Purchased Services			30				100		100	
3112 - Automotive Supplies			33							
2820 - Other Purchased Services	683						3,000		3,000	
3115 - DP Supplies	1,921		3,159				650		650	
3116 - Purchased/Leased Software	663		230				300		300	
3117 - Educational	211		194				10,000		10,000	
3120 - Books & Subscriptions	10,579		4,245				1,500		1,500	
3121 - Office Supplies	1,491		1,135							
3122 - Microfilming/Photo. Supplies			5,346				8,000		8,000	
3123 - Postage	8,089		2							
3126 - Repair & Maintenance Supplies	493		1							
3128 - Non-Capitalized Equipment			4,294							
3131 - Non-capitalized Bldg Materials			1,250							
3132 - Non-Cap Office Furn-Off Systems			508							
3140 - Non-Capitalized IT - PC's	883									

**SCHEDULE 3 - OPERATING PROGRAM DETAIL**

**CONSUMER PROTECTION & ANTI-TRUST**

**Department of Law**

Item	Actual FY 06		Actual FY 07		Approp FY 08		Estimate FY 08		Request FY 09	
	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE
3141 - Non-Capitalized IT Servers	150		1,644							
3143 - Non-Capitalized IT Other	897						2,500		2,500	
3146 - Non-Capital. IT Purchsd. Server Software	208		2,750							
4140 - Dues & Memberships	2,419		2,793							
4170 - Miscellaneous Fees	151									
4180 - Official Functions	2,300		3,343				2,700		2,700	
4220 - Registration Fees	119		624							
6212 - IT Servers Direct Purchase										
6214 - IT Other- Direct Purchase										
<b>Operating Expense Subtotal:</b>	147,289		152,819				105,964		105,964	
<b>Special Bills</b>										
<b>SB07-216 Mortgage Loan Fraud (Oper. Portion)</b>					44,614		44,614		44,614	
Cash Funds Exempt					44,614		44,614		44,614	
<b>OPERATING EXPENSE SUBTOTAL:</b>										
General Fund	147,289		152,819				150,578		150,578	
General Fund Exempt	1,622		85,239				60,226		60,226	
Cash Funds	-		-				-		-	
Cash Funds Exempt	-		-				4,707		4,707	
	145,667		67,580				85,645		85,645	
<b>Potted Operating Expenses</b>										
Workers' Compensation							3,643		3,643	
Leased Vehicle Expense							1,995		1,995	
Capital Complex Lease Space							52,877		52,877	
Leased Space							-		-	
IT Asset Maintenance							8,293		8,293	
Communication Service Payments							753		753	
ADP Capital Outlay							6,725		6,725	
<b>Total</b>							<b>74,286</b>		<b>74,286</b>	
General Fund							47,352		47,352	
Cash Funds							7,248		7,248	
Cash Funds Exempt							19,686		19,686	
<b>Rollforwards</b>										
Cash Funds Exempt							-		-	

**SCHEDULE 3 - OPERATING PROGRAM DETAIL**

**CONSUMER PROTECTION & ANTI-TRUST**

Department of Law

Item	Actual FY 06		Actual FY 07		Approp FY 08		Estimate FY 08		Request FY 09	
	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE
<b>SPECIAL BILLS</b>										
SB07-203 Mortgage Loan Transaction Cash Funds Exempt			186,349 186,349	2.3	186,349 186,349	2.3	186,349 186,349	2.3	186,349 186,349	2.3
HB07-1322 Mortgage Fraud Prevention Cash Funds Exempt			264,608 264,608	3.0	264,608 264,608	3.0	264,608 264,608	3.0	264,608 264,608	3.0
<b>ANNUALIZATION OF SPECIAL BILLS</b>										
SB07-203 Mortgage Loan Transaction Cash Funds Exempt									(186,349) (186,349)	(2.3)
SB07-216 Mortgage Loan Fraud Cash Funds Exempt									(20,175) (20,175)	
HB07-1322 Mortgage Fraud Prevention Cash Funds Exempt									(264,608) (264,608)	(3.0)
<b>NET SPECIAL BILLS</b>										
Cash Funds Exempt									(20,175) (20,175)	-
<b>TOTAL CONSUMER PROTECTION</b>			1,441,070 793,183	15.8	1,427,859 843,334	15.1	2,152,658 841,874	25.3	2,407,447 982,802	25.3
General Fund			-		-		-		-	
General Fund Exempt			72,220		76,191		65,799		79,986	
Cash Funds			575,667		508,335		1,244,985		1,344,659	
Cash Funds Exempt										
<b>RECONCILIATION OF FUNDS</b>			1,312,638	16.0	1,358,593	16.0	-	1,481,229	1,481,229	17.0
Long Bill Appropriation										
Special Bills			95							
HB06-1222 - Supplemental										
SB07-203 Mortgage Loan Transaction								186,349	186,349	2.3
SB07-216 Mortgage Loan Fraud								265,085	265,085	3.0
HB07-1322 Mortgage Fraud Prevention								264,608	264,608	3.0
Allocated POTS:										
Salary POTS			60,096		44,698			62,211	62,211	
Health/Life/Dental			45,260		60,960			56,997	56,997	
Short Term Disability			1,537		1,205			1,339	1,339	

**SCHEDULE 3 - OPERATING PROGRAM DETAIL**

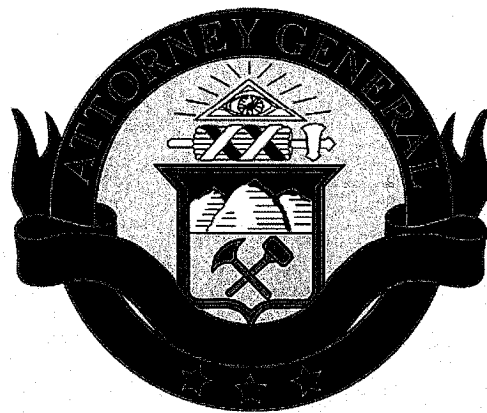
**CONSUMER PROTECTION & ANTI-TRUST**

Department of Law	Item	Actual FY 06		Actual FY 07		Approp FY 08		Estimate FY 08		Request FY 09	
		Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE
AED		1,849		8,158				12,917			
SAED		2,159		2,612				2,425			
	Worker's Compensation	2,117		3,588				3,643			
	Vehicle Lease Payments	46,131		47,671				1,995			
	Capital Complex Lease Space							52,877			
	Lease Space	-						6,725			
	ADP Capital Outlay										
	Office Suite & Windows										
	Building Wiring and Security Upgrade	290		866				753			
	Communication Service Payments	7,891		8,704				8,293			
	IT Asset Maintenance							-			
	Year-End Transfer										
	Rollforward from previous FY	(17,347)		(109,193)							
	Rollforward to subsequent FY	(21,647)									
	Overexpenditure/(Reversion)	1,441,069	16.0	1,427,859	16.0			2,407,446	25.3		
	Lapsed Appropriation Cash Fund Exempt										
	<b>TOTAL RECONCILIATION</b>										
<b>TOTALS</b>		1,441,070	15.8	1,427,859	15.1	2,152,658	25.3	2,407,447	25.3	1,781,938	20.0
	General Fund	793,183		843,334		841,874		982,802		881,052	
	General Fund Exempt	-		-		-		-		-	
	Cash Funds	72,220		76,191		65,799		79,986		68,004	
	Cash Fund Exempt	575,667		508,335		1,244,985		1,344,659		832,882	

**SCHEDULE 4 - SOURCE OF FINANCING - DIRECT REVENUES**

Department of Law (Item)	Fund Number	CONSUMER PROTECTION & ANTI-TRUST						
		Actual FY 2006	Actual FY 2007	Approp FY 2008	Estimate FY 2008	Request FY 2009		
<b>Schedule 3 Total</b>		1,441,070	1,427,859	2,152,658	2,407,447	1,781,938		
General Fund		793,183	843,334	841,874	982,802	881,052		
General Fund Exempt		-	-	-	-	-		
Cash Funds		72,220	76,191	65,799	79,986	68,004		
Cash Funds Exempt		575,667	508,335	1,244,985	1,344,659	832,882		
Federal Funds		-	-	-	-	-		
<b>CASH FUNDS</b>								
Department of Local Affairs (Manufactured Home Fund)			76,191	65,799	79,986	68,004		
No Call Fund Source			20,784	20,784	20,784	20,784		
			55,407	45,015	59,202	47,220		
<b>CASH FUNDS EXEMPT</b>								
Custodial Fund Balance		574,889	508,335	573,556	1,344,659	832,882		
Tobacco Litigation Defense Account		445,354	352,220	335,837	1,096,251	350,253		
UCCC Custodial		129,535	55,330	157,719	163,699	157,719		
Div. of Real Estate (Cash Funds)			100,785	80,000	84,709	80,000		
						244,910		

# Collection Agency Board Narrative Unit



## PROGRAM NARRATIVE

**Program Title:** Collection Agency Board

**Long Bill Line Item:** Consumer Protection – Collection Agency Board

**Change Requests:** No

**Federal and State Statutory Authority:**

State: Colorado Fair Debt Collection Practices Act, sections 12-14-101 to 12-14-137, C.R.S., Colorado Child Support Collection Consumer Protection Act, sections 12-14.1-101 to 12-14.1-113, C.R.S.

Federal: Federal Fair Debt collection Practices Act, 15 U.S.C. § 1692

**Program Description:**

The Collection Agency Board Unit (CAB) enforces Colorado's collection agency laws (Fair Debt Collection Practices Act) and supplemental statutes applicable to private child support collection (Colorado Child Support Collection Consumer Protection Act). These laws protect business clients and custodial parents who place accounts for collection, establish protections for consumers who are contacted by collection agencies, and promote fair competition by requiring that all collection agencies comply with the law. The Unit licenses collection agencies, investigates complaints of unlawful activity, takes administrative discipline against agencies that violate the law, and provides self-help information to consumers about remedies available under the law. The CAB program is cash funded from license fees. Administrative fines are credited to the general fund. In addition, there is a custodial fund for debt collection education and enforcement.

### Prioritized Objectives & Performance Measures

Collection Agency Board		Actual FY 06	Actual FY 07	Est. FY 08	Req FY 09	Projected FY 10
<b>Objectives 1.1</b>	Attack the most serious unlawful or fraudulent business practices victimizing Colorado citizens.					
<b>Measure 1.1.1.</b> Conduct investigations and bring enforcement actions to correct violations of the law.	<b>Target</b>	45	65	75	75	75
	<b>Actual</b>	76	74 <sup>1</sup>			

<sup>1</sup> These enforcement actions include a license revocation, denial of a renewal license, and a 20-day suspension.

<b>Measure 1.1.2.</b> Issue cease and desist notices to unlicensed collection agencies to ensure all agencies comply with state licensing requirements.	<b>Target</b>	60	60	65	70	70
	<b>Actual</b>	59	74			
<b>Objectives 2.1</b>	Improve consumer complaint intake and mediation services, and streamline Department of Law business registration and licensing procedures.					
<b>Measure 2.1.1.</b> Continue to handle over five hundred written consumer complaints each year.	<b>Target</b>	800	700	1000	1000	1000
	<b>Actual</b>	689	939			
<b>Measure 2.1.2.</b> Investigate and resolve written consumer complaints within an average of 65 days or less.	<b>Target</b>	60	50	55	55	55
	<b>Actual</b>	49	52			
<b>Measure 2.1.3.</b> Resolve 80% of all written consumer complaints received during the fiscal year.	<b>Target</b>	75%	85%	85%	85%	85%
	<b>Actual</b>	86%	92%			

## Workload Measure

		Actual FY 06	Actual FY 07	Est. FY 08	Req FY 09	Projected FY 10
Number of new licenses issued	<b>Target</b>	120	100	100	100	80
	<b>Actual</b>	93	107			
Number of licensed collection agencies at end of fiscal year	<b>Target</b>	600	600	620	620	620
	<b>Actual</b>	587	621			
Number of collections managers tested for competency.	<b>Target</b>	110	110	100	100	100
	<b>Actual</b>	112	105			

The total number of collection agencies has increased slightly due to the economic downturn. When unemployment rises or interest rates on credit cards and adjustable mortgage loans go up, defaults likewise increase. It is reasonable to expect that more accounts will be assigned to collection agencies. Whether this results in increased numbers of licensed collection agencies or instead, increased growth within existing collection agencies, is uncertain. However, mergers and acquisitions within the collections industry may, at some point, result in fewer licensees. Debt buyers continue to account for approximately 25% of all new licenses issued.

The CAB program is undergoing sunset review and will terminate as of July 1, 2008 unless continued by the General Assembly. Any legislative changes resulting from the expected 2008 legislation may impact objectives and workload measures starting in FY 09.



### **Similar or Cooperating Programs:**

The federal Fair Debt Collection Practices Act is a similar law. However, it contains no client protections or licensing, and does not cover private child support collections. The federal law is enforced by the Federal Trade Commission, but that agency does not investigate or take action based on individual complaints nor does it have rulemaking authority. It generally brings actions only in cases with a substantial pattern of illegal conduct and against collection agencies operating across state lines. The remedies available to the FTC do not include the full scope of discipline available under the Colorado laws.

### **Assumptions and Calculations:**

***For Single Program Line items*** – the fiscal year 2009 (FY09) Personal Services and Operating Budget Request are calculated per Joint Budget Committee (JBC) policy.

1. Determine the FY08 base appropriation for personal services and operating by calculating the following:
  - From the program Schedule 3, identify the total personal services expenditures and operating expenditures in FY07. Then from the Personal Services total, subtract the following centrally allocated appropriations: Salary Survey, Performance Based Pay, Health Life Dental, Short Term Disability, AED and SAED. From the operating total subtract these centrally allocated appropriations: Worker's Compensation, Lease Space, Vehicle Lease payments, Communication service payments, Capital outlay and IT Asset Maintenance.
  - Add the above remaining two figures - Personal Services and Operating (after the centrally appropriated appropriations have been removed) to determine the amount spent in each category from the program line item appropriation.
  - Calculate the percentage of the total that is personal service and the percentage that is operating. Take the percentage that is personal services and multiply it by the FY08 line item appropriation. This number will be the FY08 base figure for Personal service. The remainder is the FY08 operating base.
2. To compute the FY09 Personal Services Budget Request:
  - Take the calculated FY08 personal services base figure from above and add in the program's FY08 salary survey allocation for both classified and non-classified employees.
  - Then add in 80% of the programs performance-based pay allocation for both classified & non-classified employees.

- Finally take a 0.2% reduction to the above total and this will be the FY09 personal services request. However, on lines less than 5 FTE the Department did not take the .2 % reduction.

3. The FY09 operating request is the same amount as the calculated FY08 operating number.

For the Collection Agency Board the Personal Services Base for FY08 is \$255,244 which is 89.4% of the total FY08 Appropriation. The Operation base is \$30,423 which is 10.6% of the total.

## ASSUMPTIONS AND CALCULATIONS

### Consumer Protection/ Collection Agency Board

Long Bill Line Item	Total	FTE	General Fund	Cash Funds	Cash Funds Exempt	Federal Funds
<b>Personal Services</b>						
Previous Year Long Bill (SB07-239)	\$255,244	5.2		\$207,675	\$47,569	
FY2006-07 Salary Survey - Classified	\$6,040			\$6,040		
FY2006-07 Salary Survey - Exempt	\$1,861			\$1,861		
FY2006-07 Performance-based Pay - Classifi	\$2,377			\$2,377		
FY2006-07 Performance-based Pay - Exemp	\$960			\$960		
Subtotal PS -	\$266,482	5.2	-	\$218,913	\$47,569	-
OSPB base adjustment (0.2%)	-					
<b>Personal Services Appropriation Request</b>	<b>\$266,482</b>	<b>5.2</b>	<b>-</b>	<b>\$218,913</b>	<b>\$47,569</b>	<b>-</b>
<b>Operating Expenses</b>						
Previous Year Long Bill (SB07-239)	\$30,423			\$30,423		
<b>Operating Expenses Appropriation Request</b>	<b>\$30,423</b>		<b>-</b>	<b>\$30,423</b>	<b>\$0</b>	<b>\$0</b>
<b>Refinance the Line</b>				\$47,569	(47,569)	
<b>GRAND TOTAL - CAB</b>	<b>\$296,905</b>	<b>5.2</b>	<b>-</b>	<b>\$296,905</b>	<b>\$0</b>	<b>-</b>

**SCHEDULE 2 - PROGRAM SUMMARY**

Department of Law Item	COLLECTION AGENCY BOARD											
	Actual FY 06		Actual FY 07		Approp FY 08		Estimate FY 08		Request FY 09			
	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE
<b>COLLECTION AGENCY BOARD</b>	227,035	3.5	269,994	4.5	285,667	5.2	352,074	5.2	296,903	5.2		
General Fund	-		-		-		-		-			
General Fund Exempt	-		-		-		-		-			
Cash Funds	176,752		217,484		238,098		304,505		296,903			
Cash Funds Exempt	50,283		52,510		47,569		47,569		-			

**SCHEDULE 3 - PROGRAM DETAIL**

**COLLECTION AGENCY BOARD**

Department of Law

Item	Actual FY 06		Actual FY 07		Approp FY 08		Estimate FY 08		Request FY 09	
	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE
<b>. POSITION DETAIL</b>										
Assistant Attorney General II	33,910	0.5	37,130	0.5			40,206	0.5	40,206	0.5
Assistant Attorney General I	41,772	1.0	74,680	2.0			32,496	0.5	32,496	0.5
Compliance Investigator I	45,252	1.0	46,476	1.0			90,312	2.0	90,312	2.0
Program Assistant I	30,108	1.0	30,768	1.0			48,564	1.0	48,564	1.0
Administrative Assistant II							31,932	1.0	31,932	1.0
Legal Assistant I	151,042	3.5	189,053	4.5			8,112	0.2	8,112	0.2
<b>TOTAL POSITION DETAIL</b>	<b>151,042</b>	<b>3.5</b>	<b>189,053</b>	<b>4.5</b>			<b>251,622</b>	<b>5.2</b>	<b>251,622</b>	<b>5.2</b>
<b>(I.A.) CONTINUATION FTE SALARY COSTS</b>										
(Permanent FTE by position)										
Continuation Salary Subtotal										
<b>(I.B.) OTHER PERSONAL SERVICES</b>										
PERA on Continuation Subtotal	14,664		18,470				25,540		25,540	
Medicare on Continuation Subtotal	2,095		2,639				3,649		3,649	
Non-Base building Performance Award							834			
Part-Time/Temporary Salaries	-		219							
Contractual Services			305							
Leave										
Overtime	1,311		1,315							
Other	18,070		22,948				30,022		29,188	
<b>SUBTOTAL</b>	<b>169,112</b>	<b>3.5</b>	<b>212,001</b>	<b>4.5</b>			<b>281,644</b>	<b>5.2</b>	<b>280,810</b>	<b>5.2</b>
<b>(I.C.) PERSONAL SERVICES</b>										
<b>SUBTOTAL = A + B</b>										
<b>(I.D.) POTS EXPENDITURES</b>										
Health/Life Dental	10,784		16,763				18,766			
Salary Survey	[5,441]		[6,520]				[7,901]			
Performance Awards							[3,337]			
Short Term Disability	222		211				261			
AED (SB 04-254)	362		1,335				2,438			
S.A.E.D.			-				522			

[ ] Indicates a Non-add

**SCHEDULE 3 - PROGRAM DETAIL**

Department of Law	Item	COLLECTION AGENCY BOARD											
		Actual FY 06		Actual FY 07		Approp FY 08		Estimate FY 08		Request FY 09			
		Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE
<b>(I.E.) BASE PERSONAL SERVICES TOTAL = C+D</b>		180,480	3.5	230,310	4.5			303,631	5.2	280,810	5.2		
	General Fund											280,810	
	Cash Funds							256,062					
	Cash Funds Exempt							47,569					
<b>(I.F.) DIFFERENCE- II-I.E.</b>										(14,328)			
<b>(I.G.) REQUEST YEAR DECISION ITEMS</b>													
	General Fund												
	Cash Funds												
	Cash Funds Exempt												
<b>II. PERSONAL SERVICES REQUEST (AGGREGATE ADJUSTMENTS TO THE BASE APPROPRIATION)</b>													
	Previous Year Long Bill											255,244	
	Salary Survey-Classified											6,040	
	PBP - Classified											2,377	
	Salary Survey Exempt											1,861	
	PBP - Exempt											960	
	OSPB .2% Base Reduction											-	
	SPECIAL BILLS:												
	Subtotal -											266,482	
<b>II. PERSONAL SERVICES REQUEST TOTAL</b>		180,480	3.5	230,310	4.5			303,631	5.2	280,810	5.2		
	General Fund												
	Cash Funds	130,197		177,800				303,631				280,810	
	Cash Funds Exempt	50,283		52,510									



**SCHEDULE 3 - OPERATING PROGRAM DETAIL**

Department of Law	COLLECTION AGENCY BOARD									
	Actual FY 06		Actual FY 07		Approp FY 08		Estimate FY 08		Request FY 09	
	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE
<b>Allocated Operating POTS</b>										
Workers' Compensation	-						1,136			
Leased Vehicle Expense							17,703			
Capital Complex Lease Space							6,786			
IT Asset Maintenance							-			
Communication Service Payments							6,725			
ADP Capital Outlay							<b>32,350</b>			
<b>Total</b>							32,350			
Cash Funds							-			
Cash Funds Exempt							-			
<b>Refinancing the Line Item</b>										
General Fund							-			
Cash Funds									47,474	
Cash Funds Exempt									(47,474)	
<b>TOTAL COLLECTION AGENCY BOARD</b>										
General Fund	227,035	3.5	269,994	4.5	285,667	5.2	352,074	5.2	296,903	5.2
General Fund Exempt										
Cash Funds	176,752		217,484		238,098		304,505		296,903	
Cash Funds Exempt	50,283		52,510		47,569		47,569			
Federal Funds										
<b>RECONCILIATION OF FUNDS</b>										
Long Bill Appropriation	223,886	4.5	232,612	4.5			285,667	5.2		
Special Bills										
Salary POTS	5,441		6,520				12,070			
Health/Life/Dental	13,917		12,441				18,766			
Short Term Disability	200		232				261			
AED	549		4,933				2,438			
SAED							522			
Worker's Compensation	607		737				1,136			
Capital Complex Lease Space	12,955		13,407				16,485			
Vehicle Lease Allocation			0				-			
IT Asset Maintenance										
Storage Lease Space	965.0		965.0				6,786			
ADP Capital Outlay Allocation	6,165						1218.0			
Rollforward to Subsequent FY							6,725			

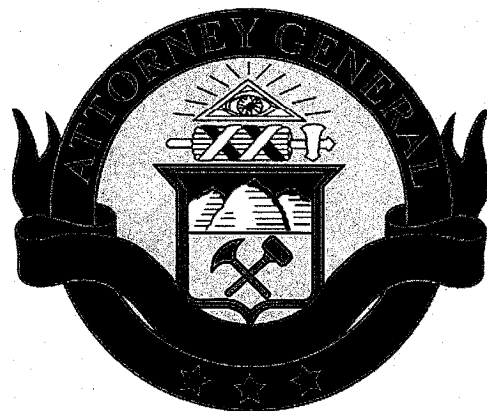




**SCHEDULE 4 - SOURCE OF FINANCING - DIRECT REVENUES**

Department of Law Item	Fund Number	COLLECTION AGENCY BOARD				
		Actual FY 2006	Actual FY 2007	Approp FY 2008	Estimate FY 2008	Request FY 2009
<b>Schedule 3 Total</b>		227,035	269,994	285,667	352,074	296,903
General Funds		-	-	-	-	-
General Funds Exempt		-	-	-	-	-
Cash Funds		176,752	217,484	238,098	304,505	296,903
Cash Funds Exempt		50,283	52,510	47,569	47,569	-
<b>Cash Funds</b>						
Collection Agency Board	150	176,752	217,484	238,098	304,505	296,903
<b>Cash Funds Exempt</b>						
Collection Agency Board Fund Balance	150	50,283	52,510	47,569	47,569	-

# Uniform Consumer Credit Code



## PROGRAM NARRATIVE

**Program Title:** Uniform Consumer Credit Code ("UCCC")

**Long Bill Line Item:** Consumer Protection - UCCC

**Change Requests:** No

### **Federal and State Statutory Authority:**

**State:** Colorado Uniform Consumer Credit Code, sections 5-1-101 to 5-9-102.5, C.R.S.; Rental Purchase Agreement Act, sections 5-10-101 to 5-10-1001, C.R.S.; and Credit Services Organization Act, sections 12-14.5-101 to 12-14.5-113, C.R.S.; and as of January 1, 2008, the Uniform Debt-Management Services Act, sections 12-14.5-201 to 12-14.5-242, C.R.S.

**Federal:** Federal Truth in Lending Act, 15 U.S.C. section 1601 et seq. & federal Regulation Z, 12 C.F.R. section 226; and Credit Repair Organizations Act, 15 U.S.C. section 1679 et seq.

### **Program Description:**

The Consumer Credit Unit enforces the state's consumer credit and lending law, the Colorado Uniform Consumer Credit Code ("UCCC"), including the state's laws on payday lending (the Deferred Deposit Loan Act) and predatory mortgage lending (the Consumer Equity Protection Act). The Uniform Debt-Management Services Act takes effect January 1, 2008 and requires registration of debt management providers as of July 1, 2008.

The UCCC protects the rights of consumers who borrow money, establishes reasonable limits on interest rates and fees, fosters fair competition among lenders, and promotes an adequate supply of credit. The Unit licenses and examines "supervised lenders" – those who make high-rate loans with an annual percentage rate exceeding 12% (for mortgage lending, supervised loans are junior lien loan with an APR greater than 12%). The Unit also investigates complaints about illegal credit practices of other creditors such as retail credit grantors, automobile dealers, and sales finance companies. Since January 1, 2003, the Unit has enforced the Colorado Consumer Equity Protection Act ("CCEPA"), an article of the UCCC that applies to high-rate and high-fee first mortgage refinance loans and junior lien loans. The Unit ensures compliance with these laws by taking administrative discipline and legal action to recover excess charges for consumers. First mortgage residential acquisition and refinance loans are exempt from most of the UCCC except for high-rate and high-fee mortgage loans under CCEPA.

The Unit also enforces the state's laws on rent-to-own companies and credit repair clinics. FY 09 will be the first fiscal year for implementation and enforcement of the

Uniform Debt-Management Services Act by registering and regulating debt management providers. It is unrealistic to attempt to list and quantify objectives and performance measures for this program before its implementation. We have therefore listed only the initial estimate of number of registrants from the bill's fiscal impact worksheet.

All UCCC programs are cash funded from license, notification fees, and penalties, and as of FY 09, debt management provider registration fees. In addition, there is a custodial fund for consumer credit educational and enforcement purposes.

### Prioritized Objectives & Performance Measures

Uniform Consumer Credit Code	Actual FY 06	Actual FY 07	Est. FY 08	Req FY 09	Projected FY 10	
<b>Objectives 1.1</b>	Attack the most serious unlawful or fraudulent business practices victimizing Colorado citizens.					
<b>Measure 1.1.1.</b> Bring enforcement actions to correct violations of the law.	<b>Target</b>	40	30	50	50	50
	<b>Actual</b>	30	42			
<b>Measure 1.1.2.</b> Require creditors to refund and credit excess charges to Colorado residents through compliance examinations, consumer complaints, and investigations and cases.	<b>Target</b>	\$1,500,000	\$1,500,000	\$750,000 <sup>1</sup>	\$750,000	\$750,000
	<b>Actual</b>	\$3,166,938 <sup>2</sup>	\$712,070 <sup>3</sup>			
<b>Measure 1.1.3.</b> Select annual educational / compliance project to increase consumer protection and creditor compliance.	<b>Target</b>	1	1	3	2	2
	<b>Actual</b>	2 <sup>4</sup>	2 <sup>5</sup>			

<sup>1</sup> Refunds are expected to increase due to anticipated compliance issues associated with HB 07-1261 & SB 07-144.

<sup>2</sup> Two million dollars of this amount are from a single case against an unlicensed out of state internet payday lender.

<sup>3</sup> This number was lower than expected due to substantial time spent training two new compliance examiners. In addition, compliance by licensed lenders was generally good as there were no substantial legislative changes.

<sup>4</sup> For FY06, the unit had its first complete fiscal year of compliance examinations and corrective action under HB04-1394. The Unit also proposed HB06-1356 to exempt licensed collection agencies from duplicate licensing as supervised lenders. The bill became law and removed an unnecessary regulatory requirement.

<sup>5</sup> There was continued focus and creditor education on consumers' ability to repay loans and telephone payment fees.

<b>Objectives 2.1</b>	Improve consumer complaint intake and mediation services, and streamline Department of Law business registration and licensing procedures.					
<b>Measure 2.1.1.</b> Issue licenses within 30 days after completion of license application (both master and branch licenses). The maximum number of days allowed by law is 60.	<b>Target</b>	15 days	15 days	13 days	13 days	13 days
	<b>Actual</b>	10	11			
<b>Measure 2.1.2.</b> Investigate and resolve written consumer complaints within 60 days or less.	<b>Target</b>	40	40	50	50	50
	<b>Actual</b>	42	31			
<b>Uniform Consumer Credit Code</b>		<b>Actual FY 06</b>	<b>Actual FY 07</b>	<b>Est. FY 08</b>	<b>Req FY 09</b>	<b>Projected FY 10</b>
<b>Objectives 3.1</b>	Seek appropriate legislation and trade rules where necessary to protect consumers and to eliminate unnecessary business regulation.					
<b>Measure 3.1.1.</b> Take appropriate action such as participate in advisory committees; initiate, propose, and support legislation; and adopt regulations to further consumer credit protection.	<b>Target</b>	1	1	2	2	2
	<b>Actual</b>	2 <sup>6</sup>	5 <sup>7</sup>			

**Workload Measures:**

		<b>Actual FY 06</b>	<b>Actual FY 07</b>	<b>Est. FY 08</b>	<b>Req FY 09</b>	<b>Projected FY 10</b>
Number of new licenses issued	<b>Target</b>	700	700	400	400	500
	<b>Actual</b>	869	719			
Number of licensed supervised lenders at end of fiscal year.	<b>Target</b>	2100	2300	2000	2100	2200
	<b>Actual</b>	2346	2233			

<sup>6</sup> The Unit proposed legislation to exempt licensed collection agencies from duplicate licensing as supervised lenders. HB06-1356 became law and removed an unnecessary regulatory requirement. In addition, UCCC Rule 14 was amended to reduce license fees for calendar year 2006.

<sup>7</sup> The Unit participated in at least 3 legislative bills (HB 07-1261, HB 07-1327, and SB 07-144) and conducted 2 rulemaking hearings (a Nov. 2006 hearing on fees for 2007 and a June 2007 hearing to implement new legislation.)

Number of debt-management provider registrations	<b>Target</b>	N/A	N/A	N/A	100	100
	<b>Actual</b>					
Number of written consumer complaints received.	<b>Target</b>	350	300	400	450 <sup>8</sup>	450
	<b>Actual</b>	268	349			

**Trends and Other Baseline Information:**

The number of licensed supervised lenders has decreased and may continue to do so due to the effect of adjustable rate loans on the sub-prime mortgage market. Approximately 30 mortgage companies have ceased business as their credit lines from investment and commercial banks to make sub-prime loans have been severely cut or reduced. In addition, available credit for all mortgage loans has constricted, although recent interest rate cuts by the Federal Reserve Board may reverse this trend. These 30 mortgage companies accounted for over 400 supervised lender's licenses. (It is likely that some of these licenses were unnecessary as lenders licensed every location nationwide rather than just locations that made loans to Colorado consumers.) In addition, licenses have decreased due to the surrender of licenses by subsidiaries of federally-chartered entities that, pursuant to federal banking laws, are exempt from state licensing and regulation.

The number of consumer complaints remains relatively small for all types of credit products as consumers typically do not know what practices and interest rates are legal. However, because a creditor's practices are systemic, a single complaint often leads to substantial enforcement actions and large consumer refunds and penalties. Most complaints received about mortgage loans are outside of the scope of the UCCC. When the law was adopted in 1971, it applied to all mortgage loans with interest rates over 12% but it was later amended to exclude first mortgage loans for acquisition and refinance purposes, regardless of rate.

As noted above, it is difficult to predict the effect of the Uniform Debt-Management Services Act. In addition to the estimate of 100 new registrants, it is expected that there may be a number of cease and desist or enforcement actions before the industry is compliant with the new law. In addition, consumer complaints about this industry will increase complaint totals.

**Similar or Cooperating Programs:**

The federal Truth in Lending Act (TILA) contains cost of credit disclosure requirements similar to the UCCC. The UCCC, unlike TILA, provides reasonable limitations on credit rates and fees, substantive consumer rights, and creditor remedies. It also includes lender licensing and administrative discipline for violations of the law. The Truth in Lending Act is enforced by a number of federal agencies depending on whether the lender is a national bank, state-chartered bank, or non-depository finance company. In addition, the federal enforcement agencies do not investigate or take action based on individual complaints. They generally act only in cases with a substantial pattern of

<sup>8</sup> Complaints are expected to increase due to regulation of debt management providers.

illegal conduct. The remedies available to the federal agencies do not include the full range of disciplinary options available under the Colorado UCCC.

The Federal Credit Repair Organizations Act was adopted after Colorado passed its own credit repair law. The federal law is similar to state law. The federal law provides for private lawsuits and enforcement by the Federal Trade Commission. State attorneys general may also enforce the federal law. There is no comparable federal law on rent-to-own transactions or debt management providers.

### **Assumptions and Calculations:**

***For Single Program Line items*** – the fiscal year 2009 (FY09) Personal Services and Operating Budget Request are calculated per Joint Budget Committee (JBC) policy.

1. Determine the FY08 base appropriation for personal services and operating by calculating the following:
  - From the program Schedule 3, identify the total personal services expenditures and operating expenditures in FY07. Then from the Personal Services total, subtract the following centrally allocated appropriations: Salary Survey, Performance Based Pay, Health Life Dental, Short Term Disability, AED and SAED. From the operating total subtract these centrally allocated appropriations: Worker's Compensation, Lease Space, Vehicle Lease payments, Communication service payments, Capital outlay and IT Asset Maintenance.
  - Add the above remaining two figures - Personal Services and Operating (after the centrally appropriated appropriations have been removed) to determine the amount spent in each category from the program line item appropriation.
  - Calculate the percentage of the total that is personal service and the percentage that is operating. Take the percentage that is personal services and multiply it by the FY08 line item appropriation. This number will be the FY08 base figure for Personal service. The remainder is the FY08 operating base.
2. To compute the FY09 Personal Services Budget Request:
  - Take the calculated FY08 personal services base figure from above and add in the program's FY08 salary survey allocation for both classified and non-classified employees.
  - Then add in 80% of the programs performance-based pay allocation for both classified & non-classified employees.
  - Finally take a 0.2% reduction to the above total and this will be the FY09 personal services request. However, on lines less than 5 FTE the Department did not take the .2 % reduction.



3. The FY09 operating request is the same amount as the calculated FY08 operating number.

For the UCCC, the Personal Services Base for FY08 is \$802,194 which is 91.8% of the total FY08 Appropriation. The Operation base is \$62,529 which is 8.2% of the total.

## ASSUMPTIONS AND CALCULATIONS

### Consumer Protection/ UCCC

Long Bill Line Item	Total	FTE	General Fund	Cash Funds	Cash Funds Exempt	Federal Funds
<b>Personal Services</b>						
Previous Year Long Bill (SB07-239)	\$802,194	11.3		\$704,077	\$98,117	
FY2007-08 Salary Survey - Classified	\$13,988			\$13,988		
FY2007-08 Salary Survey - Exempt	\$6,694			\$6,694		
FY2007-08 Performance-based Pay - Classifi	\$8,998			\$8,998		
FY2007-08 Performance-based Pay - Exemp	\$855			\$855		
Subtotal PS -	\$832,729	11.3	-	\$734,612	\$98,117	-
<b>Special Bills -</b>						
SB07-057 Debt Management	\$59,916	1.0		\$59,916		
OSP B base adjustment (0.2%)	(\$1,835)			(\$1,639)	(\$196)	
<b>Personal Services Appropriation Request</b>	<b>\$890,810</b>	<b>12.8</b>	<b>-</b>	<b>\$792,889</b>	<b>\$97,921</b>	<b>-</b>
<b>Operating Expenses</b>						
Previous Year Long Bill (SB07-239)	\$71,243			\$62,529	\$8,714	
<b>Special Bills -</b>						
SB07-057 Debt Management	\$9,801			\$9,801		
<b>Operating Expenses Appropriation Request</b>	<b>\$81,044</b>		<b>-</b>	<b>\$72,330</b>	<b>\$8,714</b>	<b>-</b>
<b>Refinance the Line</b>						
Previous Year Decision Item Annualized				\$106,635	(\$106,635)	
SB07-057 Debt Management	\$28,943	0.5		\$28,943		
<b>GRAND TOTAL - UCCC</b>	<b>\$1,000,797</b>	<b>12.8</b>	<b>-</b>	<b>\$1,000,797</b>	<b>\$0</b>	<b>-</b>

**SCHEDULE 2 - PROGRAM SUMMARY**

Department of Law Item	UNIFORM CONSUMER CREDIT CODE											
	Actual FY 06		Actual FY 07		Approp FY 08		Estimate FY 08		Request FY 09			
	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE
<b>UNIFORM CONSUMER CREDIT CODE</b>	794,588	8.9	881,454	10.3	883,238	11.3	1,094,353	12.3	1,000,799	12.8		
General Fund	-		-		-		-		-			
General Fund Exempt	-		-		-		-		-			
Cash Funds	794,588		806,383		776,407		1,086,346		1,000,799			
Cash Funds Exempt			75,071		106,831		8,007					



**SCHEDULE 3 - PROGRAM DETAIL**

Department of Law	UNIFORM CONSUMER CREDIT CODE									
	Actual FY 06		Actual FY 07		Approp FY 08		Estimate FY 08		Request FY 09	
Item	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE
Health/Life Dental	24,773		27,817		33,647					
Salary Act/Merit	[24,181]		[17,592]		[20,682]					
Performance Awards	869		743		[9,854]					
Short Term Disability					876					
AED	1,565		4,900		8,230					
SAED					1,764					
Other										
[ ] Indicates a Non-add										
<b>(I.E.) BASE PERSONAL SERVICES TOTAL=</b>										
C+D	704,999	8.9	773,713	10.3	939,792	12.3	892,811	12.3	892,811	12.3
<b>(I.F.) DIFFERENCE= I-I.E.</b>							0			
<b>(I.G.) REQUEST YEAR DECISION ITEMS</b>										
General Fund										
Cash Funds										
Cash Funds Exempt										
<b>II. PERSONAL SERVICES REQUEST</b>										
(AGGREGATE ADJUSTMENTS TO THE										
BASE APPROPRIATION)										
Previous Year Long Bill							802,194			
Salary Survey-Classified							13,988			
PBP - Classified							8,998			
Salary Survey Exempt							6,694			
PBP - Exempt							855			1.0
Special Bills							59,916			
OSP .2% Base Reduction							(1,835)			
Subtotal:							890,810			
<b>II. PERSONAL SERVICES REQUEST</b>										
<b>TOTAL</b>	<b>704,999</b>	<b>8.9</b>	<b>773,713</b>	<b>10.3</b>	<b>939,792</b>	<b>12.3</b>	<b>892,811</b>	<b>12.3</b>	<b>892,811</b>	<b>12.3</b>
General Fund										
Cash Funds	704,999		773,713		939,792		892,811		892,811	
Cash Funds Exempt										

**SCHEDULE 3 - PROGRAM DETAIL**

**UNIFORM CONSUMER CREDIT CODE**

Department of Law

Item	Actual FY 06		Actual FY 07		Approp FY 08		Estimate FY 08		Request FY 09	
	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE

**SCHEDULE 3 - OPERATING PROGRAM DETAIL**

**UNIFORM CONSUMER CREDIT CODE**

**Department of Law**

Item	Actual FY 06		Actual FY 07		Approp FY 08		Estimate FY 08		Request FY 09	
	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE
<b>OPERATING EXPENSES</b>										
1930 - Litigation	351		1,418				5,000		5,000	
2170 - Waste Disposal Services	880		233				1,000		1,000	
2220 - Building Grounds Maintenance			882				1,000		1,000	
2230 - Equipment Contract Maintenance	197									
2231 - ADP Equip Maint/Repair Services	33									
2232 - Software Upgrades	293		191				1,000		1,000	
2251 - Lease Motor Pool Vehicle			2,542				2,600		2,600	
2252 - Motor Pool Mileage Charge			2,048				2,100		2,100	
2253 - Equipment Rental			33,466				8,587		8,587	
2255 - Rental of Buildings	29,999									
2510 - In State Travel	17		28				50		50	
2512 - IS Personal Travel Per Diem	3,123		2,069				3,200		3,200	
2513 - IS Personal Vehicle Reimbursement	12,732		12,274				10,000		10,000	
2520 - IS Travel/Non Employee	62		93				100		100	
2522 - IS Non-Emp - Pers Per Diem	9		90				100		100	
2523 - IS/Non-Emp - Pers Veh Reimb	62		79				120		120	
2530 - Out of State Travel	271		188				200		200	
2531 - OS Common Carrier Fares	1,410						500		500	
2532 - OS Personal Travel Per Diem	1,027		204				1,200		1,200	
2630 - Telephone	9,775		10,758				12,000		12,166	
2631 - Comm Svcs from Outside Sources	13						700		700	
2641 - Other ADP Billings - Purchase Services	563		289							
2660 - Insurance	1,280		1,392				2,200		2,200	
2680 - Contract Printing	1,994		2,264				700		700	
2820 - Other Purchased Services	683		530				100		100	
2830 - Office Moving/Purchased Services	522									
3112 - Automotive Supplies			123							
3115 - DP Supplies	1,062		403				1,100		1,100	
3120 - Books & Subscriptions	1,910		1,687				2,200		1,701	
3121 - Office Supplies	1,735		1,483				2,500		1,500	
3123 - Postage	5,423		6,094				6,500		6,500	
3128 - Non-Capitalized Equipment	2,352		102				-		-	
3131 - Non-Capitalized Building Materials			3,361				-		-	
3131 - Non-Capitalized Building Materials							-		-	
3131 - Non-Capitalized Building Materials							-		-	
3132 - Non-Capitalized							-		-	
3140 - Non-Capitalized IT - PC's			2,748				-		-	
3143 - Non-Capitalized IT - Other	440		9,508				-		-	
			2,404				-		-	

**SCHEDULE 3 - OPERATING PROGRAM DETAIL**

**UNIFORM CONSUMER CREDIT CODE**

Department of Law

Item	Actual FY 06		Actual FY 07		Approp. FY 08		Estimate FY 08		Request FY 09	
	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE
4140 - Dues & Memberships	1,207		2,483				3,000		2,500	
4180 - Official Functions	164		178				220		220	
4220 - Registration Fees			3,130				3,100		3,100	
6224- Other Furn & Fixtures- Direct Purchase			3,000							
<b>Operating Expense Subtotal:</b>	89,589		107,741				71,077		69,244	
<b>Special Bills</b>										
<b>SB07-057 Debt Management</b>					9,801		9,801		9,801	
Cash Funds					9,801		9,801		9,801	
<b>OPERATING EXPENSE TOTAL:</b>										
General Fund			107,741				80,878		79,045	
General Funds Exempt										
Cash Funds			107,741				80,878		79,045	
Cash Funds Exempt										
<b>ANNUALIZATION OF SPECIAL BILLS</b>										
SB07-057 Debt Management										0.5
Cash Funds									28,943	
									28,943	
<b>REFINANCING THE LINE</b>										
General Fund										
Cash Funds										
Cash Funds Exempt										
<b>Potted Operating Expenses</b>										
Workers' Compensation							2,401			
Leased Vehicle Expense							10,166			
Capital Complex Lease Space							34,836			
Lease Space							2,439			
IT Asset Maintenance							15,834			
ADP Capital Outlay							6,725			
ALJ Allocation							1,282			
Communication Service Payments										
<b>Total</b>										
Cash Funds							73,683			
Cash Funds Exempt							65,676			
							8,007			



**SCHEDULE 3 - OPERATING PROGRAM DETAIL**

Department of Law Item	UNIFORM CONSUMER CREDIT CODE													
	Actual FY 06			Actual FY 07			Approp FY 08			Estimate FY 08			Request FY 09	
	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE
<b>Long Bill Appropriation</b>														
General Fund					873,437	11.3								
Cash Funds					766,606									
Cash Funds Exempt					106,831									
<b>FY09 DECISION ITEMS</b>														
<b>Dec Item #</b>														
Cash Funds														
Cash Funds Exempt														
<b>Dec Item #</b>														
Cash Funds														
Cash Funds Exempt														
<b>TOTAL UCCE</b>														
General Fund	794,588	8.9	881,454	10.3	883,238	11.3	1,094,353	12.3	1,000,799	12.8				
Cash Funds	794,588		806,383		776,407		1,086,346		1,000,799					
Cash Funds Exempt			75,071		106,831		8,007							
Federal Funds														
<b>RECONCILIATION OF FUNDS</b>														
Long Bill Appropriation	730,638	9.5	807,699	10.5			873,437	11.3						
Special Bills SB07-057 Debt Management							69,717	1.0						
Salary POTS	24,181		17,592				32,999							
Health/Life/Dental	16,710		24,026				33,647							
Short Term Disability	926		716				876							
AED	2,625		3,502				8,230							
SAED							1,764							
Worker's Compensation	1,279		1,556				2,401							
Capital Complex Lease Space	27,382		28,303				34,836							
Lease Space	2,618		2,618				2,439							
Vehicle Lease Allocation			3,188				10,166							
T Asset Maintenance							15,834							
ADP Capital Outlay Allocation			6,165				6,725							
Building Wiring & Security Upgrade														
ALJ Allocation	24		1,268											
Office Suite Upgrade														
Communication Service Payments														

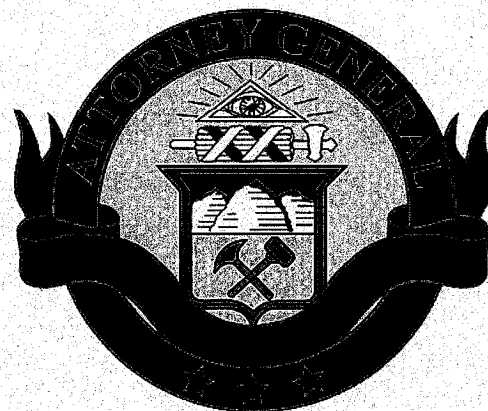
**SCHEDULE 3 - OPERATING PROGRAM DETAIL**

Department of Law Item	UNIFORM CONSUMER CREDIT CODE											
	Actual FY 06		Actual FY 07		Approp FY 08		Estimate FY 08		Request FY 09		Request FY 09	
	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE
Insurance Reimbursement												
Rollforward to Subsequent FY												
Overexpenditure/(Reverted Spending Authority)	(11,794)		(15,178)									
Lapsed Appropriation Cash Fund	794,589	9.5	881,455	10.5			1,094,353	12.3				
Lapsed Appropriation Cash Fund Exempt												
<b>TOTAL RECONCILIATION</b>												
<b>GRAND TOTAL</b>	<b>794,588</b>	<b>8.9</b>	<b>881,454</b>	<b>10.3</b>	<b>883,238</b>	<b>11.3</b>	<b>1,094,353</b>	<b>12.3</b>	<b>1,000,799</b>	<b>12.8</b>	<b>1,000,799</b>	<b>12.8</b>
General Fund	-		0		-		-		-		-	
General Fund Exempt	-		0		-		-		-		-	
Cash Funds	794,588		806,383		776,407		1,086,346		1,000,799		1,000,799	
Cash Funds Exempt			75,071		106,831		8,007					
Federal Funds												

**SCHEDULE 4 - SOURCE OF FINANCING - DIRECT REVENUES**

Department of Law		UNIFORM CONSUMER CREDIT CODE						
		Fund Number	Actual FY 2006	Actual FY 2007	Approp FY 2008	Estimate FY 2008	Request FY 2009	
Item								
<b>Schedule 3 Total</b>		794,588	881,454	883,238	1,094,353	1,000,799		
General Funds		-	-	-	-	-		
General Funds Exempt		-	-	-	-	-		
Cash Funds		794,588	806,383	776,407	1,086,346	1,000,799		
Cash Funds Exempt			75,071	106,831	8,007	-		
<b>Cash Funds</b>								
Uniform Consumer Credit Code Fund	151	794,588	806,383	776,407	1,086,346	1,000,799		
<b>Cash Funds Exempt</b>								
Uniform Consumer Credit Code Fund Balance	151		75,071	106,831	8,007	-		
DOL Custodial Funds								

# UCCC Education Fund



**ASSUMPTIONS AND CALCULATIONS**

*Consumer Protection/ UCCC Education Fund*

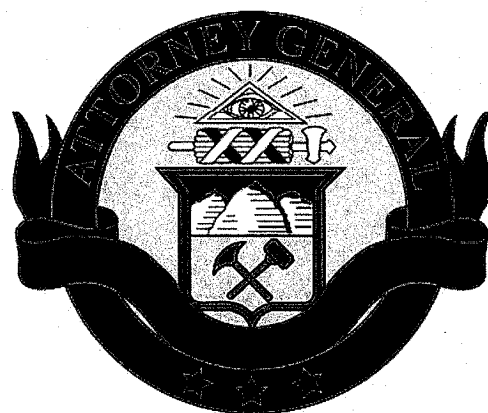
Long Bill Line Item	Total	FTE	General Fund	Cash Funds	Cash Funds Exempt	Federal Funds
<b>Personal Services</b>						
Previous Year Long Bill (SB07-239)	\$0					
FY2007-08 Salary Survey - Classified	\$0					
FY2007-08 Salary Survey - Exempt	\$0					
FY2007-08 Performance-based Pay - Classifi	\$0					
FY2007-08 Performance-based Pay - Exemp	\$0					
Subtotal PS -	\$0	0.0	\$0	\$0		
Special Bills -						
<b>GRAND TOTAL - UCCC Education Fund</b>	-					

**SCHEDULE 2 - PROGRAM SUMMARY**

Department of Law		UCCC EDUCATION FUND 5 - 6 - 204									
		Actual FY 06		Actual FY 07		Approp FY 08		Estimate FY 08		Request FY 09	
Item	UNIFORM CONSUMER CREDIT CODE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE
	General Fund	2,642	0.0			-	0.0	-	0.0	-	0.0
	General Fund Exempt	-				-		-		-	
	Cash Funds	-				-		-		-	
	Cash Funds Exempt	2,642				-		-		-	



# CP- Indirect Cost Assessment





## ASSUMPTIONS AND CALCULATIONS

### *Consumer Protection/ Indirect Cost Assessment*

CP - Indirect	Long Bill Line Item	Total	FTE	General Fund	Cash Funds	Cash Funds Exempt	Federal Funds
	Previous Year Long Bill (SB07-239)	\$263,756		\$214,685		\$49,071	
<b>GRAND TOTAL - CP Indirect Costs</b>		<b>\$263,756</b>		<b>-</b>	<b>\$214,685</b>	<b>\$49,071</b>	<b>-</b>

**SCHEDULE 2 - PROGRAM SUMMARY**

Department of Law	INDIRECT COST ASSESSMENT - CONSUMER PROTECTION											
	Actual FY 06		Actual FY 07		Approp FY 08		Estimate FY 08		Request FY 09			
Item	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE
<b>INDIRECT COST ASSESSMENT</b>												
Cash Funds	182,893	-	212,631	-	263,756	-	263,756	-	263,756	-	263,756	-
Cash Funds Exempt	145,264		172,258		214,685		214,685		214,685		214,685	
	37,629		40,373		49,071		49,071		49,071		49,071	

**SCHEDULE 3 - PROGRAM DETAIL**

Department of Law	INDIRECT COST ASSESSMENT - CONSUMER PROTECTION											
	Actual FY 06		Actual FY 07		Approp FY 08		Estimate FY 08		Request FY 09			
Item	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE	Total Funds	FTE
<b>INDIRECT COST ASSESSMENT</b>												
Cash Funds	182,893		212,631		263,756		263,756		263,756		263,756	
Cash Funds Exempt	145,264		172,258		214,685		214,685		214,685		214,685	
	37,629		40,373		49,071		49,071		49,071		49,071	
<b>INDIRECT COST ASSESSMENT</b>												
Cash Funds	182,893		212,631		263,756		263,756		263,756		263,756	
Cash Funds Exempt	145,264		172,258		214,685		214,685		214,685		214,685	
	37,629		40,373		49,071		49,071		49,071		49,071	
<b>RECONCILIATION OF FUNDS</b>												
Long Bill Appropriation	199,520		215,322						263,756			
Supplemental Appropriation	(16,626)		(2,691)									
Lapsed Spending Authority												
<b>TOTAL RECONCILIATION</b>	182,894		212,631						263,756			

**SCHEDULE 4 - SOURCE OF FINANCING - DIRECT REVENUES**

**INDIRECT COST ASSESSMENT - CONSUMER PROTECTION**

Department of Law Item	Fund Number	Actual FY 2006	Actual FY 2007	Approp FY 2008	Estimate FY 2008	Request FY 2009
<b>Schedule 3 Total</b>		182,893	212,631	263,756	263,756	263,756
General Funds						
General Funds Exempt		145,264	172,258	214,685	214,685	214,685
Cash Funds		37,629	40,373	49,071	49,071	49,071
Cash Funds Exempt						
<b>Cash Funds</b>		<b>145,264</b>	<b>172,258</b>	<b>214,685</b>	<b>214,685</b>	<b>214,685</b>
DOLA-Manuf Housing Fund						
No-Call Fund		10,501	10,766	12,268	12,268	12,268
Collection Agency Board Fund		43,317	48,448	63,792	63,792	63,792
Uniform Consumer Credit Code fund		91,446	113,044	138,625	138,625	138,625
<b>Cash Funds Exempt</b>		<b>9,626</b>	<b>40,373</b>	<b>49,071</b>	<b>49,071</b>	<b>49,071</b>
Department Custodials			21,532	24,535	24,535	24,535
Collection Agency Board Fund						
Tobacco Litigation Defense Fund		9,626	8,075	12,268	12,268	12,268
UCCC Custodial Fund			10,766	12,268	12,268	12,268
UCCC Fund Balance						
<b>Federal Funds</b>						