

12H - PROPOSITION 64 - CONSUMER PROTECTION

Operational Summary

Description:

Pursuant to the November 2004 ballot initiative Proposition 64, Fund 12H was established to earmark civil penalties resulting from District Attorney prosecution of unfair competition law cases exclusively for District Attorney enforcement of consumer protection laws.

Strategic Goals:

- To earmark a specific type of civil penalty revenue to the District Attorney for District Attorney enforcement of consumer protection laws.

FY 2005-06 Key Project Accomplishments:

- Projected \$400,000 to be collected in civil penalties to earmark for enforcement of consumer protection laws.

Proposition 64 - Consumer Protection - The Consumer and Environmental Protection Unit of the District Attorney Felony Operations 2 Division prosecutes violation of unfair competition laws in accordance with Proposition 64 requirements. Examples of this type of lawsuit include cases involving deceptive or misleading advertising or violation of state law intended to protect the public well-being, such as health and safety requirements.

At a Glance:

Total FY 2005-2006 Projected Expend + Encumb:	1,400
Total Recommended FY 2006-2007	1,774,201
Percent of County General Fund:	N/A
Total Employees:	0.00

Budget Summary

Changes Included in the Recommended Base Budget:

Transfer \$1 million to the Proposition 64 - Consumer Protection Reserves account in FY 2006-07. This amount represents civil penalties received in 2005.

Proposed Budget History:

Sources and Uses	FY 2004-2005	FY 2005-2006	FY 2005-2006	FY 2006-2007	Change from FY 2005-2006	
	Actual	Budget As of 3/31/06	Projected ⁽¹⁾ At 6/30/06	Recommended	Projected Amount	Percent
Total Revenues	911,058	915,601	1,355,601	1,774,201	418,600	30.88
Total Requirements	457	915,601	1,400	1,774,201	1,772,801	126,628.64
Balance	910,601	0	1,354,201	0	(1,354,201)	-100.00

(1) Requirements include prior year encumbrance and expenditures. Therefore, the above totals may not match FY 2005-06 projected requirements included in "At a Glance" (Which exclude these).

Columns may not total correctly due to rounding.

Detailed budget by expense category and by activity is presented for agency: Proposition 64 - Consumer Protection in the Appendix on page A124



Highlights of Key Trends:

- California's unfair competition law prohibits any person from engaging in any unlawful or fraudulent business act. This law may be enforced in court by the Attorney General, local public prosecutors, or a person acting in the interest of itself, its members, or the public. Examples of this type of lawsuit include cases involving deceptive or misleading advertising or violations of state law intended to protect the public well-being, such

as health and safety requirements. Proposition 64 was passed by voters on November 2, 2004 to prohibit any person, other than the Attorney General and local public prosecutors, from bringing a lawsuit for unfair competition unless the person has suffered injury and lost money or property and limit the use of monetary penalties recovered by Attorney General or local public prosecutors to enforcement of consumer protection laws.

12H - Proposition 64 - Consumer Protection

Summary of Proposed Budget by Revenue and Expense Category:

Revenues/Appropriations	FY 2004-2005		FY 2005-2006		FY 2006-2007		Change from FY 2005-2006	
	Actual	Budget	Projected ⁽¹⁾	Projected ⁽¹⁾	Recommended	Projected	Amount	Percent
Fines, Forfeitures & Penalties	\$ 900,000	\$ 0	\$ 400,000	\$ 400,000	\$ 350,000	\$ (50,000)	-12.50%	
Revenue from Use of Money and Property	11,058	5,000	45,000	45,000	70,000	25,000	55.56	
Total FBA	0	910,601	910,601	910,601	1,354,201	443,600	48.72	
Total Revenues	911,058	915,601	1,355,601	1,355,601	1,774,201	418,600	30.88	
Services & Supplies	457	915,601	1,400	1,400	774,201	772,801	55,200.07	
Reserves	0	0	0	0	1,000,000	1,000,000	0.00	
Total Requirements	457	915,601	1,400	1,400	1,774,201	1,772,801	126,628.64	
Balance	\$ 910,601	\$ 0	\$ 1,354,201	\$ 1,354,201	\$ 0	\$ (1,354,201)	-100.00%	

(1) Requirements include prior year encumbrance and expenditures. Therefore, the above totals may not match FY 2005-06 projected requirements included in "At a Glance" (Which exclude these).

Columns may not total correctly due to rounding.