

Department of Consumer Protection

DCP39500

Permanent Full-Time Positions

Fund	Actual FY 14	Actual FY 15	Governor Estimated FY 16	Original Appropriation FY 17	Governor Revised FY 17	Final FY 17	Difference Fin-Gov FY 17
General Fund	235	235	239	239	241	241	-

Budget Summary

Account	Actual FY 14	Actual FY 15	Governor Estimated FY 16	Original Appropriation FY 17	Governor Revised FY 17	Final FY 17	Difference Fin-Gov FY 17
Personal Services	13,269,100	14,232,639	15,935,765	16,070,008	-	14,549,545	14,549,545
Other Expenses	1,025,025	977,508	1,346,243	1,464,066	-	1,297,487	1,297,487
Other Current Expenses							
Agency Operations	-	-	-	-	22,200,857	-	(22,200,857)
Nonfunctional - Change to Accruals	118,438	80,602	-	-	-	-	-
Agency Total - General Fund	14,412,563	15,290,749	17,282,008	17,534,074	22,200,857	15,847,032	(6,353,825)

Account	Governor Revised FY 17	Final FY 17	Difference from Governor

Policy Revisions

Consolidate Appropriations for Agency Operations

Personal Services	(15,855,020)	-	15,855,020
Other Expenses	(1,390,842)	-	1,390,842
Agency Operations	17,245,862	-	(17,245,862)
Total - General Fund	-	-	-

Background

Currently, state agency appropriations are distributed between multiple line items. The Governor's Revised FY 17 budget consolidates funding by collapsing most or all appropriations into a new "Agency Operations" line item. Certain major line items such as Education Cost Sharing (ECS) grants, entitlements, pension and debt service payments, remain as separate line items within their respective agencies and are not consolidated.

Governor

Consolidate all agency appropriations into one account.

Final

Maintain existing appropriated accounts.

Reduce Funding for Various Accounts

Personal Services	-	(1,305,475)	(1,305,475)
Other Expenses	-	(93,355)	(93,355)
Agency Operations	(991,637)	-	991,637
Total - General Fund	(991,637)	(1,398,830)	(407,193)

Background

The Governor reduces funding in the new Agency Operations accounts across state agencies by \$267.9 million.

Governor

Reduce funding by \$991,637 to reflect a 5.75% reduction.

Account	Governor Revised FY 17	Final FY 17	Difference from Governor
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Final

Reduce funding for various accounts by \$1,398,830.

Rollout of FY 16 DMP

Other Expenses	(50,000)	(50,000)	-
Total - General Fund	(50,000)	(50,000)	-

Background

PA 15-1 December Special Session (AA Making Certain Structural Changes to the State Budget and Adjustments to the State Budget for the Biennium Ending June 30, 2017) made FY 16 General Fund expenditure modifications of \$195.8 million in various agencies and accounts. The Governor's FY 17 budget includes the rollout of \$90.5 million of the FY 16 DMP across various agencies.

Governor

Reduce funding by \$50,000 in FY 17 to reflect the rollout of expenditure reductions in PA 15-1 DSS.

Final

Same as Governor

Distribute Lapses

Personal Services	(331,657)	(331,657)	-
Other Expenses	(24,224)	(24,224)	-
Total - General Fund	(355,881)	(355,881)	-

Background

The Original FY 16 - 17 Biennial Budget included bottom line savings targets (lapses) totaling \$95,110,616 in FY 16 and \$100,816,745 in FY 17. These savings targets were allocated to agencies via holdbacks in FY 16.

Governor

Reduce funding by \$355,881 to reflect the allocation of these lapses in the FY 17 revised budget.

Final

Same as Governor

Transfer Funding to Agencies for Fringe Benefits

Agency Operations	5,946,632	-	(5,946,632)
Total - General Fund	5,946,632	-	(5,946,632)

Background

Funding for fringe benefits for General Fund and Special Transportation Fund supported employees is budgeted centrally in the State Comptroller-Fringe Benefit accounts.

Governor

Transfer funding of \$5,946,632 from the Office of the State Comptroller to the Agency Operations account to support fringe benefit costs for employers' social security and Medicare taxes, active employee health, and the normal retirement costs for employees whose earnings are supported by the General Fund and the Special Transportation Fund.

Final

Maintain funding for fringe benefits within the Office of the State Comptroller.

Transfer Funding for Hospital Roundtable

Personal Services	116,669	116,669	-
Other Expenses	1,000	1,000	-
Total - General Fund	117,669	117,669	-
Positions - General Fund	2	2	-

Background

The hospital roundtable was created by PA 15-146 to increase transparency of hospital costs, including executive pay, and increase consumer access to information on health care costs and coverage. In addition, the roundtable is charged with decreasing consumer costs related to "surprise billing" and facility fees, and improving monitoring of the health care marketplace. In FY 16,

\$500,000 was transferred from the Department of Social Services, via interagency agreements, to various agencies to implement these provisions in support of the roundtable.

Governor

Transfer funding of \$117,669 and two positions to support the hospital roundtable.

Final

Same as Governor

Transfer Oversight of Accountants from SOTS

Governor

The Board of Accountancy is transferred from the Office of the Secretary of State to the Department of Consumer Protection. PA 16-3 MSS, the budget implementer, sections 76 and 77 implement this provision.

Final

Same as Governor

Totals

Budget Components	Governor Revised FY 17	Final FY 17	Difference from Governor
Original Appropriation - GF	17,534,074	17,534,074	-
Policy Revisions	4,666,783	(1,687,042)	(6,353,825)
Total Recommended - GF	22,200,857	15,847,032	(6,353,825)

Positions	Governor Revised FY 17	Final FY 17	Difference from Governor
Original Appropriation - GF	239	239	-
Policy Revisions	2	2	-
Total Recommended - GF	241	241	-

Other Significant Legislation

PA 16-2, An Act Adjusting the State Budget for the Biennium Ending June 30, 2017

Sections 26, 34, 35, and 36 contain provisions that allow the Secretary of the Office of Policy and Management (OPM) to allocate specific lapses to state agencies in the three branches of government (these are typically called holdbacks). The agency's FY 17 appropriation levels will be reduced by the amounts shown in the table below to achieve the lapses included in PA 16-2. This includes an Unallocated Lapse of \$158,469 and a Targeted Lapse of \$389,689. See the FY 17 Holdbacks schedule in Section V of this document for a further description of these statewide savings targets.

Account	Appropriation \$	Reduction Amount \$	Net Remaining \$	% Reduction
Personal Services	14,549,545	(509,234)	14,040,311	3.50%
Other Expenses	1,297,487	(38,924)	1,258,563	3.00%