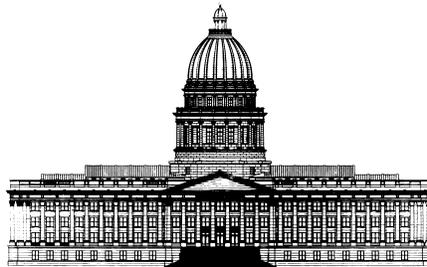

COMPENDIUM OF BUDGET INFORMATION
FOR THE
2008 GENERAL SESSION

JOINT APPROPRIATIONS SUBCOMMITTEE FOR
COMMERCE & WORKFORCE SERVICES

OFFICE OF THE LEGISLATIVE FISCAL ANALYST
DANNY SCHOENFELD
NOVEMBER 16, 2007

UTAH STATE LEGISLATURE
COMPENDIUM OF BUDGET INFORMATION
FOR THE
2008 GENERAL SESSION

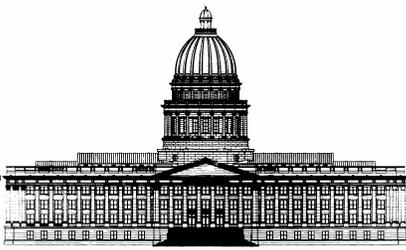


JONATHAN C. BALL, DIRECTOR

OFFICE OF THE LEGISLATIVE FISCAL ANALYST
W310 STATE CAPITOL COMPLEX
SALT LAKE CITY, UTAH 84114-5310

801-538-1034

WWW.LE.UTAH.GOV



JONATHAN C. BALL
LEGISLATIVE FISCAL ANALYST

OFFICE OF THE LEGISLATIVE FISCAL ANALYST

W310 STATE CAPITOL COMPLEX • P.O. BOX 145310
SALT LAKE CITY, UTAH 84114-5310 • WWW.LE.STATE.UT.US/LFA
PHONE: (801) 538-1034 • FAX: (801) 538-1692

November 16, 2007

Members of the Commerce and Workforce Services Appropriations Subcommittee
Utah State Capitol
Salt Lake City, UT 84114

Dear Legislators:

Please find attached the fourth edition of the Utah Legislature's Compendium of Budget Information (COBI). COBI is one part of a three-pronged approach to staff budget analysis. It is designed as a reference document in which you will find detail on Utah state government activities within your subcommittee's jurisdiction. It includes program descriptions, references to statutory authority, accountability information, and, of course, budget data. COBI sets a baseline against which you can evaluate budgets proposed during the 2008 General Session.

Parts two and three of the Legislature's budget analysis – Budget Briefs and Issue Briefs – will be available throughout the 2008 General Session beginning in January. Both are succinct, decision oriented papers that build on COBI, presenting future budget options rather than COBI's *status quo*. Budget Briefs follow the structure of state appropriations, documenting proposals for current year supplemental and future year budget action. Issue Briefs cut across "silos" to discuss subjects that impact state appropriations independent of program structure.

Detail on current state appropriations as they relate to your subcommittee are included in the "2008 Appropriated" column of the budget tables herein. Utah's total budget, by funding source, subcommittee, and category of expenditure, is summarized in the table on the following page.

If I or another member of your budget staff can assist you further regarding this document or any other matter, please do not hesitate to contact me at (801) 538-1034.

Sincerely,

Jonathan C. Ball
Legislative Fiscal Analyst

Budget History - State of Utah

	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
General Fund	1,745,251,100	1,767,809,300	1,910,800,100	1,781,898,100	2,087,726,350
General Fund, One-time	532,700	117,544,000	121,540,000	454,595,540	274,236,220
Uniform School Fund	1,734,161,174	1,815,156,111	1,917,934,675	2,115,252,445	2,413,266,208
Uniform School Fund, One-time	5,891,000	34,800,900	43,725,000	74,357,300	226,538,200
Education Fund	112,000,000	200,520,900	235,260,900	548,663,800	463,136,000
Education Fund, One-time	(23,200,000)	52,073,500	19,496,600	62,412,200	430,655,900
Transportation Fund	391,891,100	437,416,000	421,112,200	422,737,800	431,650,000
Transportation Fund, One-time	0	277,100	126,371,900	1,200,000	2,000,000
Centennial Highway Fund	117,531,900	145,772,200	126,393,400	127,976,800	128,607,800
Centennial Highway Fund, One-time	1,796,800	0	0	0	0
General Fund Restricted	154,215,300	171,101,700	214,281,100	206,576,236	251,830,800
Uniform School Fund Restricted	72,000	90,700	14,306,100	15,168,000	22,518,100
Transportation Fund Restricted	29,813,200	30,720,100	37,215,500	41,330,900	40,506,800
Federal Funds	2,174,694,678	2,264,204,145	2,294,817,646	2,382,363,452	2,501,100,000
Dedicated Credits	614,539,399	730,196,287	654,136,650	702,670,540	718,173,500
Land Grant	804,700	1,040,435	1,807,732	1,943,425	1,608,500
Federal Mineral Lease	64,176,600	64,785,719	98,278,950	92,423,753	119,865,200
Restricted Revenue	2,944,000	273,700	17,603,200	21,725,600	0
Trust and Agency Funds	406,862,037	380,298,477	668,947,402	1,048,476,080	966,725,621
Transfers	312,446,922	314,413,473	350,828,925	362,909,859	347,464,700
Repayments/Reimbursements	15,206,500	11,107,200	11,816,900	11,816,900	31,005,000
Other Financing Sources	0	0	233,722	871,096	0
Pass-through	994,900	1,503,200	1,081,300	1,276,400	90,200
Beginning Balance	508,223,541	326,000,043	270,710,688	432,551,849	122,032,500
Closing Balance	(408,377,198)	(348,039,802)	(286,829,794)	(539,495,843)	(79,332,250)
Lapsing Balance	(56,071,454)	(20,646,900)	(25,473,500)	(98,932,100)	(2,537,000)
Total	\$7,906,400,899	\$8,498,418,488	\$9,246,397,295	\$10,272,770,132	\$11,498,868,349
Appropriations Subcommittees					
Executive Offices & Criminal Justice	582,590,000	618,377,000	650,467,100	678,266,700	761,042,750
Capital Facilities & Government Operation:	283,219,900	466,535,900	400,525,000	534,265,800	631,601,700
Commerce & Workforce Services	370,080,100	381,785,400	374,734,600	383,649,600	449,118,300
Economic Development and Revenue	193,681,700	174,955,900	250,681,500	246,992,000	425,160,000
Health & Human Services	1,988,592,616	2,145,033,300	2,307,382,500	2,345,326,200	2,529,930,600
Higher Education	934,067,900	991,420,900	1,057,207,218	1,121,954,267	1,220,739,200
Natural Resources	165,264,800	166,619,200	189,936,600	236,873,300	228,923,600
Public Education	2,438,357,683	2,593,642,788	2,771,942,577	3,009,733,825	3,543,591,829
Transportation & Environmental Quality	935,857,900	945,086,000	1,227,356,000	1,698,165,700	1,688,463,600
Legislature	14,688,300	14,962,100	16,164,200	17,542,740	20,296,770
Total	\$7,906,400,899	\$8,498,418,488	\$9,246,397,295	\$10,272,770,132	\$11,498,868,349
Categories of Expenditure					
Personal Services	1,807,281,594	1,898,751,798	1,997,933,580	2,100,891,174	2,344,090,220
In-State Travel	14,293,546	15,513,409	17,121,676	17,998,106	14,715,500
Out of State Travel	5,103,109	5,639,200	6,097,300	6,528,900	6,547,200
Current Expense	854,753,504	955,950,991	959,134,668	1,022,841,581	1,357,724,100
DP Current Expense	82,210,762	84,280,900	87,515,600	140,273,000	146,635,200
DP Capital Outlay	12,440,919	12,629,500	14,593,000	24,152,300	33,000,300
Capital Outlay	483,245,065	317,867,416	552,774,790	789,338,760	732,105,700
Other Charges/Pass Thru	4,646,861,100	5,077,496,574	5,494,754,581	6,043,460,911	6,856,055,229
Cost of Goods Sold	(129,500)	(135,800)	(813,200)	(227,600)	881,800
Cost Accounts	(24,500)	0	6,600	(600)	13,200
Operating Transfers	144,300	172,900	157,000	2,622,900	105,000
Transfers	0	0	0	75,400	0
Trust & Agency Disbursements	221,000	130,251,600	117,121,700	124,815,300	6,994,900
Total	\$7,906,400,899	\$8,498,418,488	\$9,246,397,295	\$10,272,770,132	\$11,498,868,349
Other Data					
Budgeted FTE	32,446.1	32,854.8	33,102.2	32,536.3	33,699.2
Vehicles	10,416	9,123	9,091	9,189	9,091

TABLE OF CONTENTS

TABLE OF CONTENTS I

INTRODUCTION.....III

COMMITTEE FUNDING SUMMARY V

CHAPTER 1 ALCOHOLIC BEVERAGE CONTROL 1

 EXECUTIVE DIRECTOR’S OFFICE - ABC 5

 ADMINISTRATION - ABC 6

 OPERATIONS 7

CHAPTER 2 DEPARTMENT OF COMMERCE..... 11

 INTENT LANGUAGE 12

 ADMINISTRATION - COMMERCE 20

 OCCUPATIONAL & PROFESSIONAL LICENSING 21

 SECURITIES 23

 CONSUMER PROTECTION 25

 CORPORATIONS & COMMERCIAL CODE 28

 REAL ESTATE..... 30

 PUBLIC UTILITIES - COMMERCE..... 32

 COMMITTEE OF CONSUMER SERVICES 34

 BUILDING OPERATIONS & MAINTENANCE - COMMERCE 35

 PUBLIC UTILITIES PROFESSIONAL & TECHNICAL – COMMERCE..... 36

 COMMITTEE OF CONSUMER SERVICES – PROFESSIONAL & TECHNICAL..... 37

CHAPTER 3 FINANCIAL INSTITUTIONS..... 39

 FINANCIAL INSTITUTIONS ADMINISTRATION 41

 BUILDING OPERATIONS & MAINTENANCE – FINANCIAL INSTITUTIONS 42

CHAPTER 4 INSURANCE DEPARTMENT 45

 INSURANCE ADMINISTRATION 47

 BAIL BOND ADMINISTRATION 48

 RELATIVE VALUE STUDY..... 50

 INSURANCE FRAUD 51

 TITLE INSURANCE 52

 CAPTIVE INSURANCE PROGRAM 54

CHAPTER 5 LABOR COMMISSION..... 57

 LABOR COMMISSION ADMINISTRATION..... 61

 INDUSTRIAL ACCIDENTS 61

 APPEALS BOARD..... 64

 ADJUDICATION..... 64

 BOILER AND ELEVATOR SAFETY DIVISION 65

 WORKPLACE SAFETY..... 67

 UTAH ANTI-DISCRIMINATION & LABOR 67

 OCCUPATIONAL SAFETY AND HEALTH 69

 BUILDING OPERATIONS & MAINTENANCE – LABOR COMMISSION..... 72

CHAPTER 6 PUBLIC SERVICE COMMISSION..... 75

 INTENT LANGUAGE 75

PSC ADMINISTRATION.....	78
BUILDING OPERATION & MAINTENANCE - PSC.....	81
ENERGY INDEPENDENT EVALUATOR	81
PSC RESEARCH & ANALYSIS.....	82
SPEECH & HEARING IMPAIRED	82
UNIVERSAL PUBLIC TELECOMMUNICATION SERVICE SUPPORT FUND	83
CHAPTER 7 WORKFORCE SERVICES	87
TANF FAMILY EMPLOYMENT PROGRAM (FEP)	89
FOOD STAMPS	92
GENERAL ASSISTANCE.....	95
CHILD CARE	97
WORKFORCE INVESTMENT ACT (WIA)	99
WAGNER-PEYSER (EMPLOYMENT EXCHANGE).....	104
UNEMPLOYMENT INSURANCE	107
OTHER PROGRAMS & SERVICES.....	110
CHAPTER 8 UTAH STATE OFFICE OF REHABILITATION	113
EXECUTIVE DIRECTOR’S OFFICE.....	115
DIVISION OF SERVICES FOR THE BLIND AND VISUALLY IMPAIRED.....	117
DIVISION OF REHABILITATION SERVICES	119
DIVISION OF DISABILITY DETERMINATION SERVICES	122
DIVISION OF SERVICES TO THE DEAF AND HARD OF HEARING.....	123
GLOSSARY	127
INDEX	129

INTRODUCTION

Format

Staff budget analysis consists of three parts:

- Compendium of Budget Information (COBI). The document you are currently reading, the COBI provides comprehensive information on state agencies, institutions, and programs. It is a resource for decision-makers desiring further detail or background information beyond the summary provided in a Budget or Issue Brief. It is useful for reviewing base budgets, but does not contain staff recommendations.
- Issue Briefs. These relatively short documents (no more than a few pages) discuss issues that transcend line items or perhaps even departments. For example, if the Legislative Fiscal Analyst wishes to present a concern with law enforcement, an Issue Brief may be the best format. The analyst will prepare Issue Briefs just prior to the 2008 General Session.
- Budget Briefs. Another relatively short document, the budget brief is used to present issues, recommendations, performance measures, and line item-level budget tables. The purpose of this document is to bring budgets to the forefront and to discuss the analyst's recommendations. The analyst will prepare Budget Briefs just prior to the 2008 General Session.

Process

The Office of the Legislative Fiscal Analyst (LFA) – a non-partisan office – serves both chambers of the Legislature by making independent budget recommendations, determining the fiscal impact of proposed legislation, and preparing appropriations bills. Appropriations subcommittees review LFA's recommendations, vote upon, and report to the Executive Appropriations Committee proposed budgets for programs within their respective jurisdictions. The Executive Appropriations Committee, and ultimately the Legislature as a whole, considers multiple appropriation acts that, in turn, determine the final annual budget for each program of state government.

Timing

Utah does not budget on the calendar year, but on what is termed a Fiscal Year, which is the twelve-month period from July 1 to June 30 of the following year. A Fiscal Year is usually abbreviated FY, with the number that follows "FY" designating the calendar year in which the second six months fall. The current fiscal year is FY 2008, which will end June 30, 2008. During the 2008 General Session, the Legislature can make supplemental changes to the already established budget for FY 2008. The next fiscal year, for which the Legislature is determining a new budget, is FY 2009. FY 2009 includes the period of time from July 1, 2008 to June 30, 2009.

Sources

In allocating resources for state government use, appropriations subcommittees may use funding from several sources. The following funding sources most commonly used by the subcommittees:

- General Fund
- School Funds
- Transportation Funds
- Federal Funds
- Dedicated Credits
- Restricted Funds
- Other Funds

A glossary of terms – included at the end of this document – defines these funding sources as well as other terms commonly used in Utah state budgeting.

COMMITTEE FUNDING SUMMARY

Budget History - Commerce & Workforce Services					
Sources of Finance	2004 Actual	2005 Actual	2006 Actual	2007 Actual	2008 Appropriated
General Fund	72,396,900	86,694,500	71,286,700	80,037,700	95,538,900
General Fund, One-time	0	0	14,862,500	13,898,900	5,540,000
Federal Funds	220,549,300	222,773,400	209,988,900	184,519,200	231,734,200
Dedicated Credits Revenue	19,475,900	24,461,500	8,907,800	8,396,000	34,889,100
Restricted Revenue	2,944,000	0	17,581,800	19,200,600	0
GFR - Bail Bond Surety Admin	22,100	22,100	22,100	22,100	22,100
GFR - Commerce Service	13,530,100	14,783,400	15,320,900	17,174,500	18,474,100
GFR - CSF - PURF	1,451,900	5,923,000	6,113,100	6,333,700	6,681,500
GFR - Factory Built Housing Fees	0	0	104,700	104,700	104,700
GFR - Financial Institutions	4,476,000	4,789,100	5,093,100	5,789,900	6,085,900
GFR - Geologist Ed. & Enf.	0	0	10,000	10,000	10,000
GFR - Nurses Ed & Enf Fund	0	0	10,000	10,000	10,000
GFR - Pawnbroker Operations	0	0	45,000	0	45,000
GFR - Workplace Safety	759,300	805,100	990,400	1,572,300	1,588,400
Trust and Agency Funds	0	10,356,000	13,004,200	14,132,900	0
Employers' Reinsurance Fund	662,600	245,600	0	0	0
Liquor Control Fund	18,494,600	19,389,200	20,498,400	23,396,400	27,082,600
Real Estate Education and Recovery	190,100	0	0	0	0
Unemployment Compensation Trust	2,322,500	0	0	0	6,000
Uninsured Employers' Fund	367,100	794,900	1,318,200	1,165,300	1,227,400
Universal Public Telecom Service Fund	6,229,400	1,407,700	0	0	8,100,900
Transfers	4,131,900	4,986,800	6,005,000	15,822,300	8,958,900
Transfers - Medicaid	0	0	0	0	198,400
Transfers - Within Agency	(402,900)	(22,300)	(328,300)	(421,700)	0
Pass-through	22,400	0	27,200	36,400	50,000
Beginning Nonlapsing	15,811,200	14,491,100	24,356,900	39,481,700	35,637,700
Beginning Fund Balances - CSF	0	0	(317,800)	100,000	0
Closing Nonlapsing	(11,491,100)	(27,960,700)	(38,106,000)	(45,325,300)	(32,967,500)
Closing Nonlapsing - Highway Safety	0	0	0	0	100,000
Lapsing Balance	(1,863,200)	(2,155,000)	(2,060,200)	(1,808,000)	0
Total	\$370,080,100	\$381,785,400	\$374,734,600	\$383,649,600	\$449,118,300
Agencies					
Workforce Services	281,994,600	288,164,100	278,079,900	276,536,800	319,251,100
Alcoholic Beverage Control	18,437,900	19,311,900	20,408,200	24,902,700	27,182,600
Labor Commission	8,597,700	8,809,200	9,347,000	10,239,200	12,058,100
Commerce	18,172,700	18,577,600	19,612,600	21,864,400	27,122,500
Financial Institutions	4,263,800	4,644,900	4,760,200	5,617,300	6,085,900
Insurance	28,323,700	31,030,600	30,906,500	33,779,600	44,933,400
Public Service Commission	10,289,700	11,247,100	11,620,200	10,709,600	12,484,700
Total	\$370,080,100	\$381,785,400	\$374,734,600	\$383,649,600	\$449,118,300
Categories of Expenditure					
Personal Services	147,144,700	155,233,500	159,112,500	153,376,700	181,245,300
In-State Travel	735,700	729,800	692,600	740,100	951,700
Out of State Travel	702,200	851,200	639,900	781,900	938,300
Current Expense	75,931,900	78,890,400	76,791,100	80,407,300	118,480,300
DP Current Expense	20,110,800	21,727,200	19,318,900	33,875,400	27,360,500
DP Capital Outlay	1,937,600	1,542,500	866,800	1,285,200	3,437,800
Capital Outlay	9,796,800	5,266,400	6,227,600	14,034,100	6,300,600
Other Charges/Pass Thru	113,499,400	117,402,800	111,085,200	99,148,900	110,403,800
Trust & Agency Disbursements	221,000	141,600	0	0	0
Total	\$370,080,100	\$381,785,400	\$374,734,600	\$383,649,600	\$449,118,300
Other Data					
Budgeted FTE	2,884.0	2,891.0	2,667.0	2,685.0	2,829.0
Vehicles	218	224	226	215	234

Table 1

CHAPTER 1 ALCOHOLIC BEVERAGE CONTROL

Function	<p>Utah is one of eighteen liquor control states and one of two totally state run systems. The Department of Alcoholic Beverage Control (DABC) operates 38 State stores and approximately 100 package agencies. These state stores and package agencies are the exclusive retailers of liquor, wine and heavy beer (more than 4 percent alcohol by volume) in the Utah. The Department administers liquor laws and licenses on-premise businesses, temporary single event permits, manufacturers, wholesalers, warehouses, importers, and liquor representatives.</p> <p>The Department regulates the manufacture, sale and use of alcoholic beverages to serve Utah citizens and tourists. Without promoting the sale or consumption of alcoholic beverages, the Department operates as a public business using sound management principles and practices generating revenue for state and local government programs. The Department licenses and regulates the sale of alcoholic beverages at prices that reasonably satisfy the public demand while also protecting the public interest.</p> <p>Liquor sales provide a major source of income to the State’s General Fund. Net profits are deposited in the General Fund and used to support state government operations. A special tax on liquor sales is used to support school lunch. A portion of the tax on beer goes to local governments to help cover their costs of liquor law enforcement.</p>
Statutory Authority	<p>The following statutes govern the operation of the Utah Department of Alcoholic Beverage Control.</p> <ul style="list-style-type: none"> ➤ UCA 32A-1-15a , has all the general agency provisions plus provisions for licensing, permits, distribution, criminal codes, liability, and nuisance.
Accountability	<p>Monitoring state agencies through performance measures is a good way to hold agencies accountable to the people. The measure below shows staff efficiency for the entire department and shows steady improvement.</p>

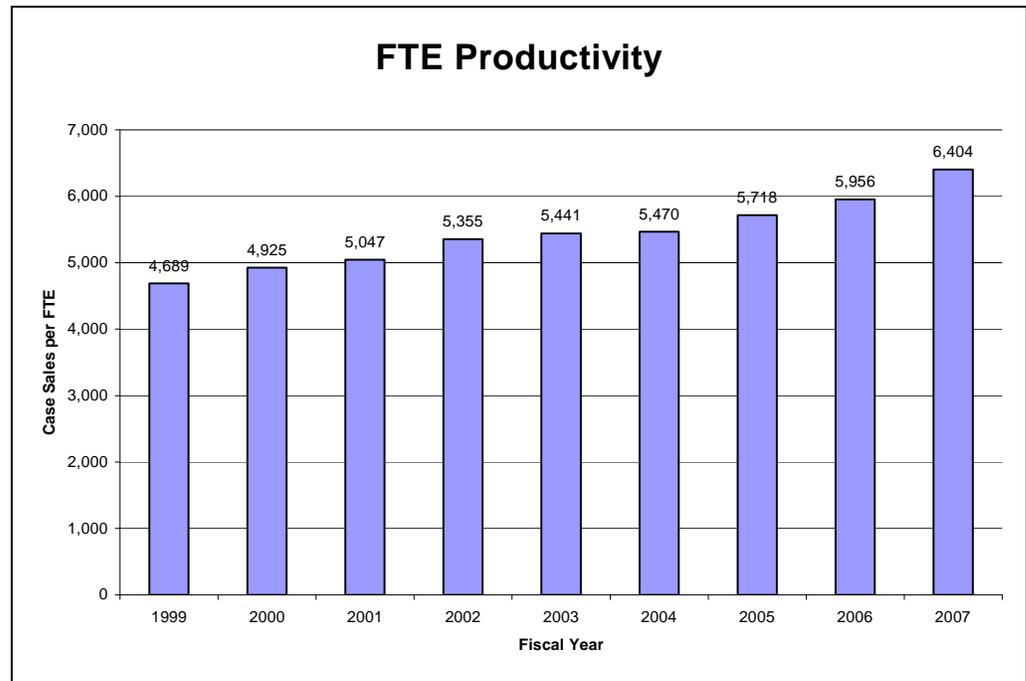


Figure 1-1

Measure: This efficiency measure shows that average case sales per FTE are increasing annually.

Goal: Alcoholic Beverage Control is a difficult area to measure because the goal is not to maximize or minimize sales. The emphasis is not on dollar sales (which can be affected by inflation) but on employee productivity. The case sales per FTE should be increasing.

Methodology: FTE productivity number comes from dividing the total number of cases sold by the total department FTE.

Measure Type: Efficiency

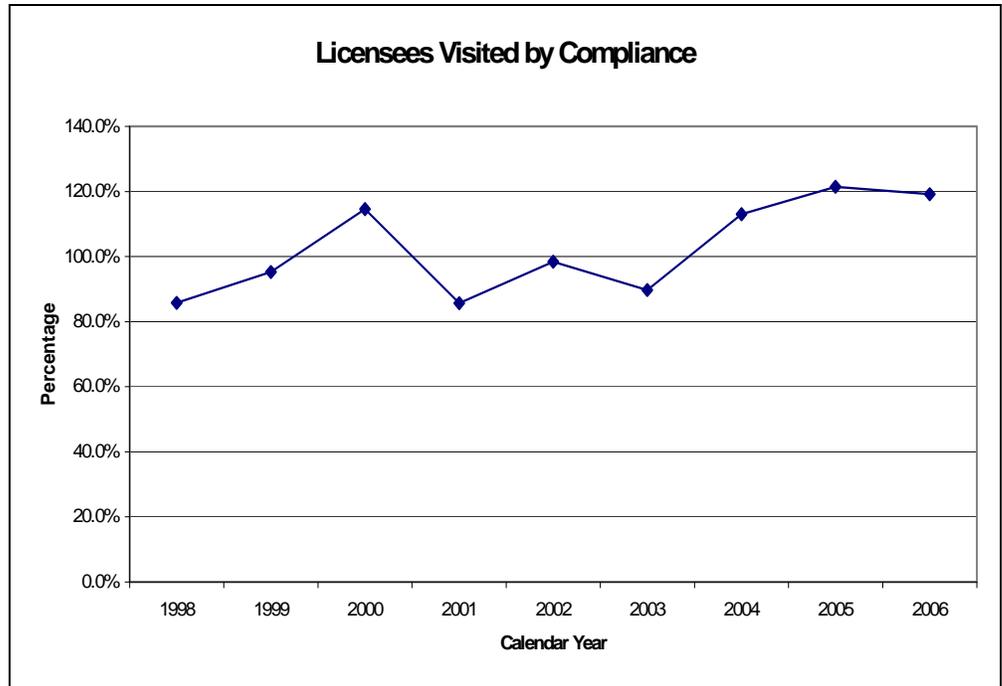


Figure 2-1

Measure: Percent of Club, Restaurant, & On-Premise Beer Licensees visited

Goal: Ensure that liquor is sold according to the laws of Utah and rules of the Department.

Methodology: This chart shows the percentage of licenses visited annually.

Measure Type: Output

Funding Detail

The additional \$1,631,300 in one-time General Fund shown in 2007 appropriated is to implement S. B. 58, “Alcoholic Beverage Amendments- Eliminating Alcohol Sales to Youth” and will fund a media campaign to reduce underage drinking.

Budget History - Department of Alcoholic Beverage Control					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
General Fund, One-time	0	0	0	1,631,300	0
Liquor Control Fund	18,494,600	19,389,200	20,498,400	23,396,400	27,082,600
Closing Nonlapsing	0	0	0	(125,000)	0
Closing Nonlapsing - Highway Safety	0	0	0	0	100,000
Lapsing Balance	(56,700)	(77,300)	(90,200)	0	0
Total	\$18,437,900	\$19,311,900	\$20,408,200	\$24,902,700	\$27,182,600
Line Items					
Alcoholic Beverage Control	18,437,900	19,311,900	20,408,200	24,902,700	27,182,600
Total	\$18,437,900	\$19,311,900	\$20,408,200	\$24,902,700	\$27,182,600
Categories of Expenditure					
Personal Services	11,176,900	11,909,800	12,425,200	12,978,800	15,795,900
In-State Travel	18,200	23,700	25,200	37,800	26,200
Out of State Travel	7,500	12,700	13,800	12,300	17,200
Current Expense	5,958,500	6,204,100	6,887,900	9,789,500	10,565,500
DP Current Expense	761,600	652,400	680,000	1,832,800	577,800
DP Capital Outlay	152,500	226,400	187,300	8,600	0
Capital Outlay	362,700	282,800	188,800	242,900	200,000
Total	\$18,437,900	\$19,311,900	\$20,408,200	\$24,902,700	\$27,182,600
Other Data					
Budgeted FTE	312.5	328.5	340.0	345.0	350.0
Vehicles	20	20	20	20	20

Table 1-1

Restricted Funds Summary - Alcoholic Beverage Control				
Fund/Account Name	Statutory Authority	Revenue Source	Prescribed Uses	FY 2007 Balance
Liquor Control Fund	UCA-32A-1-113	Liquor Sales	Department Operations	47,463,906

Table 1-2

Liquor Control Fund – UCA 32A-1-113. Revenues generated under this act go to the Liquor Control Fund and are used to fund the Department. Net profits are transferred to the General Fund within 90 days of the end of the year.

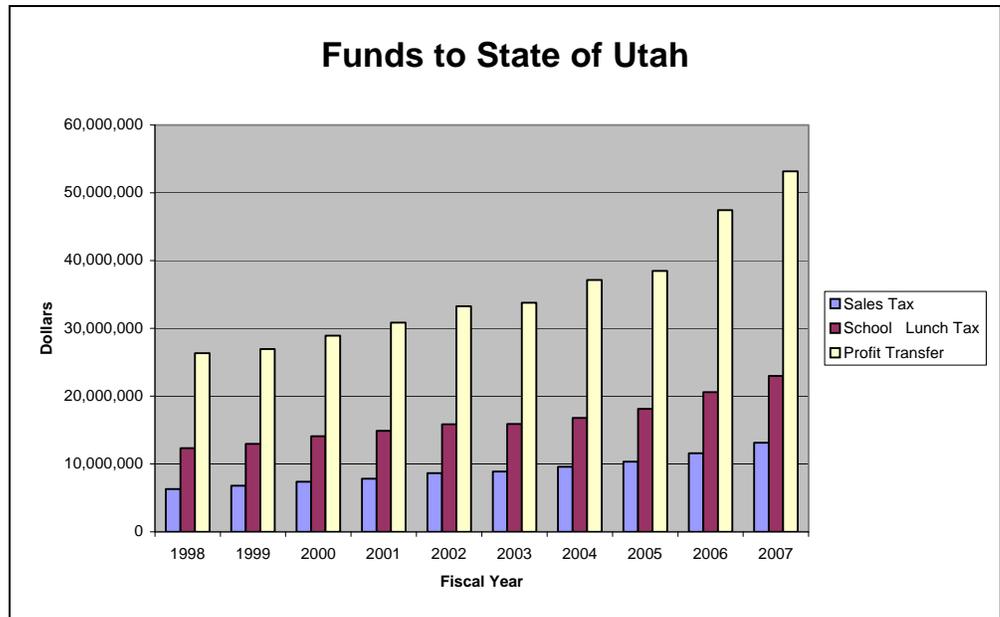


Figure 1-3

The graph above shows the profit transferred to the General Fund but along with revenue from sales tax, school lunch transfers, and profit transfer.

EXECUTIVE DIRECTOR’S OFFICE - ABC

Function

The Executive Director’s Office sets Department policies and procedures. The Office provides information to the part-time Commission to decide where to locate liquor stores, product mark-up, and issuance of licenses and permits. Within this budget is funding for liquor compliance investigators. They investigate licensee compliance with Utah’s liquor laws and make recommendations regarding license applications, suspensions, and revocations.

The Department of Public Safety also has liquor enforcement officers who police the licensees. They are funded through another subcommittee.

Funding Detail The Department draws the majority of its funding from Liquor Control Fund.

Budget History - Alcoholic Beverage Control - Executive Director					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
General Fund, One-time	0	0	0	1,631,300	0
Liquor Control Fund	1,156,000	1,427,700	1,482,600	1,730,000	1,590,300
Closing Nonlapsing	0	0	0	(125,000)	0
Lapsing Balance	(56,700)	(77,300)	(90,200)	0	0
Total	\$1,099,300	\$1,350,400	\$1,392,400	\$3,236,300	\$1,590,300
Categories of Expenditure					
Personal Services	1,042,000	1,226,400	1,290,500	1,315,800	1,448,900
In-State Travel	4,900	6,100	6,500	9,400	6,500
Out of State Travel	6,400	8,500	9,700	10,400	10,800
Current Expense	45,800	108,200	80,900	1,900,600	119,300
DP Current Expense	200	1,200	4,800	100	4,800
Total	\$1,099,300	\$1,350,400	\$1,392,400	\$3,236,300	\$1,590,300
Other Data					
Budgeted FTE	19.0	19.0	19.0	18.0	19.0

Table 1-3

ADMINISTRATION - ABC

Function

Administration provides centralized administrative services to other programs within the Department. This includes budgeting, accounting, and auditing stores and package agencies.

Funding Detail The funding for the Administration of the Department of Alcoholic Beverage Control comes from the Liquor Control Fund.

Budget History - Alcoholic Beverage Control - Administration					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
Liquor Control Fund	875,700	932,700	997,000	1,070,800	1,085,900
Total	\$875,700	\$932,700	\$997,000	\$1,070,800	\$1,085,900
Categories of Expenditure					
Personal Services	396,700	495,500	485,300	547,200	584,400
In-State Travel	900	900	700	600	700
Out of State Travel	0	0	0	500	0
Current Expense	478,100	406,400	511,000	480,200	500,800
DP Current Expense	0	0	0	6,000	0
Capital Outlay	0	29,900	0	36,300	0
Total	\$875,700	\$932,700	\$997,000	\$1,070,800	\$1,085,900
Other Data					
Budgeted FTE	9.0	9.0	9.0	9.0	9.0

Table1-4

OPERATIONS

Function

Operations provides data processing to the Department and manages the operation of the warehouse, delivery, stores and package agencies. All liquor from purchasing to delivery to the warehouse, until it is sold to the consumer, is traceable by computer. This contributes to the low loss rate of less than 1/10th of one percent of total sales. The Department now delivers over 67 percent of the merchandise. Liquor is sold through several channels in the state including: state stores, package agencies, private clubs, and restaurants.

Utah is one of eighteen liquor control states and one of only two that have totally state run systems. (Pennsylvania is the other state.) Utah buys from the manufacturer, stores, distributes and sells the product and collects the sales and excise taxes in state-run stores. The state sets the types of retail establishments by law, based on population. The distribution of alcoholic beverage that are on a population based quota is:

Establishment	Ratio	Active Licenses
State Stores	1 : 48,000 people	38/56
Package Agencies	1 : 18,000 people	52/150
Restaurant-Lt License	1 : 11,000 people	236/246
Restaurant-FI Service	1: 5,200people	483/521
Private Clubs	1 : 7,300 people	325/370
Taverns	1: 25,000 people	76/108
On-Premise Banquet	1: 30,000 people	53/90

The State operates 38 stores. These stores are located in large and medium-sized communities where the volume of business is high enough to support the costs of operating a store. The State owns 31 stores and leases the other 9. Employees working in the stores are state employees.

Package agencies are liquor outlets operated by private individuals or corporate entities under contract with the state for the purpose of selling packaged liquor, wine and heavy beer to the general public for off premise consumption. Package Agencies are located in communities too small to warrant the establishment of a state store, and in resorts and hotels where the outlets exist primarily for the benefit of their guests.

Funding Detail

The funding for the Operations of the Department of Alcoholic Beverage Control comes from the Liquor Control Fund.

Budget History - Alcoholic Beverage Control - Operations					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
Liquor Control Fund	2,292,300	2,080,100	1,888,100	2,185,900	20,530,700
Total	\$2,292,300	\$2,080,100	\$1,888,100	\$2,185,900	\$20,530,700
Categories of Expenditure					
Personal Services	1,239,100	1,136,300	1,296,200	293,200	12,658,300
In-State Travel	1,000	2,100	2,100	0	19,000
Out of State Travel	1,100	4,100	3,700	800	6,400
Current Expense	150,400	63,200	47,900	58,800	7,108,800
DP Current Expense	748,200	648,000	538,200	1,820,300	538,200
DP Capital Outlay	152,500	226,400	0	0	0
Capital Outlay	0	0	0	12,800	200,000
Total	\$2,292,300	\$2,080,100	\$1,888,100	\$2,185,900	\$20,530,700
Other Data					
Budgeted FTE	14.0	14.0	14.0	14.0	14.0
Vehicles	2	2	2	2	2

Table 1-5

The funding for the Warehouse and Distribution of the Department of Alcoholic Beverage Control comes from the Liquor Control Fund.

Budget History - Alcoholic Beverage Control - Warehouse and Distribution					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
Liquor Control Fund	1,352,900	1,336,900	1,524,500	1,578,100	61,900
Total	\$1,352,900	\$1,336,900	\$1,524,500	\$1,578,100	\$61,900
Categories of Expenditure					
Personal Services	1,025,800	967,500	1,056,200	1,122,500	61,900
Current Expense	136,700	267,000	279,500	347,700	0
DP Capital Outlay	0	0	0	8,600	0
Capital Outlay	190,400	102,400	188,800	99,300	0
Total	\$1,352,900	\$1,336,900	\$1,524,500	\$1,578,100	\$61,900
Other Data					
Budgeted FTE	22.0	22.0	22.0	25.0	25.0

Table 1-6

The funding for the Stores and Agencies of the Department of Alcoholic Beverage Control comes from the Liquor Control Fund.

Budget History - Alcoholic Beverage Control - Stores and Agencies					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
Liquor Control Fund	12,817,700	13,611,800	14,606,200	16,831,600	2,113,800
Total	\$12,817,700	\$13,611,800	\$14,606,200	\$16,831,600	\$2,113,800
Categories of Expenditure					
Personal Services	7,473,300	8,084,100	8,297,000	9,700,100	1,042,400
In-State Travel	11,400	14,600	15,900	27,800	0
Out of State Travel	0	100	400	600	0
Current Expense	5,147,500	5,359,300	5,968,600	7,002,200	1,036,600
DP Current Expense	13,200	3,200	137,000	6,400	34,800
DP Capital Outlay	0	0	187,300	0	0
Total	\$12,817,700	\$13,611,800	\$14,606,200	\$16,831,600	\$2,113,800
Other Data					
Budgeted FTE	248.5	264.5	276.0	279.0	283.0
Vehicles	19	19	19	18	18

Table 1-7

CHAPTER 2 DEPARTMENT OF COMMERCE

Function

The Utah Department of Commerce is the licensing and registration agency for Utah’s professional and corporate community. Business registrations, professional licensing, consumer protection and education, oversight of public utilities and monitoring real estate and securities industries are all department responsibilities.

Department funding is primarily from the Commerce Service Fund which is made up from fees collected by the Department. By statute, funds collected to the Commerce Service Fund over the amount appropriated to the Department are deposited in the General Fund. The Department also receives revenue from Dedicated Credits, Trust Funds, and Federal Funds.

The Department also protects public interest by ensuring fair commercial and professional practices.

The mission of the Department of Commerce is:

“To protect the public interest by ensuring fair commercial and professional practices.”

The vision of the Department of Commerce is:

“The Department of Commerce contributes to the success of, Utah businesses, professionals, and consumers by creating favorable economic environment.”

Statutory Authority

The overall governance of the Department of Commerce can be found in UCA 13-1-1 which states that “The Legislature finds that many businesses and occupations in the state have a pronounced physical and economic impact on the health, safety, and welfare of the citizens of the state. The Legislature further finds that while the overall impact is generally beneficial to the public, the potential for harm and injury frequently warrants intervention by state government.

The Legislature declares that it is appropriate and necessary for state government to protect its citizens from harmful and injurious acts by persons offering or providing essential or necessary goods and services to the general public. The Legislature further declares that business regulation should not be unfairly discriminatory. However, the general public interest must be recognized and regarded as the primary purpose of all regulation by state government.”

The following are the specific sections of the Utah Code Annotated that the Department of Commerce governs.

- **Commerce and Trade** sections are found in UCA 13, chapters 1 through 38.
- **Collection Agencies** are found in UCA-12.
- **Corporations** are in UCA 16, chapters 4 though 15

- **Partnerships** are in UCA 48, chapters 1 through 2a.
- **Bail Bond Recovery** are in UCA 53 (Public Safety), chapter 11.
- **Public Utilities** is in Title 54 chapters 2 through 16
- **Real Estate Regulations** are in UCA 57, chapters 1 through 23.
- **Occupations and Professions** are in UCA 58, chapters 1 through 76.
- **Real Estate and Securities** divisions are in UCA 61, chapters 1 through 6.
- **Trademarks & Trade Names** are in UCA 70, chapter 3a.
- **Uniform Commercial Code** is in Title 70A, chapters 1 through 11.

INTENT LANGUAGE

From S.B. 1, 2007 General Session, Item 45:

Under Section 63-8-8 of the Utah Code the Legislature intends that up to \$120,000 provided by the Legislature in the 2007 session to the Division of Occupational and Professional Licensing not lapse at the close of Fiscal Year 2007 and be used for digitization of division files.

From S.B. 3, 2007 General Session, Item 60:

The Legislature intends that at the end of the Fiscal Year 2008, unused funds for the Committee on Consumer Services shall lapse to the Committee's Professional and Technical Services and that at the end of the Fiscal Year 2008, unused funds for Public Utilities shall lapse to Public Utilities Professional and Technical Services line item.

The Legislature authorizes the purchase of a vehicle from funds appropriated in Item 60, H.B.1, 2007 General Session, for state motor pool use. Under Section 63-38-8 of the Utah Code the Legislature intends that up to \$425,000 from the Commerce Service Fund provided by Item 57 of 'New Fiscal Year Supplemental Appropriations Act' (H.B. 150, 2007 General Session) for Commerce Administration not lapse at the close of fiscal year 2008 and be used for costs associated with electronic payment transactions.

The Legislature further intends that the Department of Commerce may use the dedicated credits it 500 collected under UCA 63-38a-105, before the repeal of UCA 63-38a-105, for costs associated with electronic payment transactions.

The Legislature intends that \$100,000 provided by this item shall be used by the Division of Consumer Protection in the Department of Commerce following procedures and requirements of the procurement code to award one or more grants to nonprofit organizations for the sole purpose of providing educational materials to minors about the dangers of pornography.

Funding Summary

The Department of Commerce is funded primarily through the collection and assessment of fees on duties that they are statutorily charged with upholding.

Budget History - Department of Commerce					
Sources of Finance	2004 Actual	2005 Actual	2006 Actual	2007 Actual	2008 Appropriated
General Fund	0	0	50,000	50,000	0
General Fund, One-time	0	0	100,000	20,000	100,000
Federal Funds	169,700	199,100	249,000	240,800	245,900
Dedicated Credits Revenue	1,230,700	1,483,700	1,557,100	1,881,500	2,545,000
Restricted Revenue	2,944,000	0	0	0	0
GFR - Commerce Service	13,530,100	14,783,400	15,320,900	17,174,500	18,474,100
GFR - CSF - PURF	1,451,900	4,361,300	4,504,400	4,624,700	4,883,300
GFR - Factory Built Housing Fees	0	0	104,700	104,700	104,700
GFR - Geologist Ed. & Enf.	0	0	10,000	10,000	10,000
GFR - Nurses Ed & Enf Fund	0	0	10,000	10,000	10,000
GFR - Pawnbroker Operations	0	0	45,000	0	45,000
Real Estate Education and Recovery	190,100	0	0	0	0
Transfers	403,000	22,300	328,300	421,700	0
Transfers - Within Agency	(402,900)	(22,300)	(328,300)	(421,700)	0
Pass-through	22,400	0	27,200	36,400	50,000
Beginning Nonlapsing	1,216,900	1,119,700	1,555,700	2,430,800	654,500
Beginning Fund Balances - CSF	0	0	(317,800)	100,000	0
Closing Nonlapsing	(1,119,700)	(1,555,700)	(2,212,900)	(3,607,700)	0
Lapsing Balance	(1,463,500)	(1,813,900)	(1,390,700)	(1,211,300)	0
Total	\$18,172,700	\$18,577,600	\$19,612,600	\$21,864,400	\$27,122,500
Line Items					
Commerce General Regulation	17,120,400	17,864,000	18,871,100	21,494,300	26,232,500
Real Estate Education	131,500	0	0	0	0
Public Utilities Professional & Technical S	136,000	97,200	59,600	53,500	190,000
Committee of Consumer Services Professio	784,800	616,400	681,900	316,600	700,000
Total	\$18,172,700	\$18,577,600	\$19,612,600	\$21,864,400	\$27,122,500
Categories of Expenditure					
Personal Services	13,059,200	13,840,500	14,777,900	15,311,800	18,651,700
In-State Travel	66,300	69,700	86,200	102,800	129,200
Out of State Travel	119,800	117,400	105,100	94,000	140,400
Current Expense	3,971,700	3,757,400	3,684,800	4,492,700	6,212,900
DP Current Expense	699,800	599,600	684,000	1,721,000	1,066,500
DP Capital Outlay	51,700	53,000	55,200	0	816,800
Capital Outlay	6,800	47,000	168,600	35,300	40,000
Other Charges/Pass Thru	197,400	93,000	50,800	106,800	65,000
Total	\$18,172,700	\$18,577,600	\$19,612,600	\$21,864,400	\$27,122,500
Other Data					
Budgeted FTE	260.0	262.0	256.0	260.0	260.0
Vehicles	34	34	36	36	36

Table 2-1

Special Funding

Restricted Funds Summary - Commerce Department				
Fund/Account Name	Statutory Authority	Revenue Source	Prescribed Uses	FY 2007 Balance
Commerce Service Fund	UCA 13-1-2(3)(c)(i-ii)	Department collections	Department appropriations	\$6,873,579
CSF Public Utility Reg. Fee	UCA 54-5-4.5(1-2)	Utility assessments	Utility regulatory costs	n/a
Factory Built Housing Fee	UCA 58-56-17.5(1-2)	Factory built housing fees	UBSA enforcement	\$267,569
Geologist Ed. & Enforce	UCA 58-76-103(1-3)	License surcharge & penalt	Education & enforcement	\$36,320
Nurses Ed. & Enforce.	UCA 58-31b-103	Admin. Penalties	Education & enforcement	\$59,913
Real Estate Ed. & Enforce.	UCA 61-2a	Broker & agents surcharge	Reimbursed damages	\$749,180

Table2-2

Commerce Service Fund

All collections by the Department are deposited in the Commerce Service Fund, a General Fund Restricted account. At the end of the year, remaining funds are transferred to the General Fund.

See UCA 13-1-2(3)(c)(i-ii)

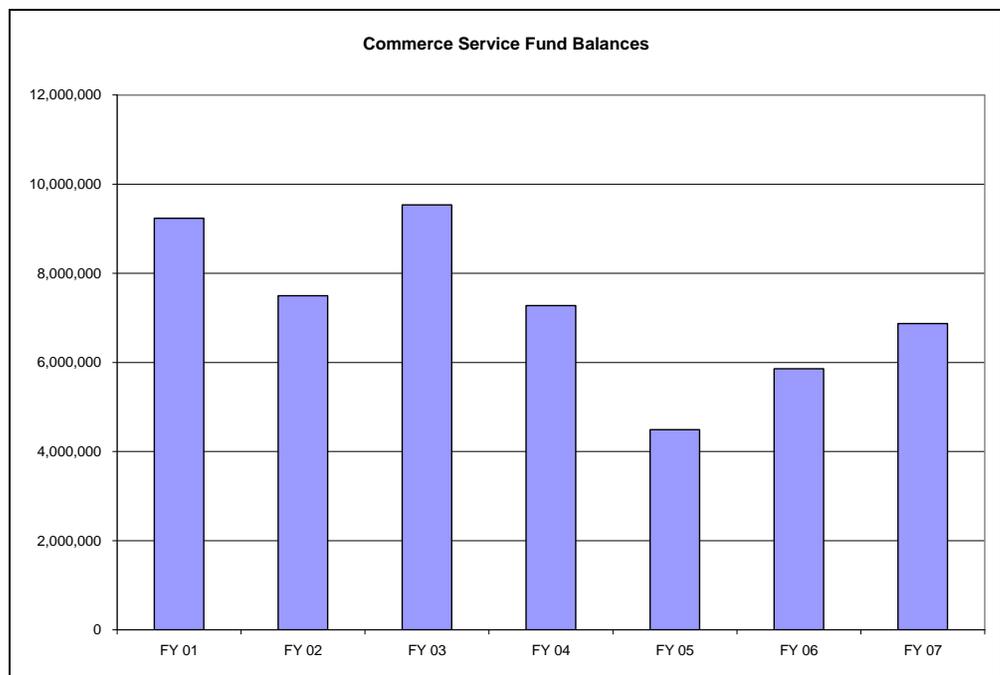


Figure 2-1

Commerce Service Fund – Public Utility Regulatory Fee (PURF)

All public utilities under the jurisdiction of the Public Service Commission are assessed a fee to cover regulatory costs. Commerce’s Executive Director sets the assessment for Commerce’s costs and the Chair of the Public Service Commission sets the assessment for the Public Service Commission’s costs. The fee is assessed as a uniform percentage of gross operating revenue.

See UCA 54-5-1.5 (1-2)

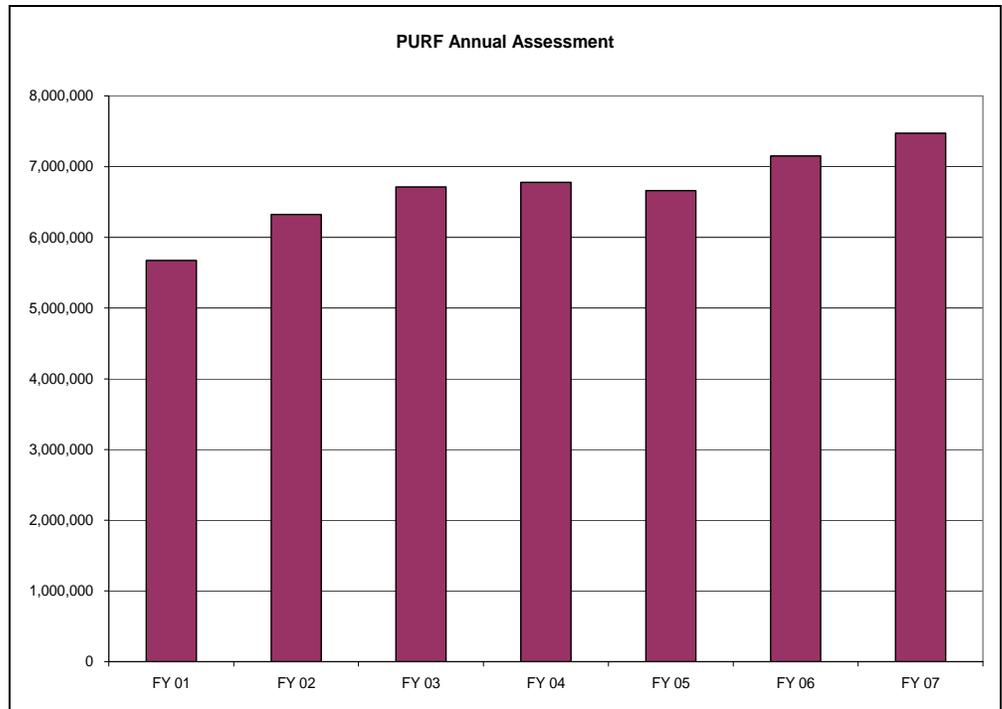


Figure 2-2

General Fund Restricted – Factory Built Housing Fees

This General Fund Restricted Account is filled from dealer collected fees that are used for education and enforcement of the Uniform Building Standards Act.

See UCA 58-56-17.5 (1-2)



Figure 2-3

General Fund Restricted – Geologist Education and Enforcement Fund

This General Fund Restricted Account is filled from a surcharge on Geologists licensing and is used for education, training, and enforcement.

See UCA 58-76-103 (1-3)

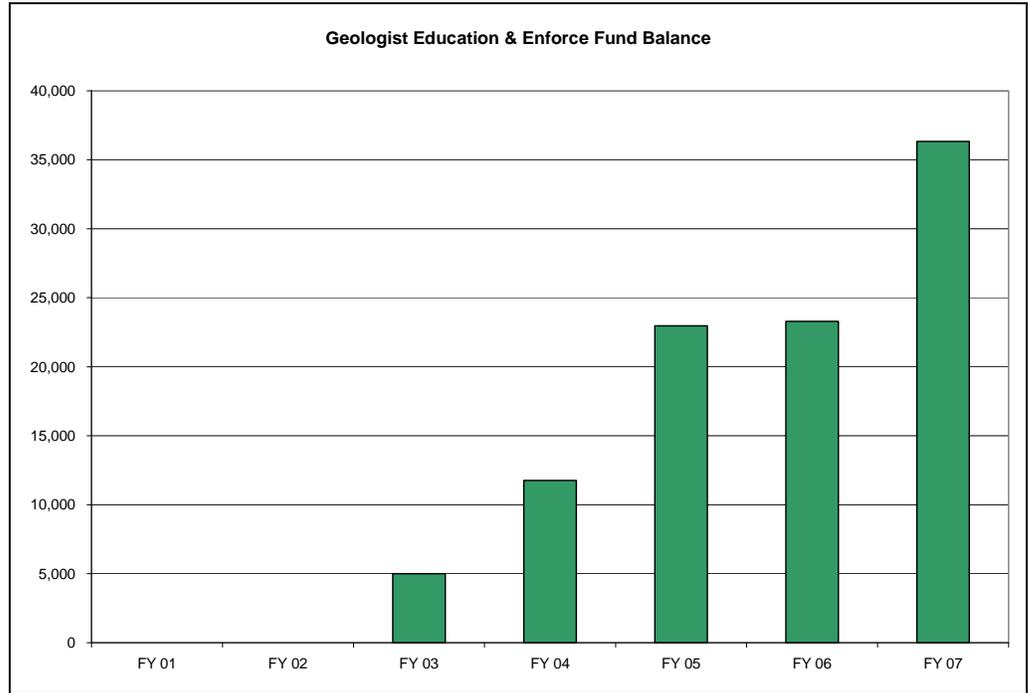


Figure 2-4

General Fund Restricted – Nurses Education and Enforcement Fund

This General Fund Restricted Account is filled from administrative penalties under UCA 58-31b-402 and may be used for education, training, and enforcement

See UCA 58-31b-103

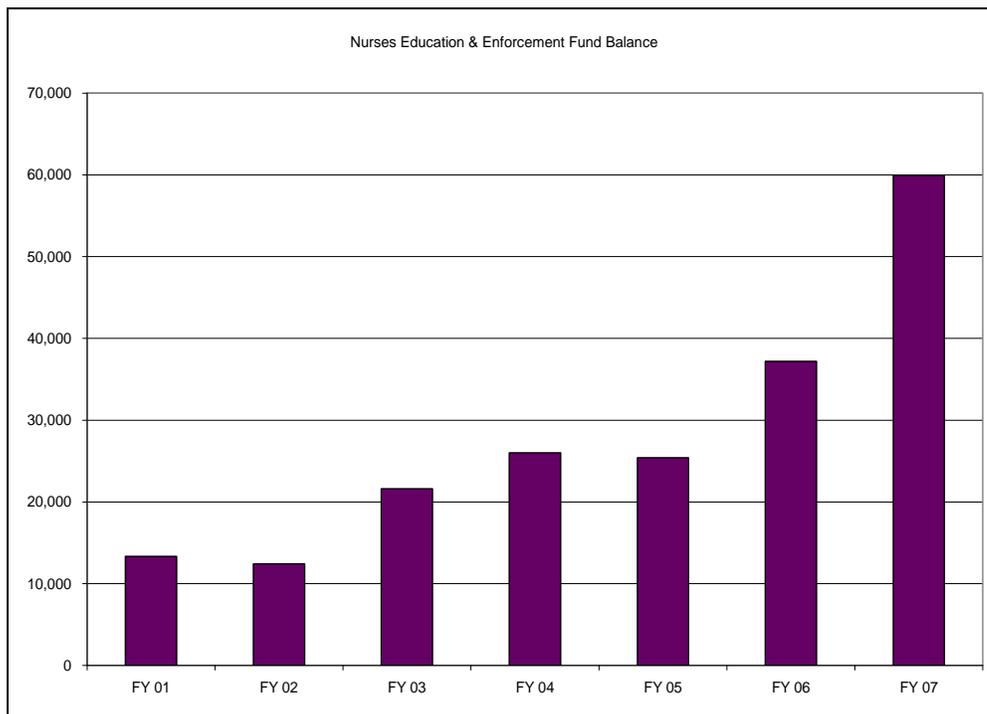


Figure 2-5

Real Estate Education and Recovery Fund

The fund reimburses the public for damages up to \$10,000, which are incurred by real estate licensees. A balance of \$100,000 is to remain in the fund to satisfy claims. The Fund can also be appropriated "... to provide revenue for improving the real estate profession through education and research with the goal of making real estate salespeople more responsible to the public." The Real Estate Education Program is funded from the balance in the restricted account in excess of the \$100,000.

See UCA 61-2a

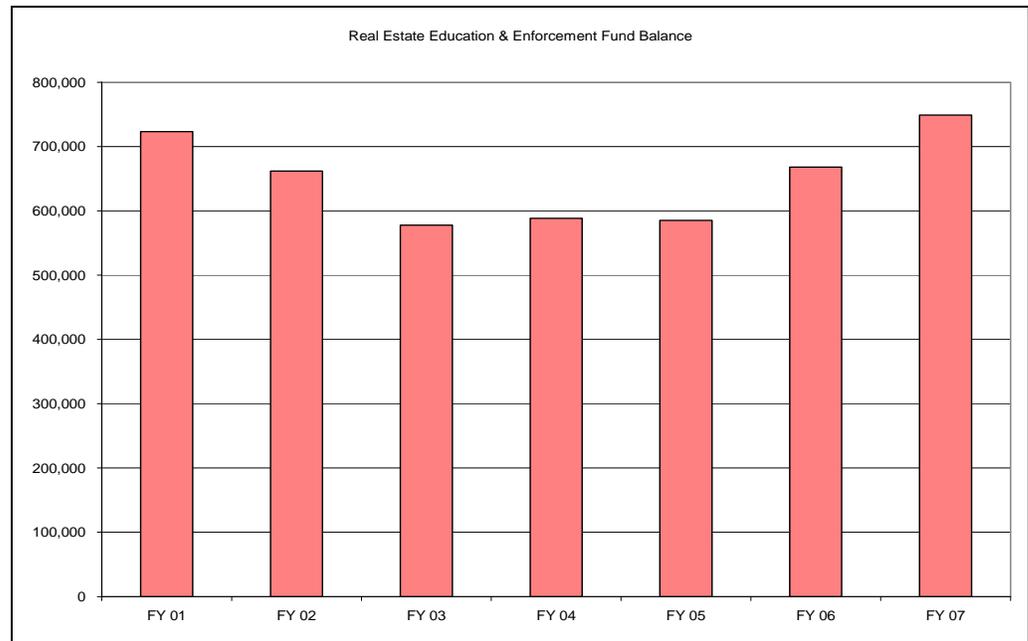


Figure 2-6

ADMINISTRATION - COMMERCE

Function

Administration oversees and manages the department. Administration includes centralized accounting, payroll, personnel, and budget functions.

The mission of the administrative office “is to provide administrative support (financial, human resources, information technology, public relations, and adjudicative) to the divisions within the Department of Commerce The Department of Commerce administrative office is also responsible for the administration of the New Motor Vehicle Franchise Act, Power Boat Franchise Act, and the Office of the Property Rights Ombudsman.”

Statutory Authority

The following laws pertain to the administrative functions of the Department of Commerce.

- UCA 13-14- New Motor Vehicle Franchise Act
- UCA 13-35- is the Power Boat Franchise Act
- UCA 13-43- Office of the Property Rights Ombudsman Funding Detail

Funding Detail

Commerce’s Executive Director administers several line items. The main appropriation for the department is called “Commerce General Regulation” and includes the programs. Additional line items are: Real Estate Education, Public Utilities Professional & Technical, and the Committee of Consumer Services Professional & Technical.

Budget History - Commerce - Commerce General Regulation - Administration					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
General Fund	0	0	0	0	(50,000)
Dedicated Credits Revenue	414,500	582,600	595,900	665,000	1,052,600
GFR - Commerce Service	2,007,900	2,538,000	1,981,100	2,745,300	3,130,200
GFR - Pawnbroker Operations	0	0	45,000	0	0
Transfers	884,700	22,300	872,100	752,700	0
Beginning Nonlapsing	101,500	248,700	524,500	801,200	0
Closing Nonlapsing	(248,700)	(524,500)	(801,200)	(843,900)	0
Lapsing Balance	(810,200)	(9,700)	(66,100)	(430,400)	0
Total	\$2,349,700	\$2,857,400	\$3,151,300	\$3,689,900	\$4,132,800
Categories of Expenditure					
Personal Services	1,388,700	1,655,200	1,754,600	1,206,000	2,140,800
In-State Travel	5,400	4,300	7,900	11,600	17,000
Out of State Travel	5,100	4,600	4,700	4,500	17,000
Current Expense	217,700	505,900	548,900	827,600	609,800
DP Current Expense	676,800	568,400	623,700	1,620,700	531,400
DP Capital Outlay	51,700	53,000	55,200	0	816,800
Capital Outlay	0	5,400	156,300	19,500	0
Other Charges/Pass Thru	4,300	60,600	0	0	0
Total	\$2,349,700	\$2,857,400	\$3,151,300	\$3,689,900	\$4,132,800
Other Data					
Budgeted FTE	21.0	21.5	14.5	15.0	15.0

Table 2-3

OCCUPATIONAL & PROFESSIONAL LICENSING

Function

The Division of Occupational and Professional Licensing (DOPL) is responsible for licensing and regulating approximately fifty-seven occupations and professions within 303 subcategories. Licensing an occupation or profession is established by law.

The division establishes minimum requirements for licensing, investigates unlawful or unprofessional conduct, and conducts administrative proceedings against individuals who allegedly engage in unlawful or unprofessional conduct.

The division also oversees the Medical Malpractice Pre-litigation Hearing Program, the Uniform Building Code Act, the Residence Lien Recovery Fund, and Construction Standards for Manufactured Housing.

“The mission of the Division of Occupational and Professional Licensing (DOPL) is to safeguard the public health, safety, and welfare through appropriate licensing and regulation of persons engaged in certain professions or occupations. In connection with its mission, the Division makes available to the public, at their request or upon the Division’s initiative for compelling reason, information known to the Division which may be released under the provisions of law, and which is necessary for the public to know to ensure their health, safety, and welfare.”

Statutory Authority Utah Code Annotated 58 contains individual licensing acts for each occupation and profession administered by DOPL. Chapter 1 of Title 58 and Chapter 1 of Title R156 are called "umbrella chapters" because they consist of general provisions that apply uniformly to all occupations and professions regulated by DOPL. However, the provisions in the specific chapters under these titles are unique to each respective occupation or profession.

Funding Detail The majority of the funding that comes to DOPL is through fees assessed on the various licenses and profession that are administered through the Division.

Budget History - Commerce - Commerce General Regulation - Occupational & Professional Licensing					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
Dedicated Credits Revenue	558,100	644,200	755,300	912,100	1,242,400
GFR - Commerce Service	6,092,000	6,420,000	6,831,400	7,483,500	7,641,200
GFR - Factory Built Housing Fees	0	0	104,700	104,700	104,700
GFR - Geologist Ed. & Enf.	0	0	10,000	10,000	10,000
GFR - Nurses Ed & Enf Fund	0	0	10,000	10,000	10,000
GFR - Pawnbroker Operations	0	0	0	0	45,000
Transfers - Within Agency	(402,900)	(22,300)	(328,300)	(421,700)	0
Beginning Nonlapsing	208,800	324,100	495,600	763,700	364,500
Closing Nonlapsing	(324,100)	(495,600)	(763,500)	(1,028,900)	0
Lapsing Balance	(259,000)	(548,200)	(529,300)	(187,600)	0
Total	\$5,872,900	\$6,322,200	\$6,585,900	\$7,645,800	\$9,417,800
Categories of Expenditure					
Personal Services	4,437,200	4,857,300	5,179,300	5,651,200	6,421,800
In-State Travel	37,900	48,300	54,800	68,400	64,000
Out of State Travel	32,700	34,300	29,700	23,400	53,000
Current Expense	1,348,900	1,337,500	1,277,300	1,793,100	2,650,900
DP Current Expense	16,200	12,100	44,800	49,000	228,100
Capital Outlay	0	32,700	0	0	0
Other Charges/Pass Thru	0	0	0	60,700	0
Total	\$5,872,900	\$6,322,200	\$6,585,900	\$7,645,800	\$9,417,800
Other Data					
Budgeted FTE	97.0	99.0	96.0	96.0	96.0
Vehicles	26	26	27	27	27

Table 2-4

Accountability

The following workload measure helps legislators understand how busy an agency is, a useful consideration if an agency is asking for additional FTE or technology to help cope with increasing workload.

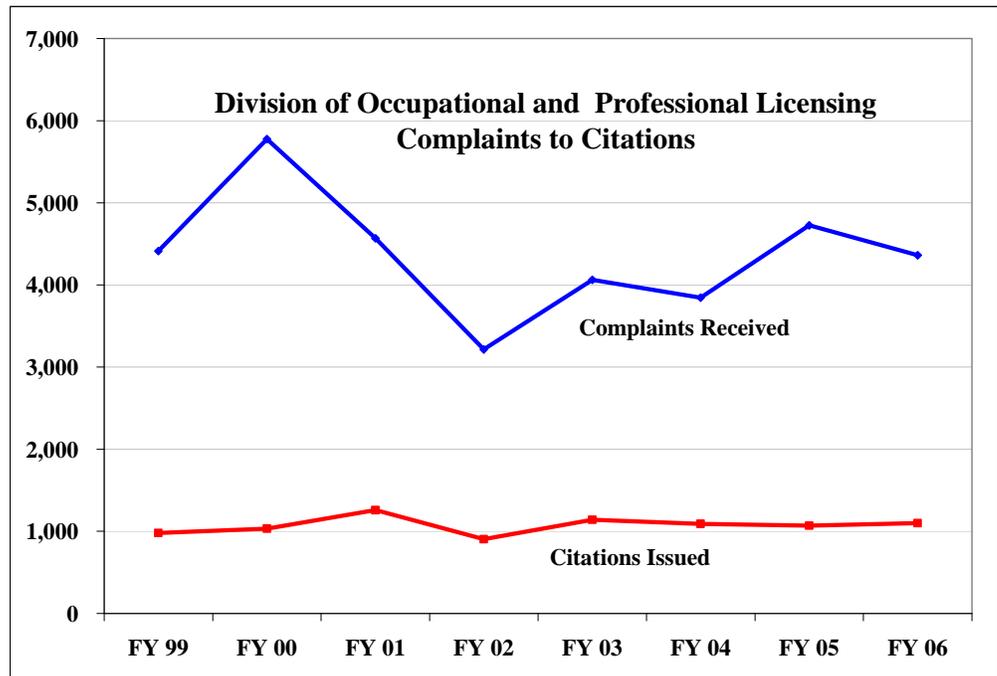


Figure 2-8

Measure: DOPL Complaints Received vs. Citations

Goal: To investigate legitimate complaints and issue a citation where applicable. Citations is one of the tools used to reduce complaints.

Methodology: This is a simple count of complaints received and citations issued by the Division of Professional Licensing.

Measure Type: Complaints are a workload measure while citations are an output measure.

NOTE: This metric is no longer tracked by the Department of Commerce with the recent adoption of the Balanced Score Card. The Office of Legislative Fiscal Analyst will be recommending the adoption of new performance measures during the 2008 General Session.

SECURITIES

Function

The Division of Securities administers and enforces the Utah Uniform Securities Act. It licenses broker-dealers, agents, investment advisors, investment adviser representatives, and certified dealers. It audits registration and exemption filings made by businesses issuing securities. The Division investigates securities violations and initiates administrative actions to deny, revoke or suspend licenses or registrations to stop unlawful activities. It also brings civil injunctive actions and refers investigations to state or local prosecutors for criminal prosecution.

“The mission of the division is to enhance Utah’s business climate by protecting Utah’s investors through education, enforcement, and fair regulation of Utah’s investment industry while creating opportunities for capital formation.”

Statutory Authority Utah Code Annotated Chapter Sections 61-1-1 through 61-1-30 describe the function and authority of the Division of Securities.

Funding Detail The Division of Securities is funded primarily through Dedicated Credit it collects by administering the Utah Uniform Securities Act.

Budget History - Commerce - Commerce General Regulation - Securities					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
Dedicated Credits Revenue	0	0	4,100	0	0
GFR - Commerce Service	1,331,100	1,417,200	1,540,300	1,652,800	1,741,600
Transfers	(55,900)	0	(43,000)	(43,000)	0
Beginning Nonlapsing	0	0	0	4,000	0
Closing Nonlapsing	0	0	(4,100)	0	0
Lapsing Balance	(34,600)	(91,100)	(72,800)	(44,300)	0
Total	\$1,240,600	\$1,326,100	\$1,424,500	\$1,569,500	\$1,741,600
Categories of Expenditure					
Personal Services	1,155,800	1,249,200	1,362,200	1,490,800	1,451,000
In-State Travel	600	100	200	200	200
Out of State Travel	8,200	1,800	1,400	900	1,400
Current Expense	68,500	74,700	60,500	77,200	288,800
DP Current Expense	700	300	200	400	200
Capital Outlay	6,800	0	0	0	0
Total	\$1,240,600	\$1,326,100	\$1,424,500	\$1,569,500	\$1,741,600
Other Data					
Budgeted FTE	22.0	22.0	22.0	22.0	22.0
Vehicles	2	2	2	2	2

Table 2-9

Accountability The following graph helps legislators see if operating expenses are increasing faster than workload. The agency is holding expenses below 20% of revenues.

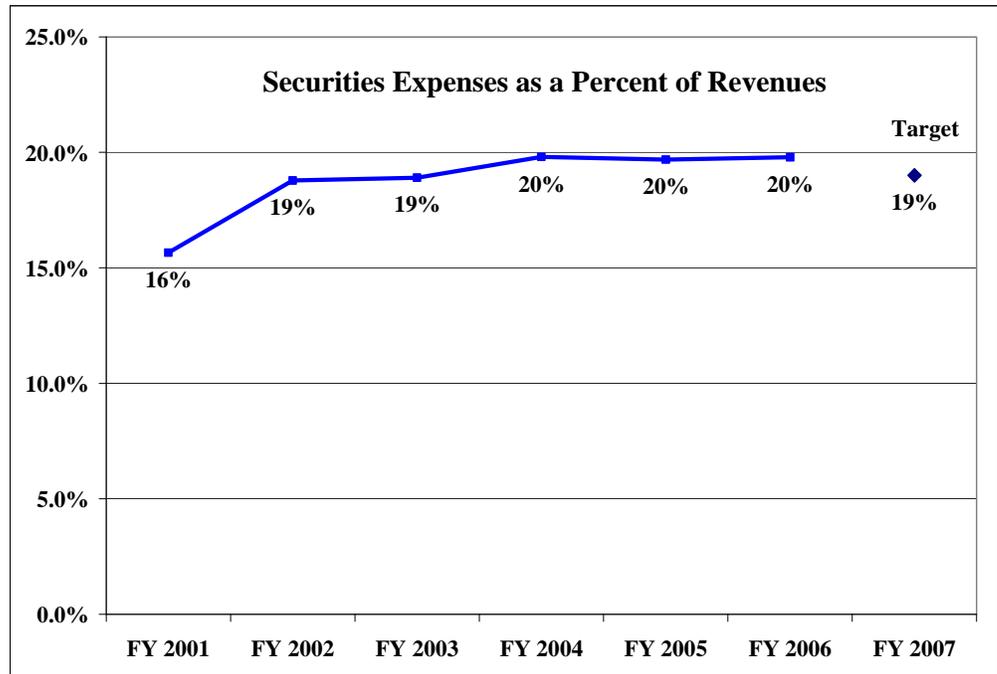


Figure 2-8

Measure: Operating expenses as a percent of revenue generated

Goal: Maximize revenues while operating at minimal expense.

Methodology: Divide division operating expenses by revenues generated.

Measure Type: Efficiency

The Division has kept expenses less than 20% of total revenues for the last six years.

NOTE: This metric is no longer tracked by the Department of Commerce with the recent adoption of the Balanced Score Card. The Office of Legislative Fiscal Analyst will be recommending the adoption of new performance measures during the 2008 General Session.

CONSUMER PROTECTION

Function

The Division of Consumer Protection helps consumers and businesses deal with dishonest commercial practices. The division enforces thirteen consumer protection statutes. It responds to consumer complaints, prevents and corrects unfair and deceptive business practices, provides consumer relief and promotes consumer education programs. The division’s primary goal is to balance the need to provide a regulatory environment that is firm, reasonable, and fair against the need to protect consumers and encourage business growth.

The mission of the division is to “respond to consumer complaints, unfair and deceptive business practices, and provide consumer education. The Division has a three-pronged approach to consumer protection: education, registration, and enforcement.”

Statutory Authority The Division of Consumer Protection statutory comes from 18 different statutes.

- **UCA-13-2** is the authorizing statute for the division
- **UCA-13-15** is the Business Disclosure Act
- **UCA-13-22** is the Charitable Solicitation Act
- **UCA-13-39** is the Child Protection Act
- **UCA-13-11** is the Consumer Sales Practices Act
- **UCA-13-21** is the Credit Services Organizations Act
- **UCA-13-23** is the Health Spa Services Protection Act
- **UCA-13-10a** is the Music Licensing Practices Act
- **UCA-13-20** is the New Motor Vehicles Warranty Act (Lemon Law)
- **UCA-13-32a** is the Pawnshop Transaction Information Act
- **UCA-13-41** is the Prize Notice Regulation Act
- **UCA-13-34** is the Postsecondary Proprietary School Act
- **UCA-76-6a** is the Pyramid Scheme Act
- **UCA-13-25a** is the Telephone and Facsimile Solicitation Act
- **UCA-13-5** is the Unfair Practices Act
- **UCA-13-42** is the Uniform Debt-Management Act

Funding Detail The Division of Consumer Protection is primarily funded through the Commerce Service Fund and some General Funds.

Budget History - Commerce - Commerce General Regulation - Consumer Protection					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
General Fund	0	0	50,000	50,000	50,000
General Fund, One-time	0	0	100,000	20,000	100,000
GFR - Commerce Service	858,100	964,300	1,047,300	1,022,900	1,362,900
Transfers	(32,900)	0	(40,900)	0	0
Beginning Nonlapsing	0	0	0	150,000	0
Closing Nonlapsing	0	0	(150,000)	0	0
Lapsing Balance	(40,600)	(41,900)	(23,000)	(39,100)	0
Total	\$784,600	\$922,400	\$983,400	\$1,203,800	\$1,512,900
Categories of Expenditure					
Personal Services	747,400	878,800	941,300	1,126,700	1,326,600
Current Expense	37,200	42,200	41,900	74,600	186,300
DP Current Expense	0	1,400	200	2,500	0
Total	\$784,600	\$922,400	\$983,400	\$1,203,800	\$1,512,900
Other Data					
Budgeted FTE	16.0	17.5	18.5	20.0	20.0
Vehicles	1	1	2	2	2

Table 2-10

Accountability

This graph shows that the division is closing cases in a timely manner.

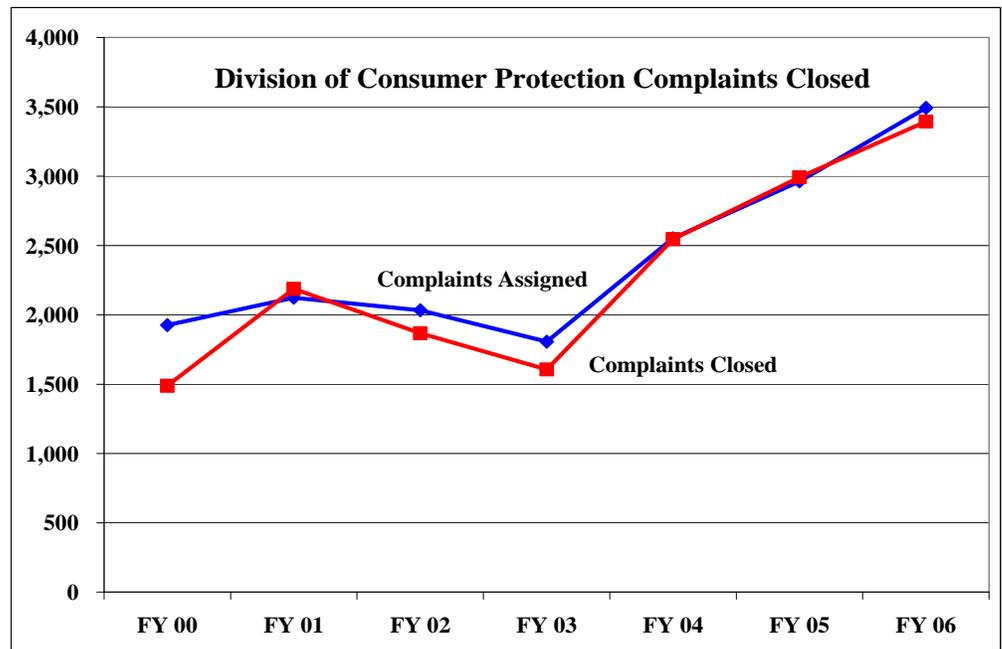


Figure 2-9

Measure: Consumer protection complaints handled

Goal: Investigate legitimate complaints and close cases effectively in proportion.

Methodology: This is a straight count of complaints assigned and complaints closed. It does not address the backlog or time to close a complaint.

Measure Type: Workload and efficiency.

NOTE: This metric is no longer tracked by the Department of Commerce with the recent adoption of the Balanced Score Card. The Office of Legislative Fiscal Analyst will be recommending the adoption of new performance measures during the 2008 General Session.

CORPORATIONS & COMMERCIAL CODE

Function

The Corporations and Commercial Code Division is the State's filing office for all corporations, commercial code, business registration, limited partnerships, limited liability companies, notaries public, collection agencies, trademarks, and agricultural liens. The Division registers businesses and provides information, expedites customer needs and makes available its records and data collections for public research.

Through online web applications, the Division of Corporations provides customers with accessible, convenient and responsive service to business name searches, annual business renewals, Uniform Commercial Code (UCC) and agricultural lien filings and searches.

The mission of the division is "to serve business enterprises by providing registration and informational assistance. Additionally, the Division serves the public by facilitating access to all of its records and data. The Division functions as Utah's filing office and repository for all corporations, commercial code filings, business registrations, limited partnerships, limited liability companies, limited liability partnerships, collection agencies, and trademarks."

Statutory Authority

The laws that govern the Division of Corporations and Commercial Code can be found in the following chapters of the Utah Code Annotated:

- **UCA-12** is Collection Agency Statute
- **UCA-46**-Notaries Public Reform Act
- **UCA-63-30d**-is the Governmental Immunity Act
- **UCA-70**-Registration and Protection of Trademarks and Service Marks Act
- **UCA-70**-is the Uniform Commercial Code

Funding Detail

Budget History - Commerce - Commerce General Regulation - Corporations and Commercial Code					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
GFR - Commerce Service	1,961,900	1,889,700	2,248,700	2,479,400	2,626,000
Transfers	(226,000)	0	(288,000)	(288,000)	0
Beginning Fund Balances - CSF	0	0	0	100,000	0
Closing Nonlapsing	0	0	(100,000)	0	0
Lapsing Balance	0	(146,200)	(132,800)	(341,300)	0
Total	\$1,735,900	\$1,743,500	\$1,727,900	\$1,950,100	\$2,626,000
Categories of Expenditure					
Personal Services	1,403,400	1,522,100	1,498,600	1,666,800	1,893,000
In-State Travel	200	100	700	500	1,000
Out of State Travel	4,500	6,500	9,000	4,300	7,000
Current Expense	327,800	212,300	218,100	243,300	600,000
DP Current Expense	0	2,500	1,500	35,200	125,000
Total	\$1,735,900	\$1,743,500	\$1,727,900	\$1,950,100	\$2,626,000
Other Data					
Budgeted FTE	38.0	38.0	39.0	39.0	39.0

Table 2-10

Accountability

Online renewals have been implemented and increasing.

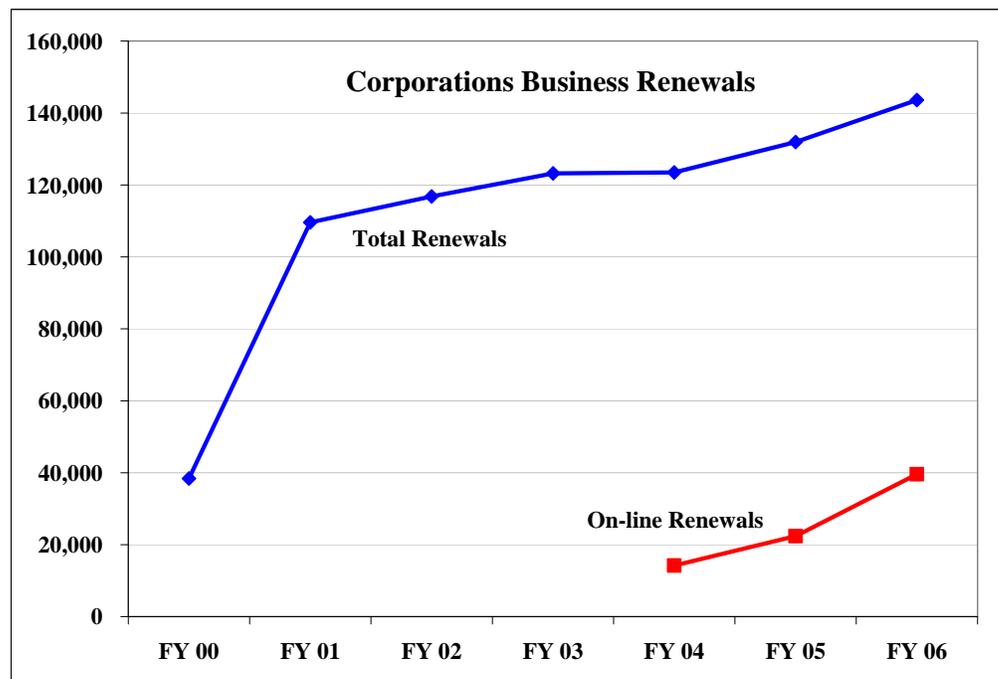


Figure 2-9

Measure: Division of Corporations Business Renewals

Goal: Make business renewals less burdensome on citizens and reduce the need to add FTE to cover growth.

Methodology: This is a straight count of total business renewals with a breakout of the number of online renewals

Measure Type: Workload and output

NOTE: This metric is no longer tracked by the Department of Commerce with the recent adoption of the Balanced Score Card. The Office of Legislative Fiscal Analyst will be recommending the adoption of new performance measures during the 2008 General Session.

REAL ESTATE

Function

The Division of Real Estate regulates Utah’s real estate industry. It protects the public through education and licensing. The Division licenses all real estate brokers, sales agents, and appraisers. It investigates, and when necessary, conducts disciplinary proceedings. The Division screens all subdivided lands and time-share projects and insures full disclosure in offerings. The Division audits broker trust accounts, and monitors sales and appraisals to ensure they are fair and reasonable. The Division also administers the Utah Residential Mortgage Practices Act and registers residential mortgage professionals and companies not affiliated with financial institutions.

The division mission is to “protect the public through education, licensure and regulation of appraisal, mortgage, and real estate professionals.”

Statutory Authority The following statutes govern the authority of the Division of Real Estate:

- **UCA-61-2** Division of Real Estate
- **UCA-61-2a**-Real Estate Recovery Fund Act
- **UCA-61-2b**-Real Estate Appraiser Licensing and Certification Act
- **UCA-61-02c**-Utah Residential Mortgage Practices Act

Funding Detail

Budget History - Commerce - Commerce General Regulation - Real Estate					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
Dedicated Credits Revenue	258,100	256,900	201,800	304,400	250,000
GFR - Commerce Service	1,047,800	1,220,200	1,438,800	1,559,300	1,740,900
Transfers	(19,600)	0	(63,100)	0	0
Pass-through	22,400	0	27,200	36,400	50,000
Lapsing Balance	0	(197,700)	(119,600)	(162,600)	0
Total	\$1,308,700	\$1,279,400	\$1,485,100	\$1,737,500	\$2,040,900
Categories of Expenditure					
Personal Services	748,500	788,500	998,100	1,086,000	1,455,800
In-State Travel	6,100	4,300	10,600	11,500	15,000
Out of State Travel	11,000	12,200	15,600	12,600	20,000
Current Expense	520,400	432,400	421,100	590,800	452,100
DP Current Expense	0	700	3,900	800	33,000
Capital Outlay	0	8,900	0	0	0
Other Charges/Pass Thru	22,700	32,400	35,800	35,800	65,000
Total	\$1,308,700	\$1,279,400	\$1,485,100	\$1,737,500	\$2,040,900
Other Data					
Budgeted FTE	18.0	18.0	20.0	22.0	22.0
Vehicles	1	1	1	1	1

Table 2-11

Accountability

This measure shows that the division is closing more cases than ever. It does not show the relationship between cases filed and cases closed or the time it takes to close a case.



Figure 2-10

Measure: Real Estate investigations closed

Goal: To investigate legitimate complaints and close cases in a timely manner.

Methodology: This is a count of the number of investigations closed.

Measure Type: Output

NOTE: This metric is no longer tracked by the Department of Commerce with the recent adoption of the Balanced Score Card. The Office of Legislative Fiscal Analyst will be recommending the adoption of new performance measures during the 2008 General Session.

PUBLIC UTILITIES - COMMERCE

Function

The Division of Public Utilities administers rules and orders of the Public Service Commission and state public utility laws. The Division has quasi-judicial and rule making roles. The Division’s regulations substitute for economic competition among non-competing businesses. The rulings must balance utilities financial health while representing rate payer interests. There are approximately 163 public utilities operating in Utah.

The mission of the division is to promote the public interest in utility regulation and work to ensure that all utility customers have access to safe, reliable service at reasonable rates.

Statutory Authority UCA-54-04a establishes the division and their ruling making authority.

Funding Detail

Budget History - Commerce - Commerce General Regulation - Public Utilities					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
Federal Funds	169,700	199,100	249,000	240,800	245,900
Restricted Revenue	2,944,000	0	0	0	0
GFR - Commerce Service	0	100,700	0	0	0
GFR - CSF - PURF	0	2,942,200	3,027,300	3,107,700	3,316,700
Transfers	(108,800)	0	(108,800)	0	0
Closing Nonlapsing	0	0	0	(556,800)	0
Lapsing Balance	(138,100)	(763,400)	(431,400)	0	0
Total	\$2,866,800	\$2,478,600	\$2,736,100	\$2,791,700	\$3,562,600
Categories of Expenditure					
Personal Services	2,515,400	2,329,800	2,542,200	2,551,800	3,105,100
In-State Travel	12,700	9,500	10,100	7,000	30,000
Out of State Travel	26,000	18,800	28,000	29,800	35,000
Current Expense	142,100	119,000	118,900	180,600	203,700
DP Current Expense	200	1,500	9,600	12,200	148,800
Capital Outlay	0	0	12,300	0	40,000
Other Charges/Pass Thru	170,400	0	15,000	10,300	0
Total	\$2,866,800	\$2,478,600	\$2,736,100	\$2,791,700	\$3,562,600
Other Data					
Budgeted FTE	36.0	36.0	36.0	36.0	36.0
Vehicles	4	4	4	4	4

Table 2-12

Accountability

Fewer and fewer complaints are being handled by the division.

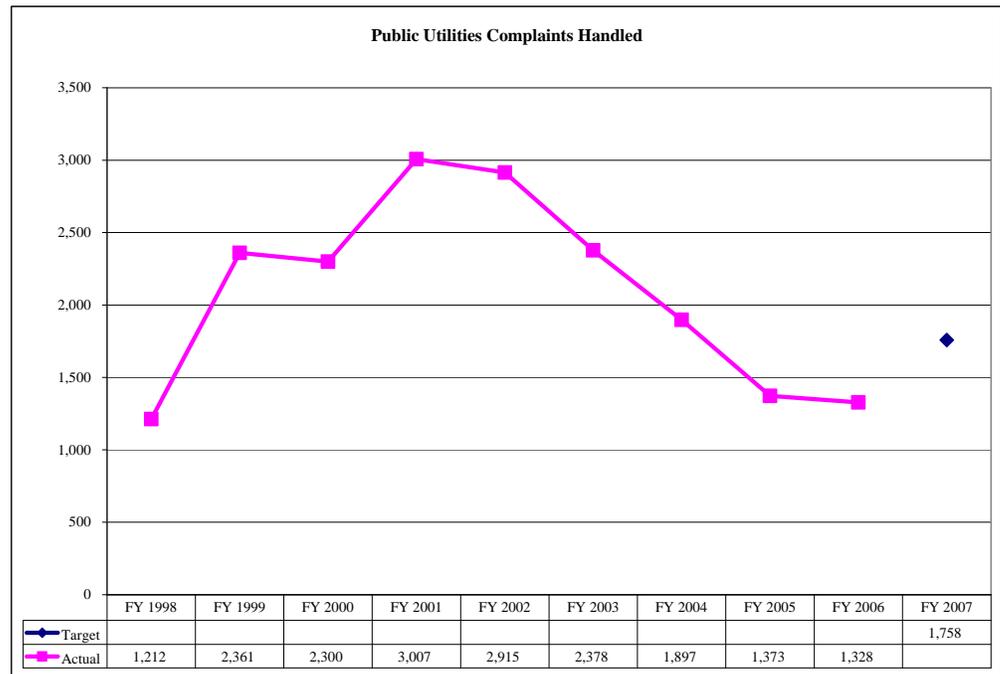


Figure 2-12

Measure: Public Utilities Complaints Handled

Goal: To improve service levels and decrease the overall number of customer complaints.

Methodology: This is simple count of the number of complaints handled by the Public Utilities division.

Measure Type: Output.

NOTE: This metric is no longer tracked by the Department of Commerce with the recent adoption of the Balanced Score Card. The Office of Legislative Fiscal Analyst will be recommending the adoption of new performance measures during the 2008 General Session.

COMMITTEE OF CONSUMER SERVICES

Function

The Committee is a policy board that represents the interests of residential, small business and agricultural rate payers before the Public Service Commission. The Committee is composed of nine staff members and one Assistant Attorney General.

The mission of the committee is “to represent the interests of small business owners, farmers and ranchers, and residential customers of natural gas, electric, and telephone utilities in Utah. The Committee meets regularly in public meetings to listen to its constituents and provide direction to the staff.

The Committee has the statutory responsibility to advocate positions most advantageous to a majority of its constituency before the Public Service Commission of Utah.”

Statutory Authority Utah Code Annotated 54-10-Provides the mission and the authority of the Department of Commerce, Committee of Consumer Services.

Funding Detail

Budget History - Commerce - Commerce General Regulation - Committee of Consumer Services					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
GFR - CSF - PURF	851,900	819,100	877,100	917,000	966,600
Transfers	(38,500)	0	0	0	0
Beginning Fund Balances - CSF	0	0	(317,800)	0	0
Closing Nonlapsing	(69,800)	(102,300)	0	(236,300)	0
Total	\$743,600	\$716,800	\$559,300	\$680,700	\$966,600
Categories of Expenditure					
Personal Services	555,700	532,100	433,200	519,000	857,600
In-State Travel	3,400	3,100	1,900	3,600	2,000
Out of State Travel	25,700	30,300	6,400	11,900	7,000
Current Expense	152,900	138,600	117,700	130,200	100,000
DP Current Expense	5,900	12,700	100	200	0
Capital Outlay	0	0	0	15,800	0
Total	\$743,600	\$716,800	\$559,300	\$680,700	\$966,600
Other Data					
Budgeted FTE	10.0	10.0	10.0	10.0	10.0

Table 2-13

BUILDING OPERATIONS & MAINTENANCE - COMMERCE

Function The Department of Commerce is primarily located at the Heber M. Wells Building off of 300 South and 100 East in Salt Lake City. The building is owned and operated by the Department of Administrative Services, Division of Facilities and Construction Management (DFCM).

Funding Detail

Budget History - Commerce - Commerce General Regulation - Building Operations and Maintenance					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
GFR - Commerce Service	231,300	233,300	233,300	231,300	231,300
Real Estate Education and Recovery	2,000	0	0	0	0
Lapsing Balance	(15,700)	(15,700)	(15,700)	(6,000)	0
Total	\$217,600	\$217,600	\$217,600	\$225,300	\$231,300
Categories of Expenditure					
Current Expense	217,600	217,600	217,600	225,300	231,300
Total	\$217,600	\$217,600	\$217,600	\$225,300	\$231,300

Table 2-14

PUBLIC UTILITIES PROFESSIONAL & TECHNICAL – COMMERCE

Function

The Division of Public Utilities hires expert witnesses to perform special studies and appear in rate cases before the Public Service Commission. These funds have traditionally been non-lapsing and have been appropriated in a separate line item.

Funding Detail

Budget History - Commerce - Public Utilities Professional & Technical Services - Professional & Technical Services					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
GFR - CSF - PURF	100,000	100,000	100,000	100,000	100,000
Beginning Nonlapsing	163,300	127,300	130,100	170,500	90,000
Closing Nonlapsing	(127,300)	(130,100)	(170,500)	(217,000)	0
Total	\$136,000	\$97,200	\$59,600	\$53,500	\$190,000
Categories of Expenditure					
Out of State Travel	0	0	0	2,200	0
Current Expense	136,000	97,200	59,600	51,300	190,000
Total	\$136,000	\$97,200	\$59,600	\$53,500	\$190,000

Table 2-15

COMMITTEE OF CONSUMER SERVICES – PROFESSIONAL & TECHNICAL

Function

The Committee of Consumer Services hires expert witnesses to appear in rate cases before the Public Service Commission. These funds have traditionally been non-lapsing and have been appropriated in a separate line item.

Funding Detail

Commerce - Committee of Consumer Services Professional and Technical Services - Professional & Technical Services					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
GFR - CSF - PURF	500,000	500,000	500,000	500,000	500,000
Beginning Nonlapsing	634,600	419,600	405,500	541,400	200,000
Closing Nonlapsing	(349,800)	(303,200)	(223,600)	(724,800)	0
Total	\$784,800	\$616,400	\$681,900	\$316,600	\$700,000
Categories of Expenditure					
Personal Services	0	27,500	68,400	13,500	0
Out of State Travel	6,600	8,900	10,300	4,400	0
Current Expense	778,200	580,000	603,200	298,700	700,000
Total	\$784,800	\$616,400	\$681,900	\$316,600	\$700,000

Table 2-16

CHAPTER 3 FINANCIAL INSTITUTIONS

Function

The Department of Financial Institutions regulates state-chartered deposit taking institutions including banks, savings and loan associations, credit unions, and industrial loan banks. It also regulates third-party payment providers, independent escrow companies, check cashers, payday lenders, title lenders, and mortgage loan servicers operating in Utah.

The Department of Financial Institutions promotes the availability of sound financial services through chartering, regulating, and supervising. The Department is open to establishing new and enhancing existing financial products.

Financial Institutions regulates 117 institutions including, 26 commercial banks, 58 credit unions, 31 industrial banks, and 2 trust companies. It also regulates 35 travelers check or money order issuers, 4 independent escrow companies, 256 check cashers/payday lenders, 71 title lenders and 233 residential first mortgage loan servicers. The Department employs 54 people.

Two primary Department goals are 1) to do the number of examinations required to maintain the health of the State-chartered banking and credit union systems in Utah and 2) to be accredited by the financial institution peers in an interstate banking environment.

The Department’s primary activity is the examination of depository institutions for safety, soundness, and compliance with all state and federal laws and rules. In the case of depository institutions, its statutory charge is to charter, regulate, supervise and safeguard the interest of shareholders, members, depositors, and borrowers, through on site examinations and remedial action orders.

For persons or entities that provide public financial services, the Department’s statutory requirement is that consumer credit terms be lawful and easily understood.

Statutory Authority

The following statutory references govern Utah’s financial institutions and can be found in the Utah Code Annotated in the following places:

- UCA-7-1 through 24, is the Financial Institutions Act which includes depository Institutions, general provisions for regulating commercial banks, trusts, savings and loans, industrial loan corporations, and credit unions.
- UCA-22-1 through 6 regulates Fiduciaries and trusts
- UCA- 70C, chapters 1 through 8 is the Utah Consumer Credit Code
- UCA-70D-1 is the Mortgage Lending and Serving Act

Funding Detail

Financial Institutions is funded primarily through assessments on financial institutions they regulate.

Budget History - Financial Institutions					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
GFR - Financial Institutions	4,476,000	4,789,100	5,093,100	5,789,900	6,085,900
Beginning Nonlapsing	0	30,000	0	0	0
Closing Nonlapsing	(30,000)	0	0	0	0
Lapsing Balance	(182,200)	(174,200)	(332,900)	(172,600)	0
Total	\$4,263,800	\$4,644,900	\$4,760,200	\$5,617,300	\$6,085,900
Line Items					
Financial Institutions Administration	4,263,800	4,644,900	4,760,200	5,617,300	6,085,900
Total	\$4,263,800	\$4,644,900	\$4,760,200	\$5,617,300	\$6,085,900
Categories of Expenditure					
Personal Services	3,698,700	3,864,900	4,079,100	4,779,300	5,227,900
In-State Travel	100,300	83,300	95,100	109,900	118,300
Out of State Travel	163,200	247,100	113,600	190,400	187,800
Current Expense	265,100	377,800	340,300	390,900	424,200
DP Current Expense	36,500	59,000	132,100	146,800	127,700
DP Capital Outlay	0	12,800	0	0	0
Total	\$4,263,800	\$4,644,900	\$4,760,200	\$5,617,300	\$6,085,900
Other Data					
Budgeted FTE	50.0	50.0	54.0	54.0	54.0

Table 3-1

Restricted Funds Summary - Financial Institutions				
Fund/Account Name	Statutory Authority	Revenue Source	Prescribed Uses	FY 2007 Balance
Financial Institutions	UCA 7-1-401 to 403	Fees	Financial instit. Regulation	\$1,021,814

Table 3-2

General Fund Restricted – Financial Institutions

Funding for the Department is from a General Fund Restricted Account for Financial Institutions. Fees are collected on assets under supervision and on some examinations. These funds are used solely for the regulation of financial institutions. Funds remaining at the end of the year lapse back to the restricted account.

See (UCA 7-1-401,402, 403).

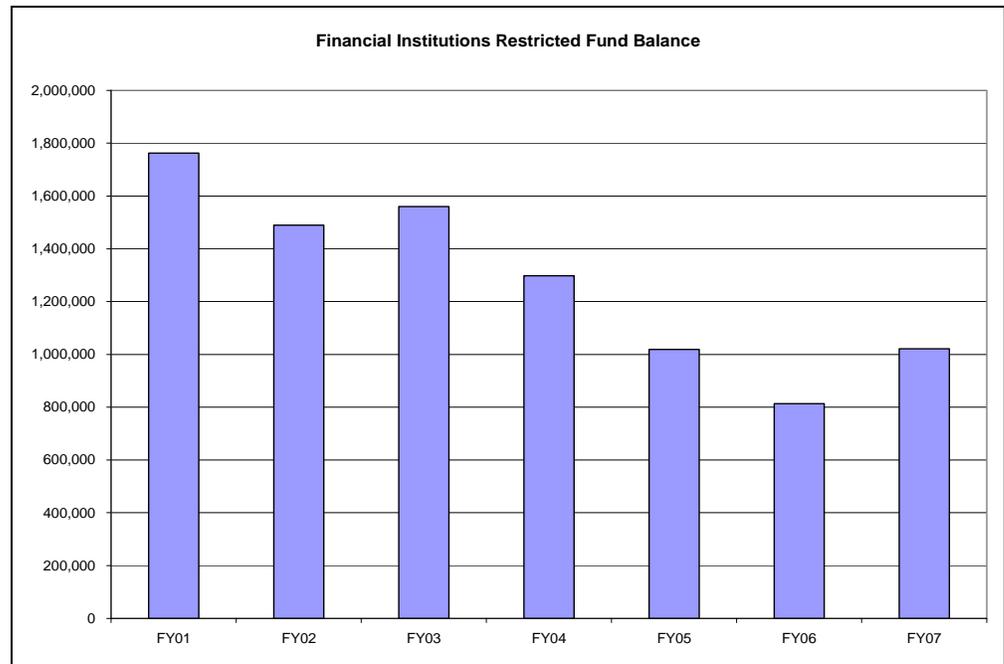


Figure 3-1

FINANCIAL INSTITUTIONS ADMINISTRATION

Function

Financial Institutions has two programs: Administration which includes everything the Department does; and Building Operations and Maintenance which separates rent from everyday operations.

Funding Detail

Budget History - Financial Institutions - Financial Institutions Administration - Administration					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
GFR - Financial Institutions	4,361,200	4,674,300	4,898,100	5,594,900	5,890,900
Beginning Nonlapsing	0	30,000	0	0	0
Closing Nonlapsing	(30,000)	0	0	0	0
Lapsing Balance	(173,900)	(167,600)	(289,400)	(143,300)	0
Total	\$4,157,300	\$4,536,700	\$4,608,700	\$5,451,600	\$5,890,900
Categories of Expenditure					
Personal Services	3,698,700	3,864,900	4,079,100	4,779,300	5,227,900
In-State Travel	100,300	83,300	95,100	109,900	118,300
Out of State Travel	163,200	247,100	113,600	190,400	187,800
Current Expense	158,600	269,600	188,800	225,200	229,200
DP Current Expense	36,500	59,000	132,100	146,800	127,700
DP Capital Outlay	0	12,800	0	0	0
Total	\$4,157,300	\$4,536,700	\$4,608,700	\$5,451,600	\$5,890,900
Other Data					
Budgeted FTE	50.0	50.0	54.0	54.0	54.0

Table 3-4

Accountability

This output measure shows the increase in assets under supervision for the department on a per examiner basis.

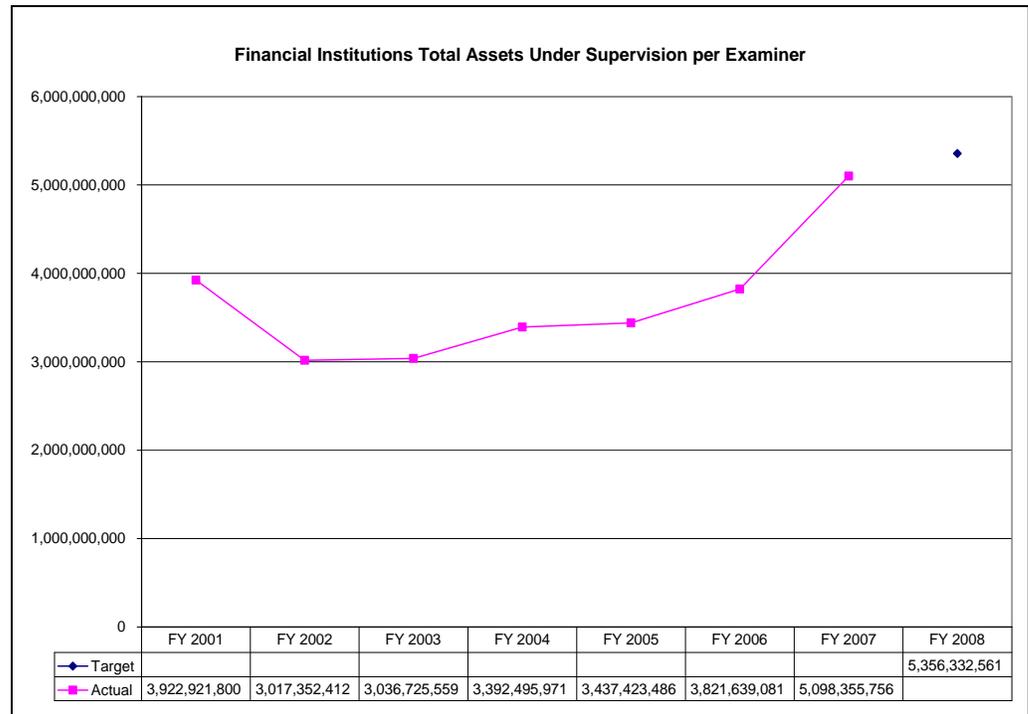


Figure 3-2

Measure: Total Assets Under Supervision Per Examiner

Goal: Maintain examiner assets under supervision at a level that allows adequate examination.

Methodology: Divide total assets by the number of examiners.

Measure Type: Workload.

BUILDING OPERATIONS & MAINTENANCE – FINANCIAL INSTITUTIONS

Function

The Department of Financial Institutions is located at 324 South State Street on the second floor. This downtown Salt Lake City office space is located in an area of escalating lease expenses. Parking is provided on site. The Department’s lease is well within the acceptable range established by the Division of Facilities and Construction Management (DFCM).

Funding Detail

Budget History - Financial Institutions - Financial Institutions Administration - Building Operations and Maintenance					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
GFR - Financial Institutions	114,800	114,800	195,000	195,000	195,000
Lapsing Balance	(8,300)	(6,600)	(43,500)	(29,300)	0
Total	\$106,500	\$108,200	\$151,500	\$165,700	\$195,000
Categories of Expenditure					
Current Expense	106,500	108,200	151,500	165,700	195,000
Total	\$106,500	\$108,200	\$151,500	\$165,700	\$195,000

Table 3-5

CHAPTER 4 INSURANCE DEPARTMENT

Function	<p>The Insurance Department protects the public by regulating insurance companies and individual agents to assure equitable and competitive business practices. The Department is divided into eleven work sections, eight of which are funded from the General Fund with the remainder funded by dedicated or restricted funds.</p> <p>Activity, function and structure have been regrouped to reduce processing time, improve department efficiency, and enhance customer service. Traditionally, the department’s appropriation has been considered one budget. The department’s appropriation is offset by fees collected by the department which are deposited into the General Fund. Fees are collected for a variety of activities in addition to licensing of agents and brokers.</p> <p>The mission of the department is to foster a healthy insurance market by promoting fair and reasonable practices that ensure available, affordable and reliable insurance products and services.</p> <p>The mission of the department is accomplished by educating, serving and protecting insurance consumers, governmental agencies and all insurance industry participants at a reasonable cost. The Department cooperates with and serve state and other governmental agencies in fulfilling their responsibilities.</p>
Statutory Authority	<p>The general and specific authority to regulate all aspects of the insurance industry in Utah are found in the Utah Code Annotated Title 31A, chapters 1 through 37.</p>
Intent Language	<p>S.B. 3, Item 64, 2007 General Session:</p> <p><i>Under Section 63-38-8 of the Utah Code the Legislature intends that up to \$35,000 from the General Fund provided by Item 61 of 'New Fiscal Year Supplemental Appropriations Act' (H.B. 150, 2007 General Session) for Insurance Administration not lapse at the close of fiscal year 2008 and be used for costs associated with electronic payment transactions. The Legislature further intends that the Insurance Department may use the dedicated credits it collected under UCA 63-38a-105, before the repeal of UCA 63-38a-105, for costs associated with electronic payment transactions.</i></p>

Funding Detail

Budget History - Insurance Department					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
General Fund	11,106,700	20,607,100	10,858,500	15,324,400	16,725,100
General Fund, One-time	0	0	10,000,000	1,019,900	0
Federal Funds	0	52,600	1,395,400	241,700	0
Dedicated Credits Revenue	14,264,400	18,251,500	3,051,200	3,184,800	28,235,100
Restricted Revenue	0	0	17,581,800	19,200,600	0
GFR - Bail Bond Surety Admin	22,100	22,100	22,100	22,100	22,100
Beginning Nonlapsing	5,403,500	2,452,100	9,763,400	22,872,400	24,407,600
Closing Nonlapsing	(2,452,100)	(10,317,200)	(21,764,500)	(28,084,300)	(24,456,500)
Lapsing Balance	(20,900)	(37,600)	(1,400)	(2,000)	0
Total	\$28,323,700	\$31,030,600	\$30,906,500	\$33,779,600	\$44,933,400
Line Items					
Insurance Department Administration	5,673,400	6,885,600	6,932,800	8,170,500	9,441,900
Comprehensive Health Insurance Pool	22,604,200	24,069,900	23,891,000	25,517,900	35,391,100
Bail Bond Program	1,200	18,000	20,700	20,100	22,100
Title Insurance Program	44,900	57,100	62,000	71,100	78,300
Total	\$28,323,700	\$31,030,600	\$30,906,500	\$33,779,600	\$44,933,400
Categories of Expenditure					
Personal Services	4,222,600	4,493,000	4,688,100	4,992,000	6,066,100
In-State Travel	12,100	10,200	13,300	26,200	24,400
Out of State Travel	61,500	74,600	117,200	125,900	155,900
Current Expense	22,873,400	26,049,000	25,436,200	27,383,300	37,280,200
DP Current Expense	246,400	296,000	354,700	1,220,400	1,172,800
DP Capital Outlay	175,400	203,800	157,500	28,800	215,000
Capital Outlay	0	19,100	19,000	0	19,000
Other Charges/Pass Thru	732,300	(115,100)	120,500	3,000	0
Total	\$28,323,700	\$31,030,600	\$30,906,500	\$33,779,600	\$44,933,400
Other Data					
Budgeted FTE	82.0	82.0	81.0	81.0	87.0
Vehicles	9	9	9	9	9

Table 4-1

Restricted Funds Summary - Insurance Department				
Fund/Account Name	Statutory Authority	Revenue Source	Prescribed Uses	FY 2007 Balance
Bail Bond Surety Admin.	UCA 31A-35-407	Fees	Admin Bail Bond Chapter	39,297

Table 4-2

General Fund Restricted – Bail Bond Surety Administration

The department collects fees from the bail bond industry which it deposits in the Bail Bond Surety Administration Account is a General Fund Restricted account. These funds are used by the department to administer the Bail Bond Surety Administration.

See UCA 31A-35-407

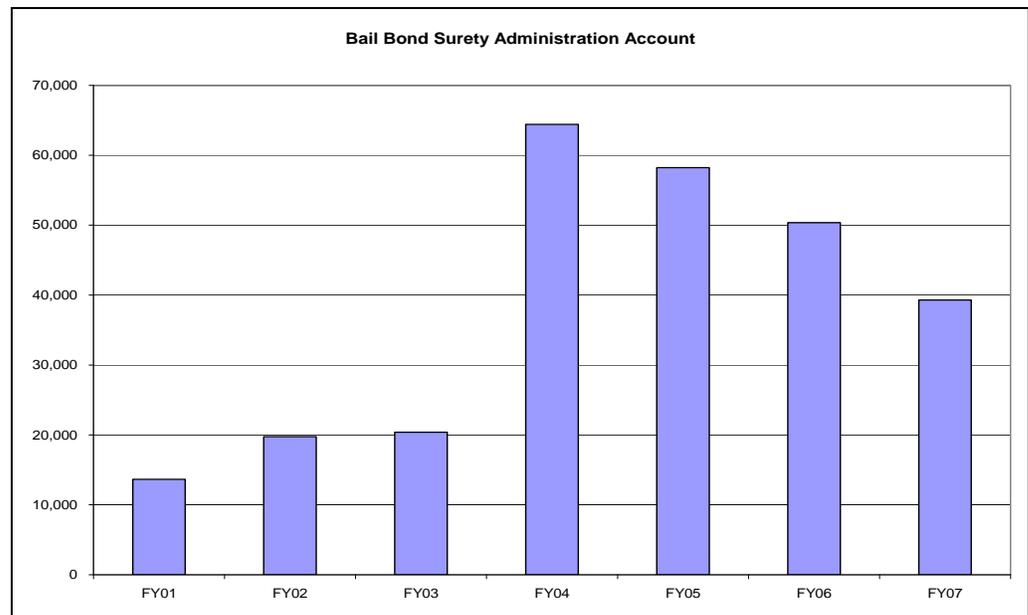


Figure 4-1

INSURANCE ADMINISTRATION

Funding

Administration manages other programs within the Department and is responsible for budgeting, financial tracking, personnel, actuarial services, and managerial statistics.

Producer Licensing is responsible for the issuance and renewal of licenses to all Utah insurance agents and agencies. Licensees qualify through examination.

Financial Examination Division licenses approximately 1,500 insurance companies in Utah. It also monitors financial strength and solvency. The division is responsible for the financial examination of insurers according to statute. Because not all of the companies are headquartered in Utah, the examiners may spend their time out of state. The Insurance Department is reimbursed by the insurer being examined for all costs incurred during the examination, which includes examiners salaries and benefits. These reimbursements are deposited into the General Fund.

Property and Casualty, Health, and Life Divisions function by line of insurance. These divisions handle telephone and walk-in complaints and inquiries from the public. They review and analyze policy forms and rates

filed by insurance companies and assist consumers with complaints about insurance products and companies.

Market Conduct Division investigates and enforces the insurance code violations referred from the insurance industry and other divisions of the department.

Funding Detail

Budget History - Insurance - Insurance Department Administration - Administration					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
General Fund	4,190,500	4,403,200	4,650,100	5,319,700	5,919,900
General Fund, One-time	0	0	0	19,900	0
Dedicated Credits Revenue	343,100	72,400	81,200	87,300	373,600
Beginning Nonlapsing	237,200	99,600	198,100	211,900	0
Closing Nonlapsing	(498,600)	(198,100)	(211,900)	(309,100)	0
Lapsing Balance	0	(33,500)	0	0	0
Total	\$4,272,200	\$4,343,600	\$4,717,500	\$5,329,700	\$6,293,500
Categories of Expenditure					
Personal Services	3,514,300	3,731,100	3,954,600	4,003,100	4,929,400
In-State Travel	2,900	4,000	4,300	8,300	4,600
Out of State Travel	48,700	41,000	60,500	74,700	62,000
Current Expense	311,400	305,200	339,500	437,500	382,200
DP Current Expense	219,500	154,900	257,100	786,400	795,300
DP Capital Outlay	175,400	82,500	82,500	16,700	120,000
Capital Outlay	0	19,100	19,000	0	0
Other Charges/Pass Thru	0	5,800	0	3,000	0
Total	\$4,272,200	\$4,343,600	\$4,717,500	\$5,329,700	\$6,293,500
Other Data					
Budgeted FTE	71.0	71.0	69.0	70.0	75.0

Table 4-3

BAIL BOND ADMINISTRATION

Function

The Insurance Department regulates the bail bond surety industry and bail bond agents operating in Utah (Title 31A-23-35). It ensures that all bail bond sureties and bail bond agents demonstrate adequate preparation, competency, and practice honesty and integrity. The Department ensures that Utah has a strong bail bond surety insurance market that actively supports the needs of the citizens, judiciary, and law enforcement organizations for reliable bail bond sureties, bail bond agents, and bail bonds at competitive prices. Assistance is provided to the public through information and education. The Department investigates and prosecutes unprofessional conduct by bail bond sureties or bail bond agents. Staff is provided to the Bail Bond Surety Oversight Board who reviews new licensing applications and reviews complaints.

Funding Detail

Budget History - Insurance - Bail Bond Program					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
GFR - Bail Bond Surety Admin	22,100	22,100	22,100	22,100	22,100
Lapsing Balance	(20,900)	(4,100)	(1,400)	(2,000)	0
Total	\$1,200	\$18,000	\$20,700	\$20,100	\$22,100
Categories of Expenditure					
Personal Services	700	16,900	20,000	18,000	21,100
Out of State Travel	0	0	0	1,300	1,000
Current Expense	500	1,100	700	800	0
Total	\$1,200	\$18,000	\$20,700	\$20,100	\$22,100

Table 4-4

Accountability

This graph shows the number of bail bond complaints is very low and declining.

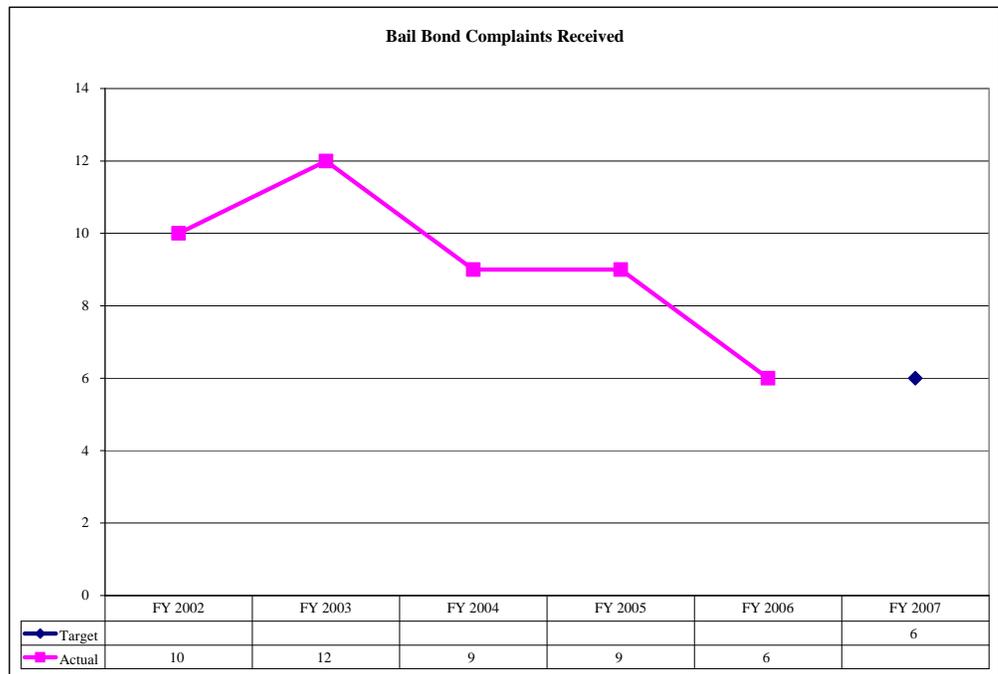


Figure 4-2

Measure: Bail Bond Complaints Received

Goal: Measure Bail Bond workload

Methodology: Simple complaint count

Measure Type: Workload

NOTE: This metric is no longer tracked by the Department of Insurance with the recent adoption of the Balanced Score Card. The Office of Legislative Fiscal Analyst will be recommending the adoption of new performance measures during the 2008 General Session.

RELATIVE VALUE STUDY

Function

Under UCA 31A-22-307, the Relative Value Study is to determine the reasonable value of medical expenses. It is funded by a 0.01 percent tax on motor vehicle liability, uninsured motorist, and personal injury protection insurance premiums. Funds are collected by the Tax Commission as Dedicated Credits and are made non-lapsing in the Utah Code. The study is produced by Relative Value Studies, Inc. of Denver. The contract to produce the study is re-bid every three years. The Department charges \$10 per copy.

Funding Detail

Budget History - Insurance - Insurance Department Administration - Relative Value Study					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
Dedicated Credits Revenue	85,500	85,000	91,400	91,200	92,000
Beginning Nonlapsing	122,000	187,200	232,800	299,100	127,100
Closing Nonlapsing	(187,200)	(232,800)	(299,100)	(210,900)	(20,600)
Total	\$20,300	\$39,400	\$25,100	\$179,400	\$198,500
Categories of Expenditure					
Current Expense	20,300	39,400	25,100	59,200	28,500
DP Current Expense	0	0	0	108,100	150,000
DP Capital Outlay	0	0	0	12,100	20,000
Total	\$20,300	\$39,400	\$25,100	\$179,400	\$198,500

Table 4-5

INSURANCE FRAUD

Function

The 1994 Legislature created the Insurance Fraud Act (UCA 31A-31-101 through 108) and the Department created the Insurance Fraud Division. It conducts criminal investigations and prosecutes insurance fraud violators. Nationwide, insurance fraud is estimated at over \$3 billion. The program is funded by assessments made on insurers according to the amount of business they do in Utah:

Total Utah Premiums	Assessment
\$1,000,000 or less	\$150
\$1,000,000 to \$2,500,000	\$400
\$2,500,000 to \$5,000,000	\$700
\$5,000,000 to \$10,000,000	\$1,350
\$10,000,000 to \$50,000,000	\$5,150
More than \$50,000,000	\$12,350

These funds are collected as Dedicated Credits that are designated non-lapsing in the Utah Code.

Funding Detail

Budget History - Insurance - Insurance Department Administration - Insurance Fraud Program					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
Dedicated Credits Revenue	1,398,000	2,187,700	1,977,300	2,204,500	2,248,200
Beginning Nonlapsing	41,000	58,100	180,800	374,800	497,900
Closing Nonlapsing	(58,100)	(180,800)	(374,800)	(364,500)	(492,600)
Total	\$1,380,900	\$2,065,000	\$1,783,300	\$2,214,800	\$2,253,500
Categories of Expenditure					
Personal Services	665,900	691,500	657,100	816,500	920,900
In-State Travel	7,800	5,200	6,400	12,400	9,000
Out of State Travel	10,500	17,500	23,600	36,500	25,000
Current Expense	669,800	1,331,500	1,065,200	1,315,800	1,253,600
DP Current Expense	26,900	19,300	31,000	33,600	26,000
Capital Outlay	0	0	0	0	19,000
Total	\$1,380,900	\$2,065,000	\$1,783,300	\$2,214,800	\$2,253,500
Other Data					
Budgeted FTE	10.0	10.0	10.0	10.0	11.0
Vehicles	9	9	9	9	9

Table 4-6

Accountability

This measure shows the relationship between cases opened and closed. The goal should be to close as many cases as are opened.

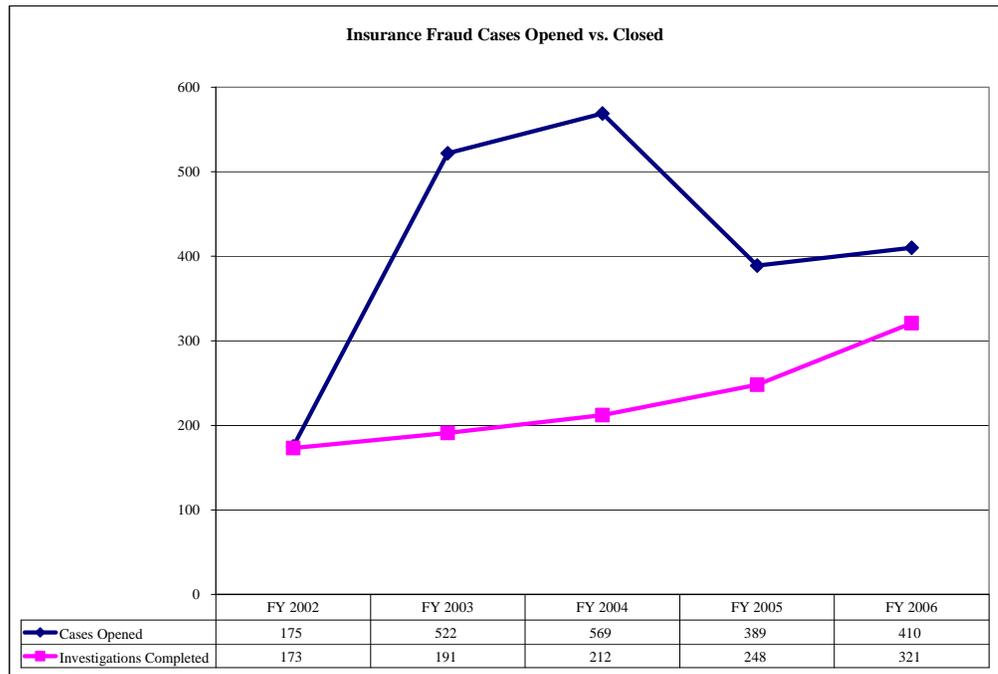


Figure 4-3

Measure: Fraud Cases Opened vs. Cases Completed

Goal: Reduce case backlog

Methodology: Compare Cases Opened with Cases Completed.

Measure Type: Output.

NOTE: This metric is no longer tracked by the Department of Insurance with the recent adoption of the Balanced Score Card. The Office of Legislative Fiscal Analyst will be recommending the adoption of new performance measures during the 2008 General Session.

TITLE INSURANCE

Function

The 1998 Legislature passed House Bill 265, Title Insurance Amendments, which created Utah Code 31A-23-315. The new law allows an assessment on title insurance companies and agencies to pay for any cost or expense incurred by the Insurance Department in the administration, investigation and enforcement of code provisions as related to the marketing of title insurance. The need to regulate the marketing of title insurance has been realized by the title insurance industry and the department. This program provides an additional qualified person who will respond to industry complaints.

Accountability

This measurements shows how the division is attempting to more responsive to the general public.

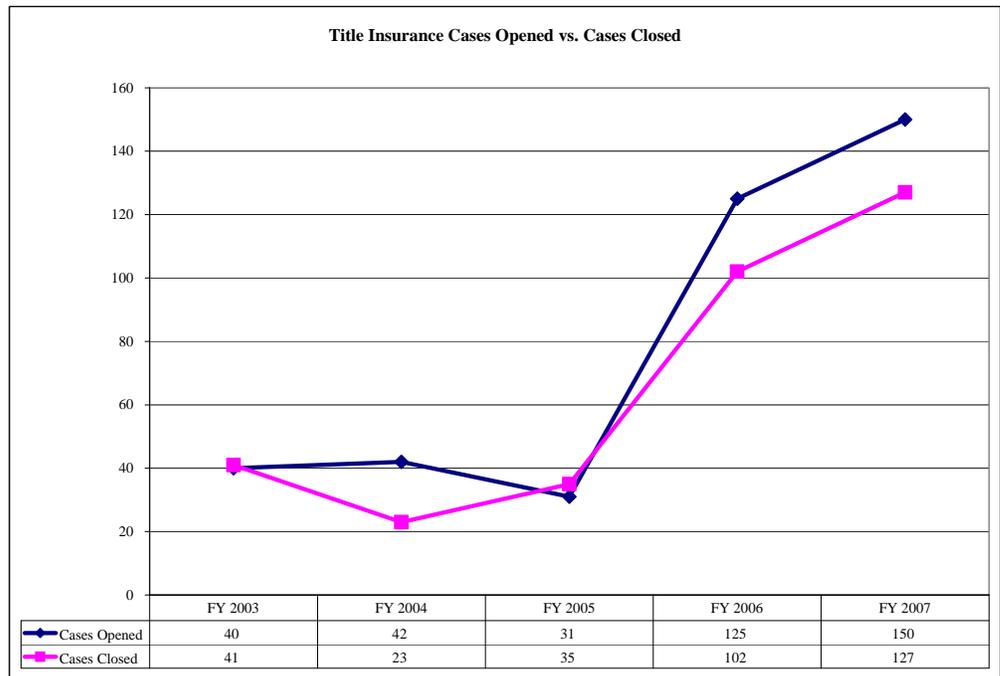


Figure 4-4

Measure: Title Insurance Cases Opened vs. Cases Closed

Goal: Reduce case backlog.

Methodology: Compare the number of cases opened to the number of cases closed.

Measure Type: Output

NOTE: This metric is no longer tracked by the Department of Insurance with the recent adoption of the Balanced Score Card. The Office of Legislative Fiscal Analyst will be recommending the adoption of new performance measures during the 2008 General Session.

Funding Detail

Budget History - Insurance - Title Insurance Program					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
General Fund	0	0	4,500	4,700	5,200
Dedicated Credits Revenue	58,200	39,100	41,300	56,400	68,000
Beginning Nonlapsing	45,300	58,600	40,600	24,400	6,100
Closing Nonlapsing	(58,600)	(40,600)	(24,400)	(14,400)	(1,000)
Total	\$44,900	\$57,100	\$62,000	\$71,100	\$78,300
Categories of Expenditure					
Personal Services	41,700	53,500	56,400	60,900	64,800
In-State Travel	1,400	1,000	2,600	5,400	7,800
Out of State Travel	400	500	1,000	1,900	1,000
Current Expense	1,400	2,100	1,900	2,000	3,700
DP Current Expense	0	0	100	900	1,000
Total	\$44,900	\$57,100	\$62,000	\$71,100	\$78,300
Other Data					
Budgeted FTE	1.0	1.0	1.0	1.0	1.0

Table 4-7

CAPTIVE INSURANCE PROGRAM

FUNCTION The Captive Insurance Division was created in 2003 when the Captive Insurance Companies Act was passed by the Legislature. The division licenses captive insurance companies formed by companies to manage their risk exposure. It licenses captive insurance companies, monitors their solvency and financial strength. The division is funded by fees dedicated to the program. Currently, the division regulates 40 Utah domiciled companies.

COMPREHENSIVE HEALTH INSURANCE POOL (HIPUTAH)

Function Created in 1991, the Utah Comprehensive Health Insurance Pool (CHIP, now called HIPUtah to avoid confusion with the Health Department’s Children’s Health Insurance Program CHIP) provides access to health insurance coverage to people who are considered uninsurable. The Pool is funded by appropriations from the Legislature, premiums by those insured and by employers, and interest and dividends.

The Health Insurance Portability & Accountability Act of 1996 (HIPPA) is a federal law that guarantees health insurance for groups 2-50 people in the private market. Individuals losing coverage because their conditions are uninsurable are guaranteed coverage by the law.

S.B. 60, 1997 General Session, Open Enrollment Amendments, mandates access to individual coverage for Utah Residents who are not eligible for public programs or private group insurance. Coverage comes through HIPUtah for individuals with uninsurable medical conditions. These people would otherwise seek coverage from private insurance companies which might cause companies to discontinue offering individual insurance coverage. To avoid this, the Legislature agreed to increase HIPUtah funding and provide coverage for individuals with an average medical risk of 200% or higher

The HIPUtah board will cap funding rather than allow the fund to go insolvent. If the board caps enrollment, private individual insurers would then be forced to guarantee coverage to those with uninsurable medical conditions. These private insurers may then face the option of going out of the individual coverage business or becoming unprofitable. A decision to get out of the business would leave thousands uninsured.

Health Insurance Program Utah (HIPUtah) is funded as a separate line item.

Funding Detail

Budget History - Insurance - Comprehensive Health Insurance Pool					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
General Fund	6,916,200	16,203,900	6,203,900	10,000,000	10,800,000
General Fund, One-time	0	0	10,000,000	1,000,000	0
Federal Funds	0	52,600	1,395,400	241,700	0
Dedicated Credits Revenue	12,379,600	15,490,300	250,000	0	24,778,300
Restricted Revenue	0	0	17,581,800	19,200,600	0
Beginning Nonlapsing	4,958,000	1,649,600	8,772,700	21,420,700	23,544,100
Closing Nonlapsing	(1,649,600)	(9,326,500)	(20,312,800)	(26,345,100)	(23,731,300)
Total	\$22,604,200	\$24,069,900	\$23,891,000	\$25,517,900	\$35,391,100
Categories of Expenditure					
Out of State Travel	1,900	3,500	3,100	5,000	5,700
Current Expense	21,870,000	24,187,100	23,767,400	25,512,600	35,385,400
DP Current Expense	0	200	0	300	0
Other Charges/Pass Thru	732,300	(120,900)	120,500	0	0
Total	\$22,604,200	\$24,069,900	\$23,891,000	\$25,517,900	\$35,391,100

Table 4-8

Accountability

This graph show the increase in the number of enrolled people.

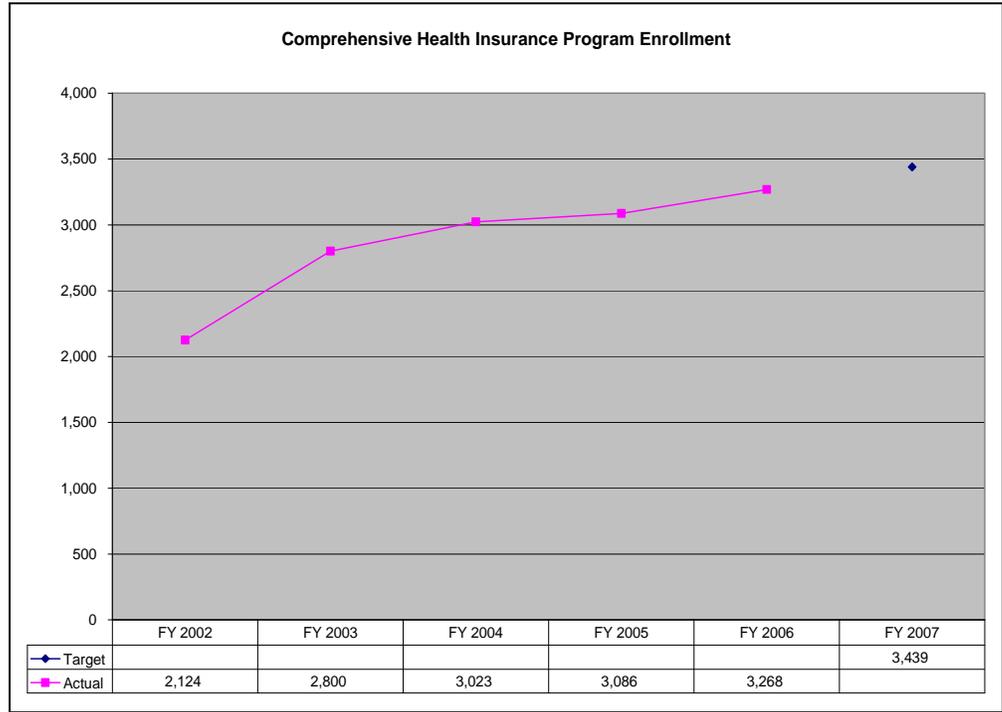


Figure 4-5

Measure: Number of Uninsurable Individuals Enrolled

Goal: Measure HIPUtah’s workload

Methodology: Count the number of individuals insured through HIPUtah.

Measure Type: Output

CHAPTER 5 LABOR COMMISSION

Function	The Utah Labor Commission serves the citizens of Utah by assuring a safe, healthful, fair, non-discriminatory work environment; assuring fair housing practices; and promoting the general welfare of employee and employers in the State of Utah.
Statutory Authority	<p>The following chapters from the Utah Code Annotated give the Labor Commission its authority and oversight:</p> <p>Title 34, chapters 19 through 43 are devoted to general labor laws as they apply to businesses and employees. These provisions cover such things as labor disputes, collective bargaining, fire fighters’ negotiations, employment of minors, blacklisting, etc.</p> <p>Title 34A, chapters 1 through 11 cover the regulatory authorizations of the Labor Commission and include the Labor Commission Act, Workers’ Compensation Act, Utah Occupational Disease Act, Hospital and Medical Service for Disabled Miners, Utah Antidiscrimination Act, Utah Occupational Safety and Health Act, Safety, Payment of Wages, Employment of Minors, etc.</p>
Intent Language	<p>From S.B. 3, 2007 General Session, Item 58:</p> <p><i>Under Section 63-38-8 of the Utah Code, the Legislature intends that \$96,000 provided by Item 56, H.B. 150, New Fiscal Year Supplemental Appropriations Act, 2007 General Session, for the Labor Commission to digitize workers' compensation claims and accident reports shall not lapse at the close of Fiscal Year 2008.</i></p> <p><i>Under Section 63-38-8 of the Utah Code, the Legislature intends that funds collected from sponsoring and holding seminars in Fiscal Year 2008 by the Labor Commission shall not lapse at the close of Fiscal Year 2008.</i></p> <p>From S.B. 1, 2007 General Session, Item 44:</p> <p><i>Under the terms of Section 63-38-8.1 Utah Code Annotated, Item 60 of Chapter 1 and Item 55 of Chapter 366, Laws of Utah 2006, of this appropriation shall not lapse with expenditures of non-lapsed funds limited to the following: up to \$250,000 of Workplace Safety funds shall not lapse and shall be used for a study of Pain Medication Management and Education, \$250,000 of Workplace Safety funds for a study of law enforcement and firefighters occupational diseases, \$50,000 for computer equipment and software and \$15,000 for replacement of broken and out-dated furnishings.</i></p>

Funding Detail

Budget History - Labor Commission					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
General Fund	4,437,900	4,711,100	4,978,200	5,931,300	6,483,600
General Fund, One-time	0	0	0	(5,200)	196,000
Federal Funds	2,510,700	2,279,500	2,330,200	2,487,600	2,516,000
Dedicated Credits Revenue	0	0	0	0	21,700
GFR - Workplace Safety	759,300	805,100	990,400	1,572,300	1,588,400
Employers' Reinsurance Fund	662,600	245,600	0	0	0
Uninsured Employers' Fund	367,100	794,900	1,318,200	1,165,300	1,227,400
Transfers	0	25,000	25,000	25,000	25,000
Beginning Nonlapsing	0	0	(50,000)	50,000	0
Closing Nonlapsing	0	0	0	(565,000)	0
Lapsing Balance	(139,900)	(52,000)	(245,000)	(422,100)	0
Total	\$8,597,700	\$8,809,200	\$9,347,000	\$10,239,200	\$12,058,100
Line Items					
Labor Commission	8,597,700	8,809,200	9,347,000	10,239,200	12,058,100
Total	\$8,597,700	\$8,809,200	\$9,347,000	\$10,239,200	\$12,058,100
Categories of Expenditure					
Personal Services	7,008,500	7,434,800	7,754,500	7,406,700	8,333,800
In-State Travel	46,000	47,000	47,800	38,400	61,100
Out of State Travel	61,900	49,800	53,000	125,100	54,300
Current Expense	890,600	798,300	906,700	1,152,400	2,082,800
DP Current Expense	238,200	214,500	219,700	1,077,600	1,076,100
DP Capital Outlay	16,800	10,800	0	0	0
Other Charges/Pass Thru	335,700	254,000	365,300	439,000	450,000
Total	\$8,597,700	\$8,809,200	\$9,347,000	\$10,239,200	\$12,058,100
Other Data					
Budgeted FTE	120.0	118.5	112.8	117.0	114.0
Vehicles	29	29	29	28	29

Table 5-1

Restricted Funds Summary - Labor Commission				
Fund/Account Name	Statutory Authority	Revenue Source	Prescribed Uses	FY 2007 Balance
Workplace Safety	UCA 34A-2-701	Workers' Comp surcharge	Promote workplace safety	\$2,671,872
Employers' Reinsurance	UCA 34A-2-702	Workers' Comp surcharge	Occup. Accidents & disease	(\$86,375,081)
Uninsured Employers'	UCA 34A-2-704	Workers' Comp surcharge	Workers' Comp benefits	\$12,073,525

Table 5-2

General Fund Restricted – Workplace Safety

Creates in the General Fund a restricted account known as the Workplace Safety Account to be used to: 1) improve safety consultation services available to Utah employers; 2) provide for media advertising campaigns designed to promote workplace safety; or 3) contract for studies of workplace safety issues; and 4) other safety programs or initiatives recommended to it by its state workers’ compensation advisory council.

Revenue comes from 0.25% of the premium income remitted to the state treasurer pursuant to Subsection 59-9-101(2)(c) (Workers’ Compensation Insurance). Funds may not be used for administrative costs unrelated to the restricted account.

See UCA 34A-2-701.

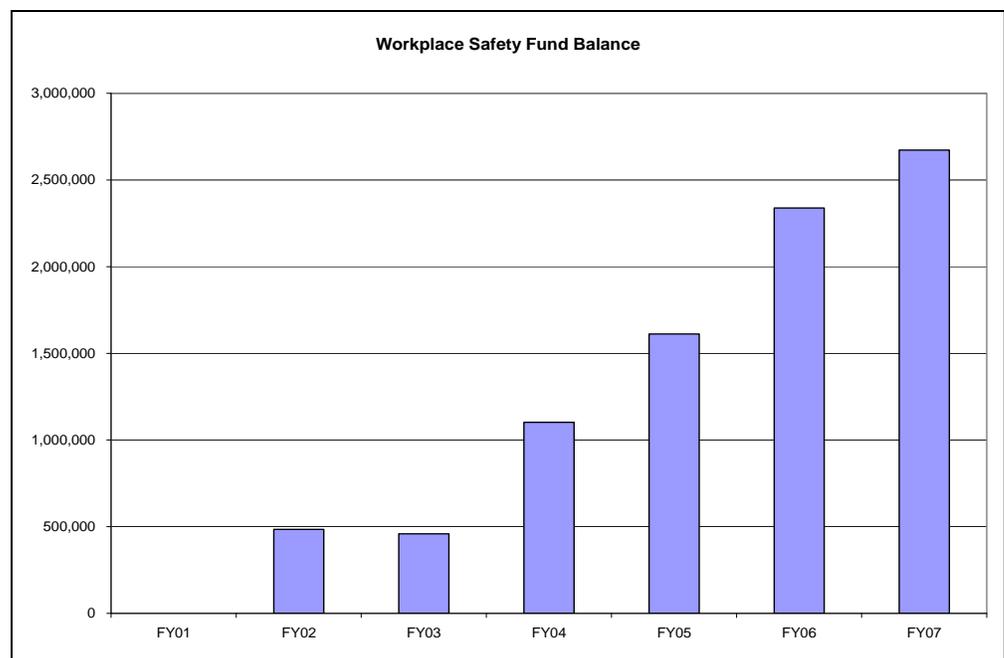


Figure 5-1

Employers’ Reinsurance Fund

The Employers’ Reinsurance Fund (ERF) makes payments for industrial accidents or occupational diseases occurring on or before June 30, 1994. Administrative costs may be paid from the fund, but unrelated expenses are not allowed.

Revenues come from a 7.25% surcharge on employers’ Workers’ Compensation premiums collected by the State Tax Commission. The ERF will be fully funded to meet all of its liabilities by 2011.

See UCA 34A-2-702

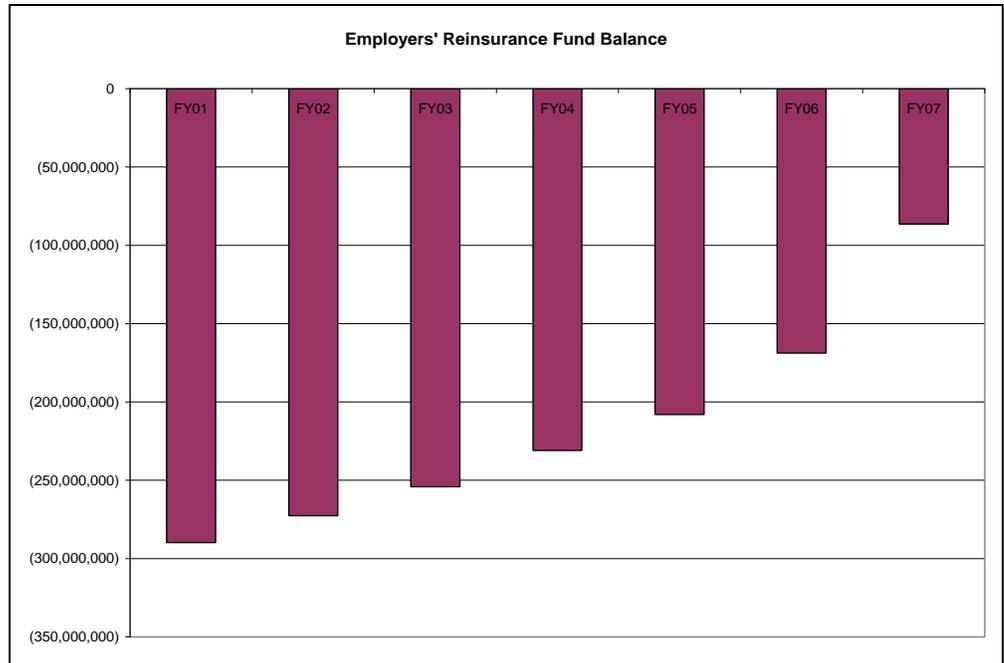


Figure 5-2

Uninsured Employers' Fund

The Uninsured Employers' Fund assists in the payment of workers compensation benefits to eligible persons where their employer did not maintain statutorily required workers compensation insurance and revenues come from Workers' Compensation premium assessments collected by the State Tax Commission.

See UCA 34A-2-704

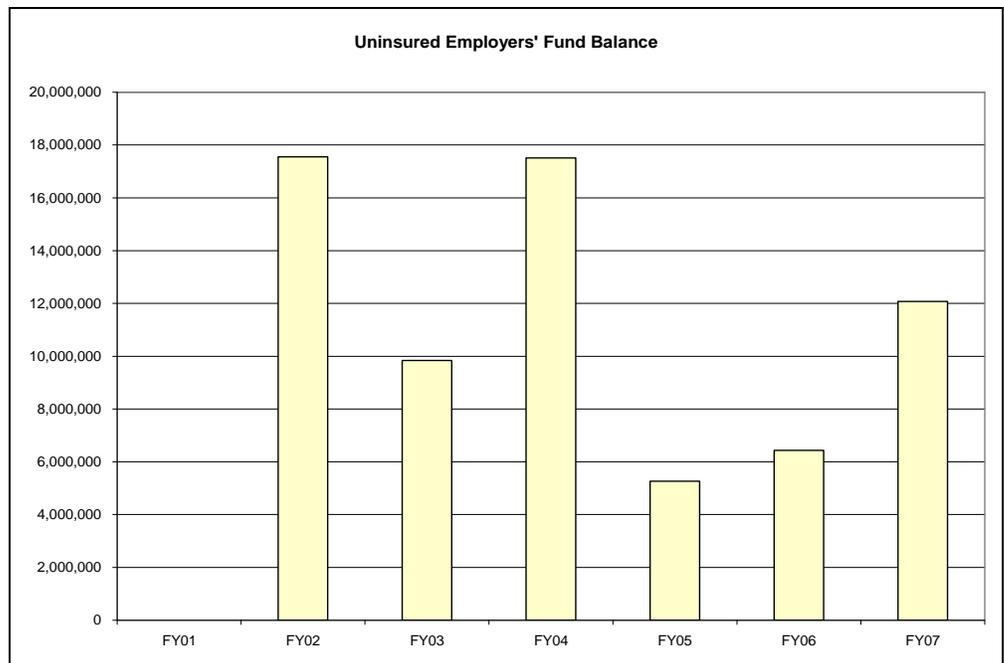


Figure 5-3

LABOR COMMISSION ADMINISTRATION

Function The Administration provides overall management and oversight to the Labor Commission. Centralized accounting, payroll, personnel, and budgeting are included in this program.

Funding Detail

Budget History - Labor Commission - Administration					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
General Fund	1,337,800	1,426,300	1,498,700	1,818,400	1,784,000
General Fund, One-time	0	0	0	5,200	100,000
Federal Funds	123,200	0	0	26,600	3,100
Dedicated Credits Revenue	0	0	0	0	21,700
GFR - Workplace Safety	0	0	0	0	68,300
Uninsured Employers' Fund	137,300	112,400	112,700	0	111,600
Transfers	0	25,000	25,000	25,000	25,000
Closing Nonlapsing	0	0	0	(65,000)	0
Lapsing Balance	(38,600)	0	(4,300)	0	0
Total	\$1,559,700	\$1,563,700	\$1,632,100	\$1,810,200	\$2,113,700
Categories of Expenditure					
Personal Services	1,261,900	1,310,200	1,366,600	686,300	744,000
In-State Travel	2,600	1,800	3,000	1,500	4,000
Out of State Travel	300	5,600	2,900	9,600	5,700
Current Expense	106,800	134,300	117,700	193,100	429,000
DP Current Expense	88,800	101,000	111,900	919,700	931,000
DP Capital Outlay	16,800	10,800	0	0	0
Other Charges/Pass Thru	82,500	0	30,000	0	0
Total	\$1,559,700	\$1,563,700	\$1,632,100	\$1,810,200	\$2,113,700
Other Data					
Budgeted FTE	16.3	15.5	7.0	10.0	7.0
Vehicles	1	29	1	1	1

Table 5-3

INDUSTRIAL ACCIDENTS

Function The Division investigates allegations of noncompliance and, through a series of methods, attempts to bring employers into compliance with State workers' compensation laws. It assesses penalties for non-compliance and it monitors injury reporting, injured employee return to work, carrier payment compliance, and informally resolves workers' compensation compliance disputes.

Funding Detail

Budget History - Labor Commission - Industrial Accidents					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
General Fund	0	0	0	121,400	259,500
General Fund, One-time	0	0	0	0	96,000
Federal Funds	15,500	0	0	0	0
GFR - Workplace Safety	229,800	239,900	0	0	0
Employers' Reinsurance Fund	662,600	245,600	0	0	0
Uninsured Employers' Fund	229,800	682,500	1,205,500	1,165,300	1,115,800
Lapsing Balance	(49,400)	0	(6,000)	(60,400)	0
Total	\$1,088,300	\$1,168,000	\$1,199,500	\$1,226,300	\$1,471,300
Categories of Expenditure					
Personal Services	995,500	1,071,200	1,109,600	1,097,600	1,248,600
In-State Travel	4,300	4,800	5,300	1,800	4,900
Out of State Travel	8,200	7,500	4,300	2,800	7,700
Current Expense	64,300	58,100	65,300	105,800	180,300
DP Current Expense	16,000	26,400	15,000	18,300	29,800
Total	\$1,088,300	\$1,168,000	\$1,199,500	\$1,226,300	\$1,471,300
Other Data					
Budgeted FTE	19.3	19.0	18.5	19.0	19.0

Table 5-4

Accountability

The goal of the program is to insure that employees are covered by workers' compensation coverage.

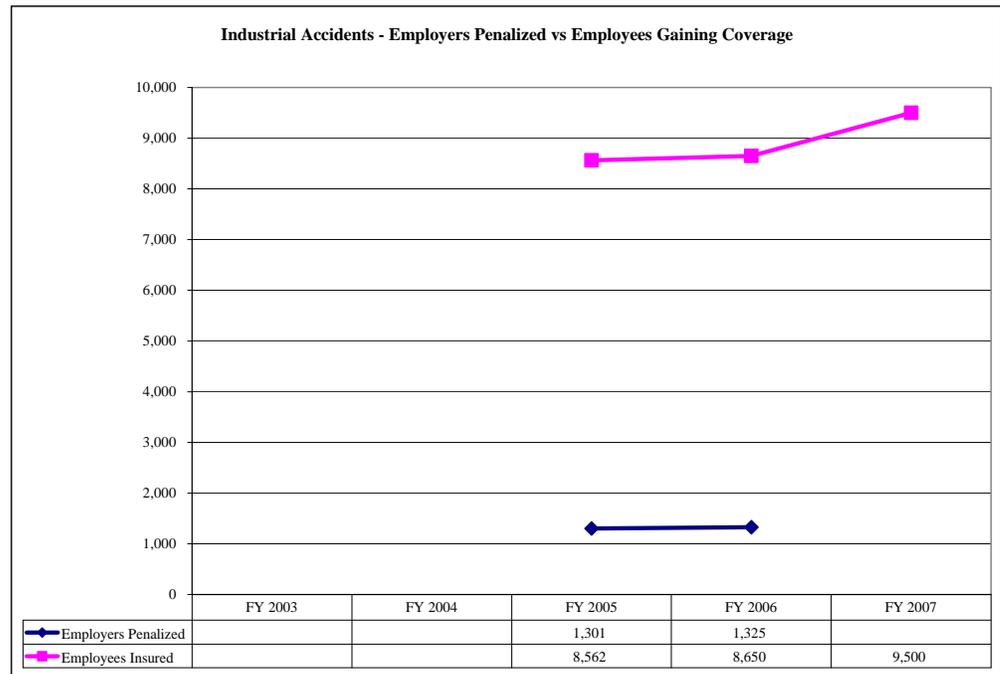


Figure 5-4

Measure: Employees Gaining Workers' Compensation Coverage

Goal: Ensure that all eligible workers are covered by Workers Compensation Insurance.

Methodology: Count the number of workers gaining insurance due to agency actions. Also shown is the number of employers penalized.

Measure Type: Outcome.

NOTE: This metric is no longer tracked by the Labor Commission as a performance measure with the recent adoption of the Balanced Score Card. The Office of Legislative Fiscal Analyst will be recommending the adoption of new performance measures during the 2008 General Session.

Accountability

The following graph shows that the number of claims resolved informally is increasing while the number of mediated resolutions is holding steady.

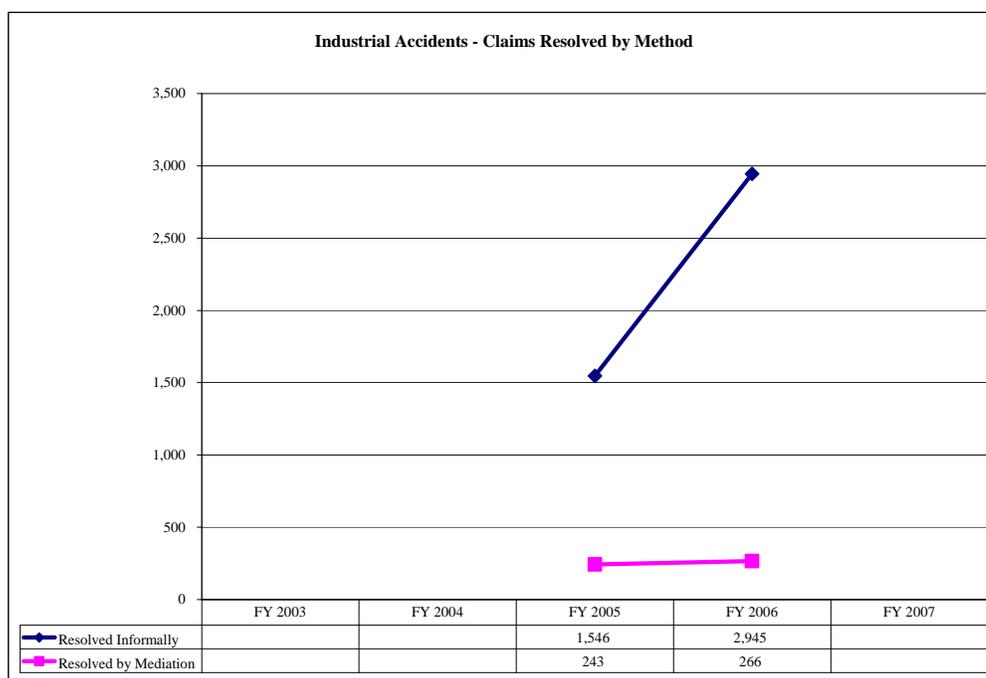


Figure 5-5

Measure: Claims resolved by method

Goal: Increase the number of claims resolved informally and decrease the number resolved by Mediation.

Methodology: Count the number of resolved by mediation and informally

Measure Type: Output

NOTE: This metric is no longer tracked by the Labor Commission as a performance measure with the recent adoption of the Balanced Score Card. The Office of Legislative Fiscal Analyst will be recommending the adoption of new performance measures during the 2008 General Session.

APPEALS BOARD

Function Any party dissatisfied with an administrative law judge’s decision can request review by either the Labor Commissioner or an independent Appeals Board. Historically, the appeals board decides approximately 30% of these requests for review.

Funding Detail

Budget History - Labor Commission - Appeals Board					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
General Fund	14,600	14,500	11,800	15,400	14,800
Total	\$14,600	\$14,500	\$11,800	\$15,400	\$14,800
Categories of Expenditure					
Personal Services	14,100	14,100	11,200	15,000	12,700
Current Expense	500	400	600	400	1,500
DP Current Expense	0	0	0	0	600
Total	\$14,600	\$14,500	\$11,800	\$15,400	\$14,800

Table 5-5

ADJUDICATION

Function Administrative Law Judges within the Adjudication Division conduct hearings and issue decisions resolving disputes arising from workers’ compensation, employment discrimination, housing discrimination, occupational safety and health, and noncompliance matters.

Funding Detail

Budget History - Labor Commission - Adjudication					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
General Fund	725,300	789,200	863,400	1,028,200	981,700
General Fund, One-time	0	0	0	(2,800)	0
Total	\$725,300	\$789,200	\$863,400	\$1,025,400	\$981,700
Categories of Expenditure					
Personal Services	671,500	723,200	809,800	942,100	961,200
In-State Travel	5,700	5,700	6,200	6,900	3,300
Out of State Travel	0	0	0	100	3,300
Current Expense	40,100	49,600	40,200	62,300	3,900
DP Current Expense	8,000	10,700	7,200	14,000	10,000
Total	\$725,300	\$789,200	\$863,400	\$1,025,400	\$981,700
Other Data					
Budgeted FTE	11.0	11.0	12.8	13.0	13.0

Table 5-6

BOILER AND ELEVATOR SAFETY DIVISION

Function The Division of Boiler and Elevator Safety is responsible for safety inspections of boilers, pressure vessels and elevators for safe design, installation, and maintenance. The Division also administers competency tests to coal miners engaged in certain safety-related occupations.

Funding Detail

Budget History - Labor Commission - Division of Safety					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
General Fund	936,900	1,006,500	1,040,800	1,122,200	1,230,000
General Fund, One-time	0	0	0	(3,200)	0
Total	\$936,900	\$1,006,500	\$1,040,800	\$1,119,000	\$1,230,000
Categories of Expenditure					
Personal Services	819,800	881,200	922,500	967,000	1,033,300
In-State Travel	7,000	9,400	6,200	11,900	7,000
Out of State Travel	3,400	3,300	2,500	12,800	3,900
Current Expense	96,600	104,400	92,300	110,900	150,800
DP Current Expense	10,100	8,200	17,300	16,400	35,000
Total	\$936,900	\$1,006,500	\$1,040,800	\$1,119,000	\$1,230,000
Other Data					
Budgeted FTE	14.0	14.0	13.0	13.0	13.0
Vehicles	12	0	12	12	12

Table 5-7

Accountability

This graph shows that the division is close to inspecting 100% of all boilers that need inspection.

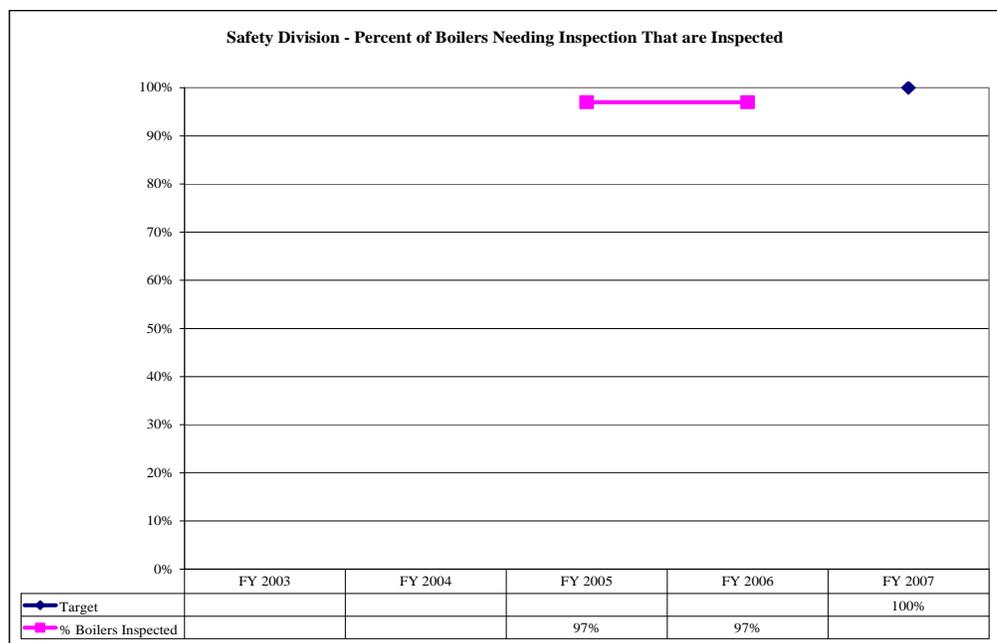


Figure 5-6

Measure: Percent of boilers needing inspection that are inspected.

Goal: Inspect all boilers in a timely manner.

Methodology: Number of boilers inspected divided by the number of boilers needing inspection

Measure Type: Output.

NOTE: This metric is no longer tracked by the Labor Commission as a performance measure with the recent adoption of the Balanced Score Card. The Office of Legislative Fiscal Analyst will be recommending the adoption of new performance measures during the 2008 General Session.

The number of elevators overdue for inspection has not improved from last year. There is no indication of workload found in this measure

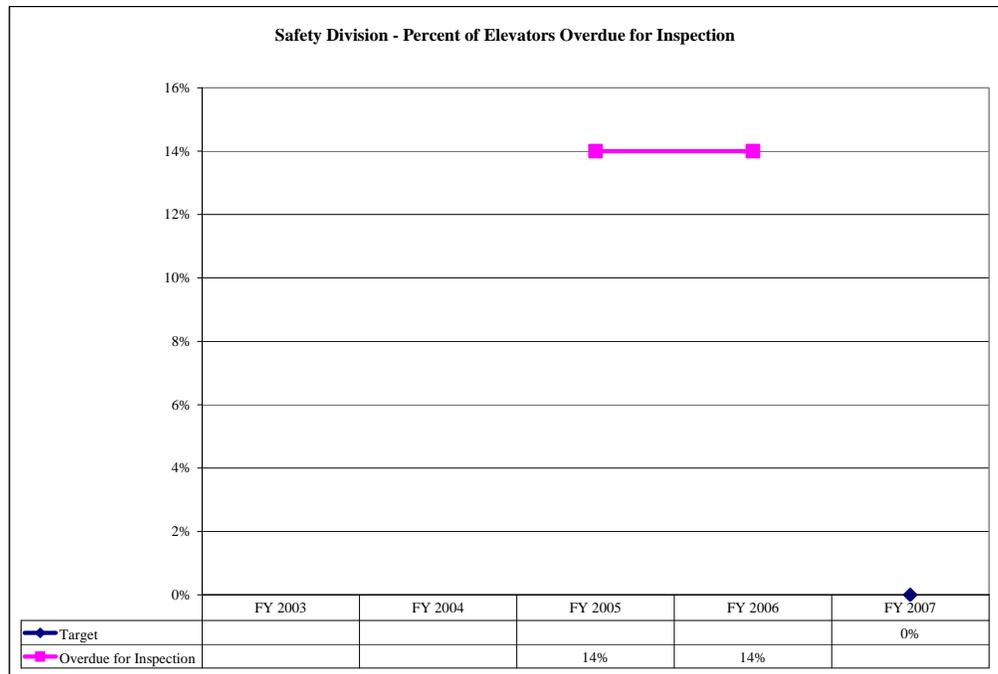


Figure 5-7

Measure: Percent of elevators overdue for inspection

Goal: Inspect all elevators in a timely fashion

Methodology: Number of elevators overdue for inspection divided by the number of elevators needing inspection.

Measure Type: Output

NOTE: This metric is no longer tracked by the Labor Commission as a performance measure with the recent adoption of the Balanced Score Card. The Office of Legislative Fiscal Analyst will be recommending the adoption of new performance measures during the 2008 General Session.

WORKPLACE SAFETY

Function The Workplace Safety program was established in 1996 to provide free safety consultation services and promote workplaces safety. Grants are available to local employers to upgrade their safety programs. The fund has initiated a media campaign through television and radio ads.

Funding Detail

Budget History - Labor Commission - Workplace Safety					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
GFR - Workplace Safety	489,200	506,100	830,400	1,459,000	1,519,900
Beginning Nonlapsing	0	0	(50,000)	50,000	0
Closing Nonlapsing	0	0	0	(500,000)	0
Lapsing Balance	(51,900)	(52,000)	(234,700)	(361,700)	0
Total	\$437,300	\$454,100	\$545,700	\$647,300	\$1,519,900
Categories of Expenditure					
Personal Services	136,900	157,600	166,700	157,400	261,800
In-State Travel	700	200	900	700	700
Out of State Travel	1,400	500	(200)	4,700	1,000
Current Expense	40,100	40,100	39,500	43,400	791,100
DP Current Expense	5,000	1,700	3,500	2,100	15,300
Other Charges/Pass Thru	253,200	254,000	335,300	439,000	450,000
Total	\$437,300	\$454,100	\$545,700	\$647,300	\$1,519,900
Other Data					
Budgeted FTE	2.0	2.0	3.0	3.0	3.0
Vehicles	1	1	1	1	1

Table 5-8

UTAH ANTI-DISCRIMINATION & LABOR

Function The Utah Antidiscrimination and Labor Division (UALD) enforces equal employment and housing laws, as well as Utah’s laws regarding payment of wages, employment of minors and minimum wage. The Division has three separate units: The Employment Discrimination Unit investigates, mediates, and resolves claims of employment discrimination; the Fair Housing Unit investigates, mediates and resolves complaints of housing discrimination; and the Wage Claim Unit administers labor laws for wage payment, employment of minors, and minimum wage. The Division also has an alternative dispute resolution program that manages a successful mediation program for all three Units.

Funding Detail

Budget History - Labor Commission - Anti-Discrimination					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
General Fund	613,800	688,100	748,100	738,900	879,500
General Fund, One-time	0	0	0	(2,300)	0
Federal Funds	566,700	582,300	559,900	632,700	679,700
Total	\$1,180,500	\$1,270,400	\$1,308,000	\$1,369,300	\$1,559,200
Categories of Expenditure					
Personal Services	1,060,600	1,175,800	1,202,700	1,227,800	1,490,600
In-State Travel	3,700	4,100	3,800	1,700	3,200
Out of State Travel	23,000	9,700	27,900	26,100	11,400
Current Expense	76,900	68,000	60,300	97,100	39,700
DP Current Expense	16,300	12,800	13,300	16,600	14,300
Total	\$1,180,500	\$1,270,400	\$1,308,000	\$1,369,300	\$1,559,200
Other Data					
Budgeted FTE	22.0	22.0	22.0	22.0	22.0

Table 5-9

Accountability

The following graph shows that more claims are being filed and fewer are being resolved.



Figure 5-8

Measure: Wage Claims Filed vs. Wage Claims Resolved

Goal: Resolve wage claims in a timely manner

Methodology: Compare the number of wage claims filed with the number of wage claims resolved.

Measure Type: Output

NOTE: This metric is no longer tracked by the Labor Commission as a performance measure with the recent adoption of the Balanced Score Card. The Office of Legislative Fiscal Analyst will be recommending the adoption of new performance measures during the 2008 General Session.

OCCUPATIONAL SAFETY AND HEALTH

Function

The Utah Occupational Safety and Health (UOSH) Division ensures employee safety and health in Utah by working with employers and employees to create better working environments. UOSH is focusing on three strategies: 1) strong, fair and effective enforcement; 2) outreach, education and compliance assistance; and 3) partnerships and cooperative programs. Because Utah's Occupational Safety and Health Act is "as effective as" federal OSHA standards, the federal government defers to UOSH for enforcement of occupational safety and health requirements. Federal funds pay a substantial part of UOSH's operating expenses.

UOSH provides free consultation to assist employers in making their operations safe and healthy, and also trains workers and employers to understand safety standards. UOSH also inspects places of employment and, where necessary, requires employers to comply with workplace safety and health standards. Inspectors also check to assure that businesses carry workers' compensation insurance. Additionally, UOSH compiles workplace accident statistics.

Funding Detail

Budget History - Labor Commission - Utah Occupational Safety and Health					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
General Fund	670,200	647,200	676,100	949,700	1,194,800
General Fund, One-time	0	0	0	(2,100)	0
Federal Funds	1,805,300	1,697,200	1,770,300	1,828,300	1,833,200
GFR - Workplace Safety	40,300	59,100	160,000	113,300	200
Total	\$2,515,800	\$2,403,500	\$2,606,400	\$2,889,200	\$3,028,200
Categories of Expenditure					
Personal Services	2,048,200	2,101,500	2,165,400	2,313,500	2,581,600
In-State Travel	22,000	21,000	22,400	13,900	38,000
Out of State Travel	25,600	23,200	15,600	69,000	21,300
Current Expense	326,000	204,100	351,500	402,300	347,200
DP Current Expense	94,000	53,700	51,500	90,500	40,100
Total	\$2,515,800	\$2,403,500	\$2,606,400	\$2,889,200	\$3,028,200
Other Data					
Budgeted FTE	35.5	35.0	36.5	37.0	37.0
Vehicles	15	0	15	15	15

Table 5-10

Accountability

Workplace fatalities are being reduced at an increasing rate.

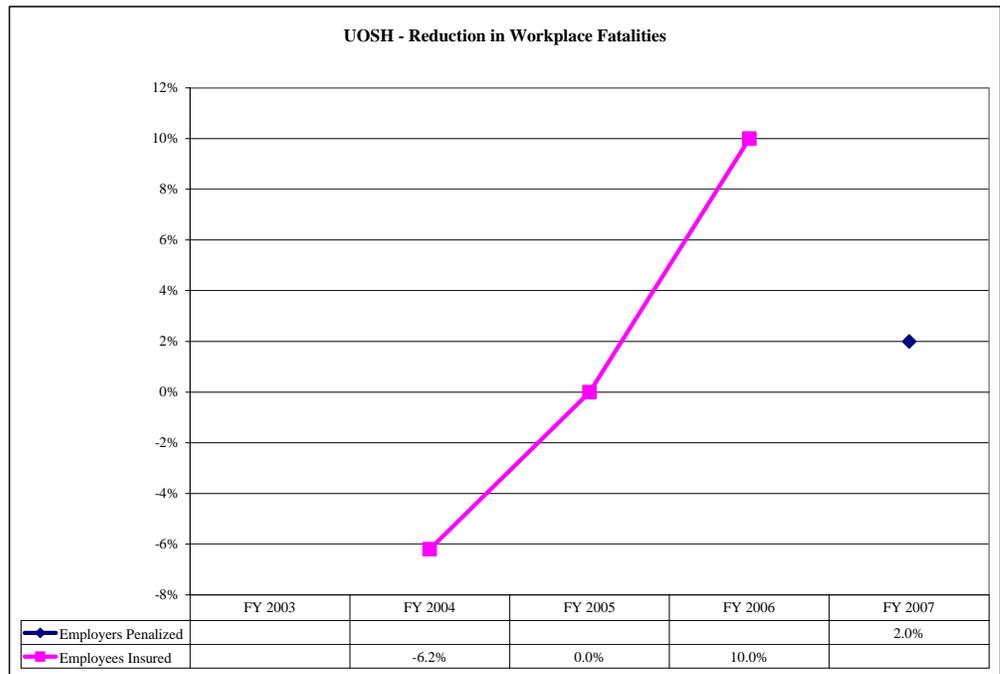


Figure 5-9

Measure: Rate of Workplace Fatalities

Goal: Reduce the number of workplace fatalities.

Methodology: Divide the number of current year’s workplace fatalities by the number of previous year’s workplace fatalities.

Measure Type: Outcome

NOTE: This metric is no longer tracked by the Labor Commission as a performance measure with the recent adoption of the Balanced Score Card. The Office of Legislative Fiscal Analyst will be recommending the adoption of new performance measures during the 2008 General Session.

The rate of improvement for injuries is declining.

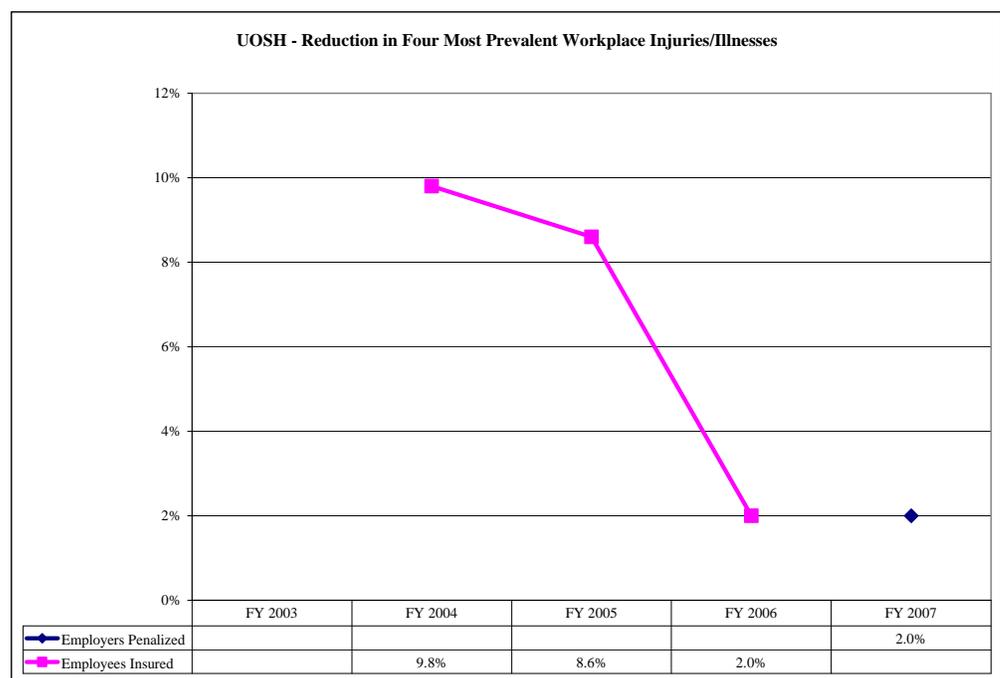


Figure 5-10

Measure: Reduction in Four Most Prevalent Workplace Injuries/Illnesses

Goal: Reduce the most prevalent workplace injuries or illnesses.

Methodology: Divide this year’s number of workplace caused injuries/illnesses.

Measure Type: Outcome

NOTE: This metric is no longer tracked by the Labor Commission as a performance measure with the recent adoption of the Balanced Score Card. The Office of Legislative Fiscal Analyst will be recommending the adoption of new performance measures during the 2008 General Session.

Things are getting better, but not as rapidly as the last two years.

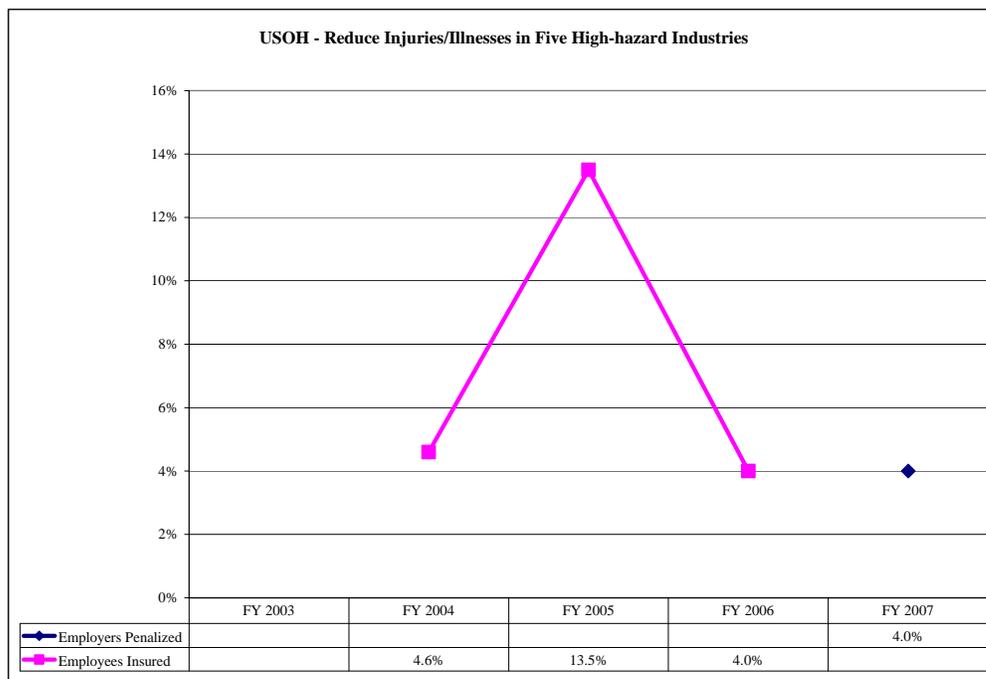


Figure 5-11

Measure: Accident Rate in High Hazard Industries

Goal: Reduce the number of high hazard workplace caused injuries.

Methodology: Divide the number of this years high hazard workplace caused injuries by the number of last years high hazard workplace caused injuries.

Measure Type: Outcome

NOTE: This metric is no longer tracked by the Labor Commission as a performance measure with the recent adoption of the Balanced Score Card. The Office of Legislative Fiscal Analyst will be recommending the adoption of new performance measures during the 2008 General Session.

BUILDING OPERATIONS & MAINTENANCE – LABOR COMMISSION

Function

This program shows the amount allocated to pay the office rent. The Labor Commission is primarily located at the Heber M. Wells Building off of 300 South and 100 East in Salt Lake City. The building is owned by the State and operated by the Division of Facilities and Construction Management (DFCM).

Funding Detail

Budget History - Labor Commission - Building Operations and Maintenance					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
General Fund	139,300	139,300	139,300	137,100	139,300
Total	\$139,300	\$139,300	\$139,300	\$137,100	\$139,300
Categories of Expenditure					
Current Expense	139,300	139,300	139,300	137,100	139,300
Total	\$139,300	\$139,300	\$139,300	\$137,100	\$139,300

Table 5-11

CHAPTER 6 PUBLIC SERVICE COMMISSION

Function	The Commission ensures safe, reliable and adequate utility service. It conducts hearings and investigations of utility company operations in order to determine just and reasonable rates for service. The Commission’s goals for regulation are efficient, reliable, reasonably-priced utility service for customers, and maintenance of financially healthy utility companies. These goals are generally attained through the regulatory decisions the Commission makes in each formal case.
Statutory Authority	Title 54, chapters 1 through 15, establish the Commission and authorizes it to regulate utilities.
INTENT LANGUAGE	From S.B. 3, 2007 General Session, Item 65: <i>Under Section 63-38-8 of the Utah Code, funds appropriated by the 2007 Legislature to the Public Service Fund for Fiscal Year 2008, shall not lapse at the close of Fiscal Year 2008.</i>

Funding Detail

Budget History - Public Service Commission					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
General Fund	1,520,300	0	0	0	0
Dedicated Credits Revenue	1,238,500	1,366,200	1,510,900	1,549,400	1,728,300
GFR - CSF - PURF	0	1,561,700	1,608,700	1,709,000	1,798,200
Trust and Agency Funds	0	8,196,000	10,489,600	6,626,700	0
Universal Public Telecom Service Fund	6,229,400	1,407,700	0	0	8,100,900
Beginning Nonlapsing	9,190,800	7,889,300	9,173,800	11,162,700	9,368,300
Closing Nonlapsing	(7,889,300)	(9,173,800)	(11,162,800)	(10,338,200)	(8,511,000)
Total	\$10,289,700	\$11,247,100	\$11,620,200	\$10,709,600	\$12,484,700
Line Items					
Public Service Commission	1,512,500	1,597,500	1,618,900	1,919,500	2,260,000
Research and Analysis	43,800	51,400	78,100	41,000	60,000
Speech and Hearing Impaired	1,521,100	1,266,700	1,476,500	2,001,600	2,039,100
Universal Telecommunications Support Fu	7,212,300	8,331,500	8,446,700	6,747,500	8,125,600
Total	\$10,289,700	\$11,247,100	\$11,620,200	\$10,709,600	\$12,484,700
Categories of Expenditure					
Personal Services	1,273,700	1,327,100	1,335,900	1,460,200	1,608,800
In-State Travel	3,100	9,800	10,000	16,100	11,100
Out of State Travel	34,600	35,100	35,900	35,300	42,200
Current Expense	1,714,700	1,501,800	1,506,600	2,417,500	1,779,300
DP Current Expense	34,000	31,800	22,900	33,000	56,000
DP Capital Outlay	0	0	0	0	2,000
Capital Outlay	0	12,300	0	0	0
Other Charges/Pass Thru	7,008,600	8,187,600	8,708,900	6,747,500	8,985,300
Trust & Agency Disbursements	221,000	141,600	0	0	0
Total	\$10,289,700	\$11,247,100	\$11,620,200	\$10,709,600	\$12,484,700
Other Data					
Budgeted FTE	17.0	17.0	17.0	18.0	17.0

Table 6-1

Restricted Funds Summary - Public Service Commission				
Fund/Account Name	Statutory Authority	Revenue Source	Prescribed Uses	FY 2007 Balance
CSF Public Utility Reg. Fee	UCA 54-5-1.5(1-2)	Utility assessments	Utility regulatory costs	n/a
Universal Public Telecom	UCA 54-8b-15	Fee on interstate commun.	Affordable telecommun.	\$7,119,194

Table 6-2

Commerce Service Fund – Public Utility Regulatory Fee

This is a special fee imposed upon all public utilities regulated by the Public Service Commission to defray the cost of regulation.

The executive director of the Department of Commerce determines the special fee for the Department of Commerce, and the chair of the Public Service Commission determines the special fee for the Public Service Commission

The fee is assessed as a uniform percentage of the gross operating revenue for the preceding calendar year

See UCA 54-5-1.5.

Universal Public Telecom Service Fund

This restricted fund was created by the Legislature to ensure the all citizens have access to affordable telecommunications. It does so by subsidizing costs in rural areas where costs would otherwise be prohibitive.

Revenues come from a fee imposed by the commission on all corporations that provide intrastate telecommunication.

See UCA 54-8b-15.

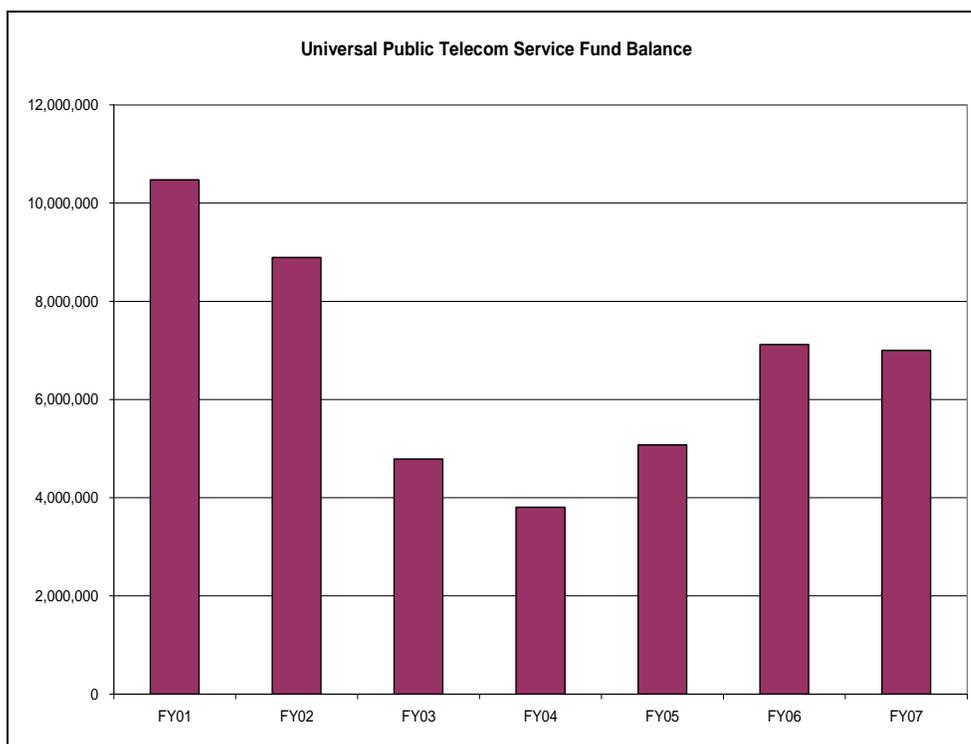


Figure 6-1

PSC ADMINISTRATION

Function

The Public Service Commission is a quasi-judicial body that regulates all privately owned electricity, natural gas, and water public utilities. The Commission works to ensure that rates, terms, and conditions of utility service are “just and reasonable,” to meet the public interest defined by statute and case law. Recent changes in State and federal law recognize the influence of competition on these industries, which have traditionally been regulated monopolies. The transition from monopoly to competition must be done fairly to protect the public interest to assure that services remain reliable, and reasonably priced. Traditional regulation is still an important part of the Commission’s workload.

With the Division of Public Utilities (Department of Commerce), the Commission initiates investigations into situations where utilities may be in violation of the law or are not operating in the public interest.

Funding Detail

Budget History - Public Service Commission					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
General Fund	1,495,300	0	0	0	0
Dedicated Credits Revenue	1,700	2,300	3,300	600	111,800
GFR - CSF - PURF	0	1,536,700	1,583,700	1,684,400	1,773,200
Beginning Nonlapsing	176,000	185,500	152,000	218,700	0
Closing Nonlapsing	(185,500)	(152,000)	(218,700)	(149,100)	0
Total	\$1,487,500	\$1,572,500	\$1,520,300	\$1,754,600	\$1,885,000
Categories of Expenditure					
Personal Services	1,273,700	1,327,100	1,335,900	1,460,200	1,608,800
In-State Travel	2,800	4,300	1,400	5,800	2,500
Out of State Travel	31,900	32,100	33,900	33,900	38,200
Current Expense	145,100	164,900	126,200	221,700	177,500
DP Current Expense	34,000	31,800	22,900	33,000	56,000
DP Capital Outlay	0	0	0	0	2,000
Capital Outlay	0	12,300	0	0	0
Total	\$1,487,500	\$1,572,500	\$1,520,300	\$1,754,600	\$1,885,000
Other Data					
Budgeted FTE	17.0	17.0	17.0	18.0	17.0

Table 6-3

Accountability

Accountability for the Public Service Commission is very difficult to measure. The following graphs show Residential Gas Rates and Residential Electric Rates. These rates are affected more by factors out of the control of the Commission. Difficulties of measurement aside, the Commission’s actions affect these outcomes.

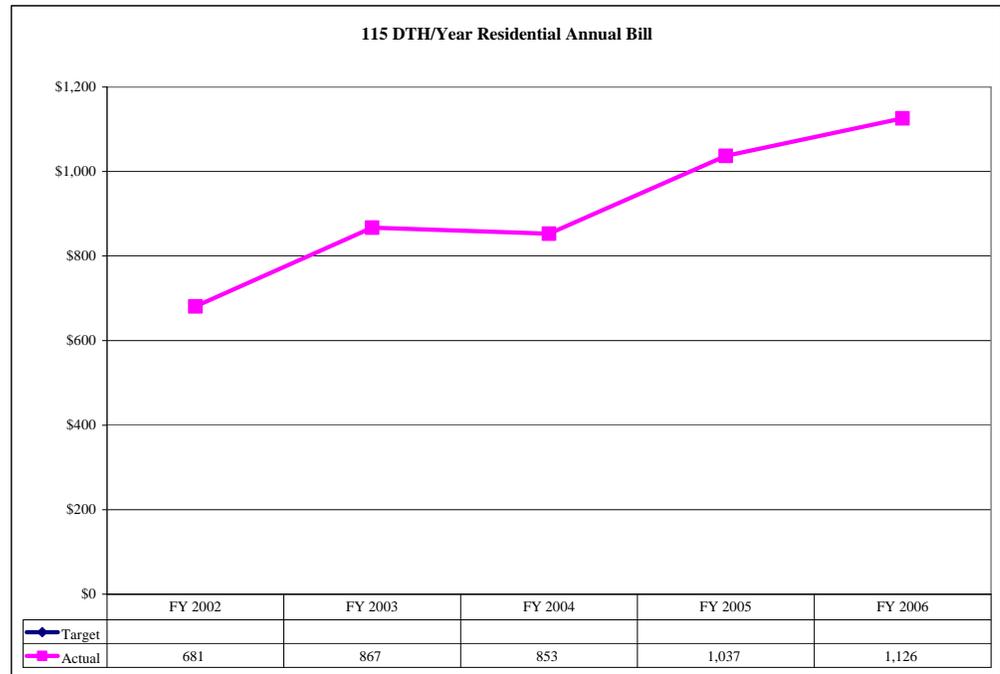


Figure 6-2

Measure: 115 decatherm per year residential gas bill.

Goal: Issue rulings that keep natural gas cost low and ensure healthy markets for providers.

Methodology: This graph shows the cost for an average (115 DTH/year) household of natural gas as determined by the first ruling of the year.

Measure Type: Outcome

NOTE: This metric is no longer tracked by the Public Service as a performance measure with the recent adoption of the Balanced Score Card. The Office of Legislative Fiscal Analyst will be recommending the adoption of new performance measures during the 2008 General Session.

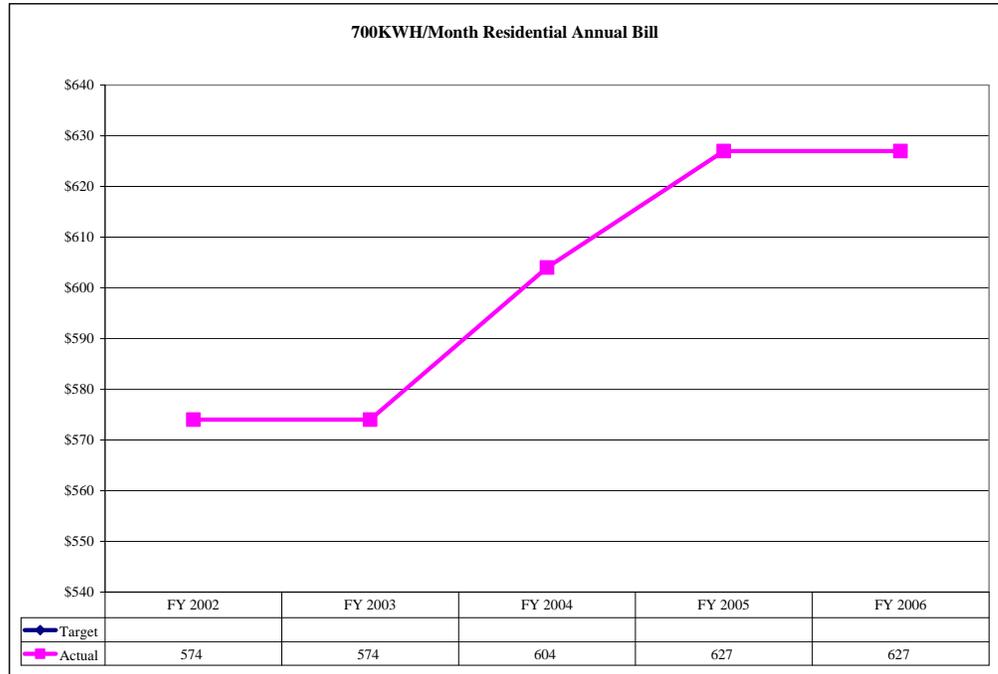


Figure 6-3

Measure: 700 kilowatt per month residential annual electric bill

Goal: Issue rulings that keep electrical cost low and ensure healthy markets for providers.

Methodology: Cost for an average (700 kilowatt hours per month) household annual electric bill.

Measure Type: Outcome

NOTE: This metric is no longer tracked by the Public Service as a performance measure with the recent adoption of the Balanced Score Card. The Office of Legislative Fiscal Analyst will be recommending the adoption of new performance measures during the 2008 General Session.

BUILDING OPERATION & MAINTENANCE - PSC

Function This is a separate accounting of the amounts appropriated and budgeted to pay for office rent. The Public Service Commission is located at the Heber M. Wells Building off of 300 South and 100 East in Salt Lake City. The building is owned and operated by the Department of Administrative Services, Division of Facilities and Construction Management (DFCM).

Funding Detail

Budget History - Public Service Commission - Building Operations and Maintenance					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
General Fund	25,000	0	0	0	0
GFR - CSF - PURF	0	25,000	25,000	24,600	25,000
Total	\$25,000	\$25,000	\$25,000	\$24,600	\$25,000
Categories of Expenditure					
Current Expense	25,000	25,000	25,000	24,600	25,000
Total	\$25,000	\$25,000	\$25,000	\$24,600	\$25,000

Table 6-4

ENERGY INDEPENDENT EVALUATOR

Function S. B. 26, 2005 General Session, “Public Utility Amendments”, establishes The Energy Resource Procurement Act which governs electric utility solicitations for significant energy resources. The Commission is required to hire an independent evaluator to review and monitor significant PacifiCorp resource procurements.

Funding Detail

Budget History - Public Service Commission - Energy Independent Evaluator					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
Dedicated Credits Revenue	0	0	73,600	140,300	350,000
Total	\$0	\$0	\$73,600	\$140,300	\$350,000
Categories of Expenditure					
Current Expense	0	0	73,600	140,300	350,000
Total	\$0	\$0	\$73,600	\$140,300	\$350,000

Table 6-5

PSC RESEARCH & ANALYSIS

Function The Wexpro Stipulation and Agreement was approved by the Public Service Commission in 1981 and affirmed by the Supreme Court of Utah in 1983. Under the Agreement, Wexpro operates natural gas and oil properties for the benefit of the customers of Wexpro Gas Company (formerly Mountain Fuel Supply Company). The Agreement calls for Wexpro to pay up to \$60,000 annually for outside consultants to monitor the operations to make sure activities are done in conformance with the agreement. The monitors operate under the direction of the Division of Public Utilities. The Public Service Commission receives the invoices from the consultants, requests the appropriate payments from Wexpro, and then pays the consultants. There are no funds coming from the general fund or from the Public Utility Regulatory Fee (PURF) to operate this program.

Funding Detail

Budget History - Public Service Commission - Research and Analysis					
	2003	2004	2005	2006	2007
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
Dedicated Credits Revenue	59,300	43,800	51,400	78,100	60,000
Total	\$59,300	\$43,800	\$51,400	\$78,100	\$60,000
Categories of Expenditure					
Current Expense	59,300	43,800	51,400	78,100	60,000
Total	\$59,300	\$43,800	\$51,400	\$78,100	\$60,000

Table 6-6

SPEECH & HEARING IMPAIRED

Function The Speech and Hearing Impaired Program provides telecommunication access twenty-four hours a day to hearing or speech impaired persons through Relay Utah. The services are now contracted through SPRINT. SPRINT employs people who use a computer to receive text telephone messages from a TTY (text telephone) and relay the information to the called party.

The Commission loans specialized telecommunications equipment to individuals who have hearing or speech barriers. The Commission has an advertising campaign to educate the deaf and the hearing public about 7-1-1 and the telecommunication relay service.

Funds collected and carried over from the previous year are used to fund the complete program.

The major activity of this budget is telephone calls and demand is increasing. With the implementation of two-way pagers, there is a shift nationally in the way deaf people communicate. The FCC is encouraging states to implement Video Relay Service which would complement the services already provided by Relay Utah.

Funding Detail

Budget History - Public Service Commission - Speech and Hearing Impaired					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
Dedicated Credits Revenue	1,193,000	1,312,500	1,355,900	1,367,500	1,206,500
Beginning Nonlapsing	4,227,900	3,899,800	3,945,500	3,824,800	2,789,500
Closing Nonlapsing	(3,899,800)	(3,945,600)	(3,824,900)	(3,190,700)	(1,956,900)
Total	\$1,521,100	\$1,266,700	\$1,476,500	\$2,001,600	\$2,039,100
Categories of Expenditure					
In-State Travel	300	5,500	8,600	10,300	8,600
Out of State Travel	2,700	3,000	2,000	1,400	4,000
Current Expense	1,500,800	1,258,200	1,203,700	1,989,900	1,166,800
Other Charges/Pass Thru	17,300	0	262,200	0	859,700
Total	\$1,521,100	\$1,266,700	\$1,476,500	\$2,001,600	\$2,039,100

Table 6-7

UNIVERSAL PUBLIC TELECOMMUNICATION SERVICE SUPPORT FUND

Function

The funding mechanism for the Universal Public Telecommunications Service Support Fund (previously the Universal Service Trust Fund) account is a 1/3 percent surcharge on intra-state telecommunications retail revenue. The fund is intended to subsidize eligible telephone exchange customers whose costs are much higher to operate than the state-wide average for providing local exchange and switched access service.

According to serving companies' data and statistics obtained by the Federal Communications Commission, the telephone subscription rate in rural Utah remains nearly equal to the Wasatch Front.

Funding Detail

Budget History - Public Service Commission - Universal Telecommunications Support Fund - Universal Telecom Service Fund					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
Trust and Agency Funds	0	8,196,000	10,489,600	6,626,700	0
Universal Public Telecom Service Fund	6,229,400	1,407,700	0	0	8,100,900
Beginning Nonlapsing	4,786,900	3,804,000	5,076,300	7,119,200	6,578,800
Closing Nonlapsing	(3,804,000)	(5,076,200)	(7,119,200)	(6,998,400)	(6,554,100)
Total	\$7,212,300	\$8,331,500	\$8,446,700	\$6,747,500	\$8,125,600
Categories of Expenditure					
Current Expense	0	2,300	0	0	0
Other Charges/Pass Thru	6,991,300	8,187,600	8,446,700	6,747,500	8,125,600
Trust & Agency Disbursements	221,000	141,600	0	0	0
Total	\$7,212,300	\$8,331,500	\$8,446,700	\$6,747,500	\$8,125,600

Table 6-8

Accountability

This workload measure shows that the number of subsidized lines is increasing.

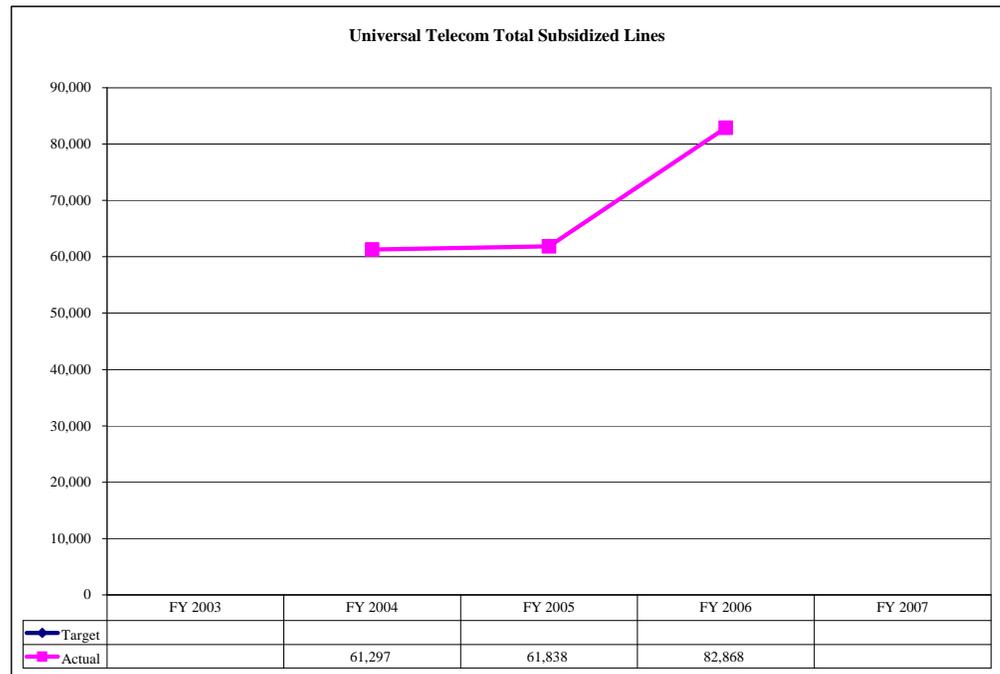


Figure 6-4

Measure: Total independent subsidized lines

Goal: Ensure that Utah citizens have access to affordable telecommunications services.

Methodology: Count the number of subsidized lines

Measure Type: Output

NOTE: This metric is no longer tracked by the Public Service as a performance measure with the recent adoption of the Balanced Score Card. The Office of Legislative Fiscal Analyst will be recommending the adoption of new performance measures during the 2008 General Session.

CHAPTER 7 WORKFORCE SERVICES

Function	<p>Created in 1997, the Department of Workforce Services, integrates job placement, job training, welfare, child care, food stamps, unemployment insurance and labor market information. Utah’s integrated services and one-stop centers are national and international models.</p> <p>The state is divided into five service regions and eight planning districts. The Department started with 106 locations. After integrating services, it has 51 locations, including 36 one-stop employment centers.</p> <p>The Department has a federal maintenance-of-effort requirement to keep a specific level of General Fund in the budget. Any reduction below the specified amount could result in a total loss of federal funds. There are two General Fund programs not involved in maintenance of effort: General Assistance and Child Care.</p> <p>This mission of Workforce Services is to provide employment and support services to customers to improve their economic opportunities.</p>
Statutory Authority	<p>Utah Workforce Services Code</p> <p>Title 35A creates the Department of Workforce Services, regional workforce service areas, and employment and apprenticeship programs.</p>
Intent Language	<p>From S.B. 3, 2006 General Session, Item 56:</p> <p style="padding-left: 40px;"><i>Under Section 63-38-8 of the Utah Code, funds appropriated by the 2007 Legislature to Workforce Services for Fiscal Year 2008, shall not lapse at the close of Fiscal Year 2008.</i></p> <p style="padding-left: 40px;"><i>It is the intent of the Legislature that these funds be used to fund the compensation package of eligibility workers within the Department of Workforce Services.</i></p> <p>From H.B. 150 2007 General Session, Item 54:</p> <p style="padding-left: 40px;"><i>It is the intent of the Legislature that the Departments of Health and Workforce Services provide progress reports regarding the consolidation of the Medicaid Eligibility System to the Health and Human Services and Commerce and Workforce Services Joint Appropriations Subcommittees when requested. A full report is to be presented to Executive Appropriations Committee on or before the November 2007 meeting. This report is to include actions taken, plans developed, and costs and benefits of the eligibility system consolidation.</i></p>

Funding Detail

Budget History - Department of Workforce Services					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
General Fund	55,332,000	61,376,300	55,400,000	58,732,000	72,330,200
General Fund, One-time	0	0	4,762,500	11,232,900	5,244,000
Federal Funds	217,868,900	220,242,200	206,014,300	181,549,100	228,972,300
Dedicated Credits Revenue	2,742,300	3,360,100	2,788,600	1,780,300	2,359,000
Trust and Agency Funds	0	2,160,000	2,514,600	7,506,200	0
Unemployment Compensation Trust	2,322,500	0	0	0	6,000
Transfers	3,728,900	4,939,500	5,651,700	15,375,600	8,933,900
Transfers - Medicaid	0	0	0	0	198,400
Beginning Nonlapsing	0	3,000,000	3,914,000	2,965,800	1,207,300
Closing Nonlapsing	0	(6,914,000)	(2,965,800)	(2,605,100)	0
Total	\$281,994,600	\$288,164,100	\$278,079,900	\$276,536,800	\$319,251,100
Line Items					
Workforce Services	281,994,600	288,164,100	278,079,900	276,536,800	319,251,100
Total	\$281,994,600	\$288,164,100	\$278,079,900	\$276,536,800	\$319,251,100
Categories of Expenditure					
Personal Services	106,705,100	112,363,400	114,051,800	106,447,900	125,561,100
In-State Travel	489,700	486,100	415,000	408,900	581,400
Out of State Travel	253,700	314,500	201,300	198,900	340,500
Current Expense	40,257,900	40,202,000	38,028,600	34,781,000	60,135,400
DP Current Expense	18,094,300	19,873,900	17,225,500	27,843,800	23,283,600
DP Capital Outlay	1,541,200	1,035,700	466,800	1,247,800	2,404,000
Capital Outlay	9,427,300	4,905,200	5,851,200	13,755,900	6,041,600
Other Charges/Pass Thru	105,225,400	108,983,300	101,839,700	91,852,600	100,903,500
Total	\$281,994,600	\$288,164,100	\$278,079,900	\$276,536,800	\$319,251,100
Other Data					
Budgeted FTE	2,042.5	2,033.0	1,806.3	1,805.0	1,947.0
Vehicles	105	111	111	111	121

Table 7-1

Cost Allocation Methodology

The Department of Workforce Services (DWS) uses an integrated service delivery system to administer programs. This system consists of local one-stop employment centers, staffed with employment counselors and eligibility specialists. The system is integrated at the individual worker level which means that each worker can help a customer access all department employment, training, and financial assistance programs in a seamless service delivery environment.

Service delivery appears seamless to the customer, because the majority of the programs offered by DWS are federally funded and are targeted toward select

groups of eligible individuals. Workers' time (and employment center costs) must be charged to the different programs and funding sources based on the profiles of each of the customers being served. It would be unduly burdensome to require workers to direct charge their time in 15 minute increments to the programs they work with, based on each customer they serve. Instead DWS pools workers' time and costs, and spreads these to benefiting programs using a statistical method called Random Moment Time Sampling (RMTS).

RMTS involves making approximately 5,000 contacts per quarter at randomly selected times and days to randomly selected front line workers to determine what function they are performing, and what program/funding source the customer they are serving is eligible for. The contacts are via e-mail and the response is by hyperlink to a web-based database. The statistical result is then applied to the total pooled operating costs of DWS' employment centers.

Economic and market conditions, and customer needs drive DWS' funding needs. How much funding is needed from each source for each program depends on the mix of customers who access DWS' employment centers, and the amount of time it takes to serve each. This mix of customers, and their needs, changes constantly. As a result DWS must continually monitor customer types and service delivery trends and adjust pathways and service delivery methods to stay within available funding sources.

Typical budgeting and accounting by program do not apply well to DWS operations because of this cost allocation method. As a result, DWS' budget is best viewed as an integrated Employment Center operations budget, funded by a variety of funding sources/programs, based on a changing mix of customers.

TANF FAMILY EMPLOYMENT PROGRAM

Function

The Family Employment Program (FEP) helps families become self sufficient by helping clients find jobs, and providing financial support to eligible parents. The program may also help with child-care, and/or disability benefits. Working with a case manager, parents develop an employment plan that leads to self-sufficiency. To remain eligible, parents must follow the plan. Funding is from the federal Temporary Assistance for Needy Families (TANF) grant and state matching funds.

The key principles of FEP are:

1. It is employment focused rather than benefit based.
2. Benefits are time limited. (Most states follow the federal 5-year limit. Utah's limit is 3 years.)
3. Participants work with only one counselor for both self-sufficiency and benefits.
4. States are required to meet federal standards for the number of participants working.

Utah some the flexibility to design its TANF assistance programs. Utah can use both the federal block grant and state Maintenance of Effort (MOE) money on anything that accomplishes the broad purposes of TANF including:

1. Ending welfare dependence;
2. Promoting employment;
3. Encouraging two-parent families; and
4. Reducing out-of-wedlock pregnancies.

Resources must be spent on eligible families.

Funding Detail

The Random Moment Time Sampling method of allocating costs is different than other state programs. The standard table is not applicable. The following table shows the expected funding level for the current year:

Temporary Assistance to Needy Families TANF	
Sources of Finance	FY 2008 Authorized
General Fund	\$17,966,887
Federal Funds	68,779,319
Total	<u><u>\$86,746,206</u></u>

Table 7-2

Accountability

This shows the number of clients working or participating in other qualifying activities, 50% participation is the federal goal and is enforced with financial penalties.

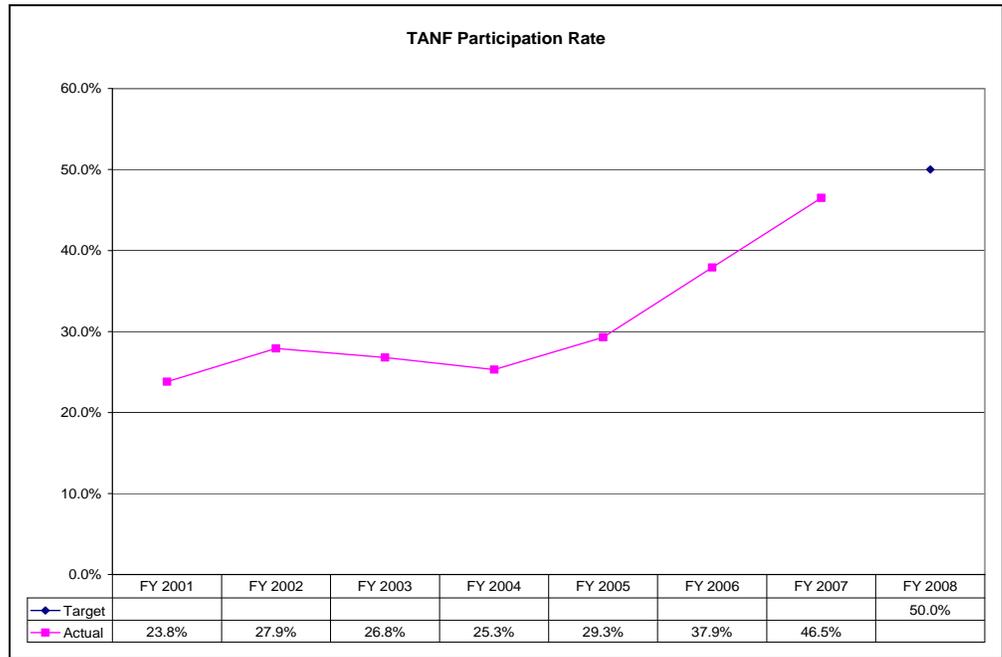


Figure 7-1

Measure: TANF – Participation Rate

Goal: Comply with federal guidelines and qualify for bonus money

Methodology: Percent of participants meeting federal guidelines. The federal goal is 50% participation and includes federal credits (based on caseload reductions) towards compliance.

Measure Type: Output

This is the ratio of time-limited TANF clients that participate 30 hours or more in federally mandated employment-related activities

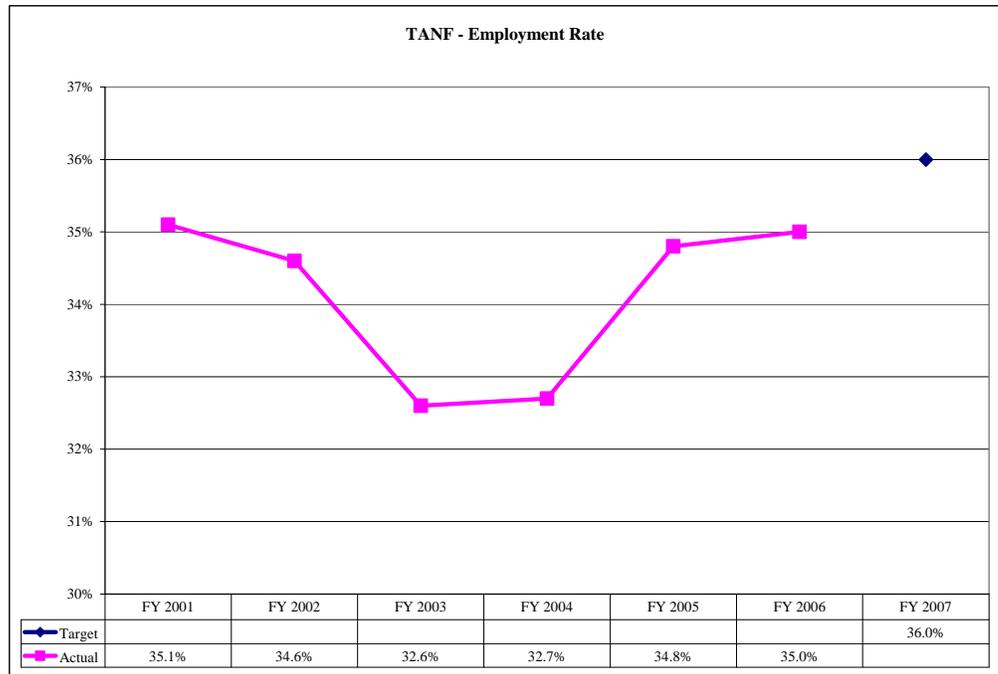


Figure 7-2

Measure: TANF Employment Rate

Goal: Help people receiving TANF benefits become independent

Methodology: The number of TANF clients earning an income while getting benefits

Measure Type: Output

NOTE: This metric is no longer tracked by the Department of Workforce Services as a performance measure with the recent adoption of the Balanced Score Card. The Office of Legislative Fiscal Analyst will be recommending the adoption of new performance measures during the 2008 General Session.

FOOD STAMPS

Function

This federal program helps eligible individuals buy food. Actual stamps are no longer used; payments are made through debit cards. Food stamps cannot buy tobacco, alcoholic beverages, items that cannot be eaten, or already prepared foods. They can buy vegetable seeds and plants. Items purchased with food stamps are not subject to sales tax.

Food Stamp administration is funded with federal funds and a 50/50 state match. Benefits are 100% federally funded and are not shown in the budget. For FY 08, food stamp benefit payments are expected to be \$128.8 million.

Funding Detail

The Random Moment Time Sampling method of allocating costs is different than other state programs and makes the standard table not applicable. The following table shows the expected funding level for the current year:

Food Stamps	
	FY 2008
Sources of Finance	Authorized
General Fund	\$20,938,914
Federal Funds	155,093,948
Total	<u><u>\$176,032,862</u></u>

Table7-3

Accountability

This shows the eligibility accuracy for the food stamp program. Performance is enforced by federal financial penalties. The required level of performance is based on performance by the states and is a floating number.

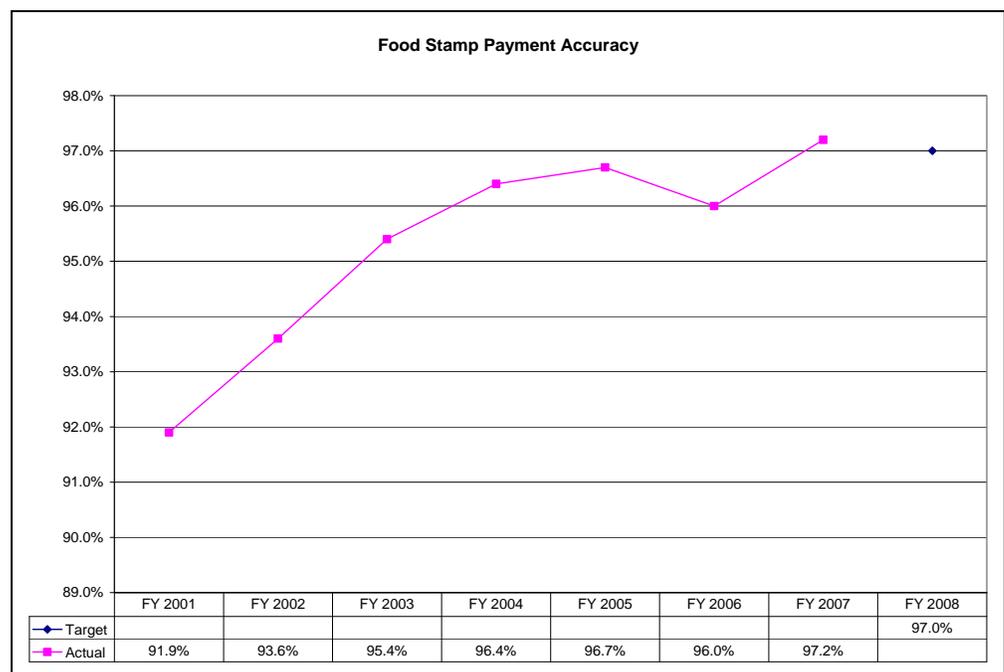


Figure 7-3

Measure: Food Stamp Payment Accuracy

Goal: Issue Food Stamp benefits accurately

Methodology: Federal auditors pull a sample of cases to determine if food stamps were issued accurately.

Measure Type: Output

The federal timeliness approval standard is 30 days. This is a measurement that the federal government uses in order determine timeliness in decisions of food stamps cases.

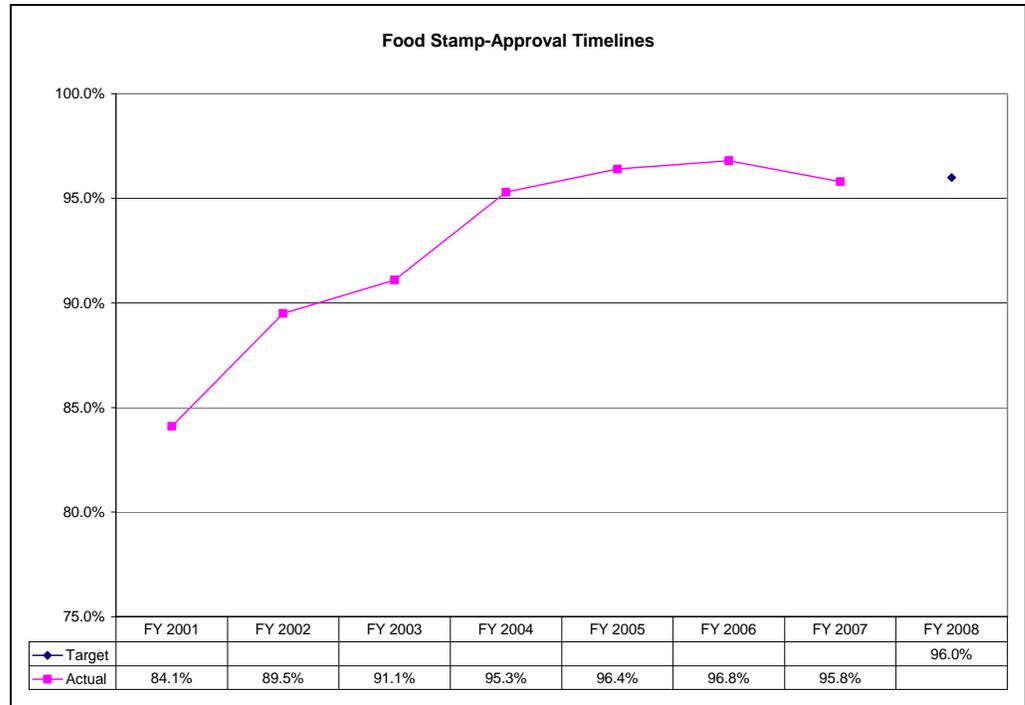


Figure 7-4

Measure: Food Stamp Approval Timeliness

Goal: Issue Food Stamp benefits within timeliness standards.

Methodology: Federal auditors pull a sample of cases to determine if food stamps were issued accurately.

Measure Type: Output.

This graph shows that Food Stamp workload has peaked and declining slightly.



Figure 7-5

Measure: Food Stamp Case Counts

Goal: Monitor Food Stamp workload.

Methodology: Count the number of cases

Measure Type: Workload

GENERAL ASSISTANCE

Function

This is a state funded program providing financial assistance to eligible single people and couples who do not qualify for the Family Employment Program (FEP). To be eligible, recipients must be unable to earn more than \$500 per month due to physical illness or mental disability.

People receiving General Assistance are required to register with Vocational Rehabilitation if their disability can be overcome. Some participate in the Work Experience and Training Program. People waiting to qualify for Federal Supplemental Security Income are temporarily helped through General Assistance. Cash assistance is limited to 24 of 60 months while customers are receiving treatment. The monthly assistance is \$261 for single individuals or \$362 for a household of two. The Federal Government reimburses the State for payments made to those who become Supplemental Security Income eligible (about 60% of the total General Assistance budget.)

The General Assistance program includes financial assistance, employable skills building/worksite training, and one-time emergency assistance to enhance employability of Utah’s most vulnerable customers.

Funding Detail

The Random Moment Time Sampling method of allocating costs is different than other state programs. The standard table not applicable. The following table shows the expected funding level for the current year:

General Assistance	
Sources of Finance	FY 2008 Authorized
General Fund	\$10,712,505
Total	\$10,712,505

Table 7-4

Accountability

This graph shows General Assistance workload levels.

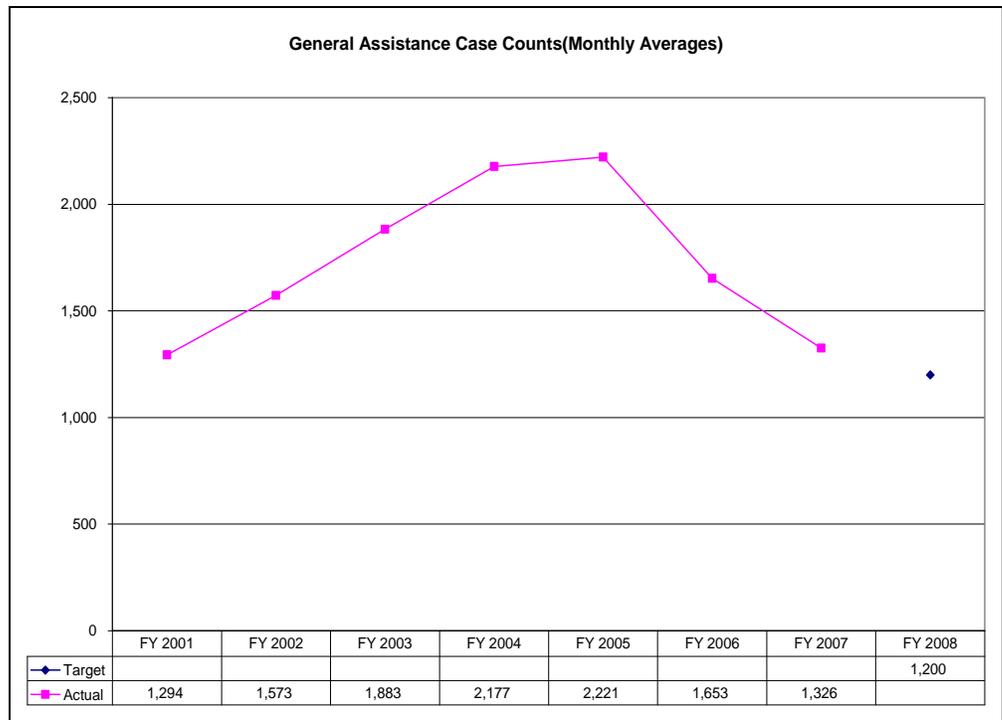


Figure 7-6

Measure: General Assistance Case Counts

Goal: Monitor General Assistance workload.

Methodology: Count the number of cases.

Measure Type: Output

This shows the percentage of people on General Assistance getting a job.

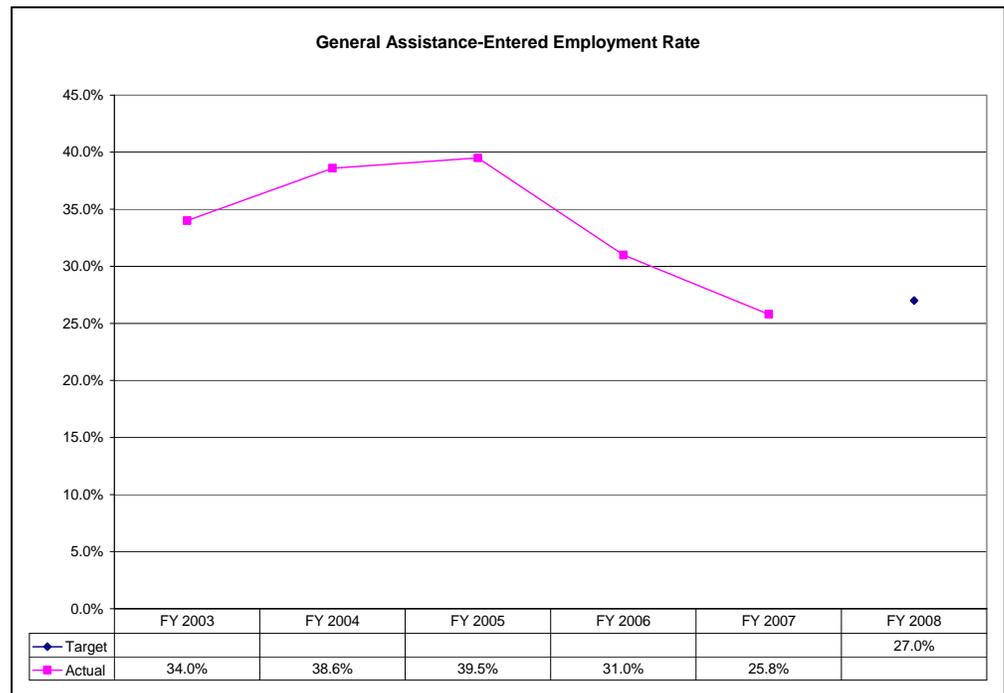


Figure 7-7

Measure: General assistance entered employment rate

Goal: Help eligible clients to independence by helping them get a job

Methodology: The number of former customers that have a job in the quarter following benefits.

Measure Type: Output

CHILD CARE

Function

This program helps qualified working parents with child care subsidies. It helps parents find child care and works to improve child care quality.

Funding Detail

The Random Moment Time Sampling method of allocating costs is different than other state programs. The standard table not applicable. The following table shows the expected funding level for the current year:

Child Care	
	FY 2008 Authorized
Sources of Finance	
General Fund	\$7,674,923
Federal Funds	58,831,365
Total	\$66,506,288

Table 7-5

Accountability

This workload measure shows the number of children served increasing.

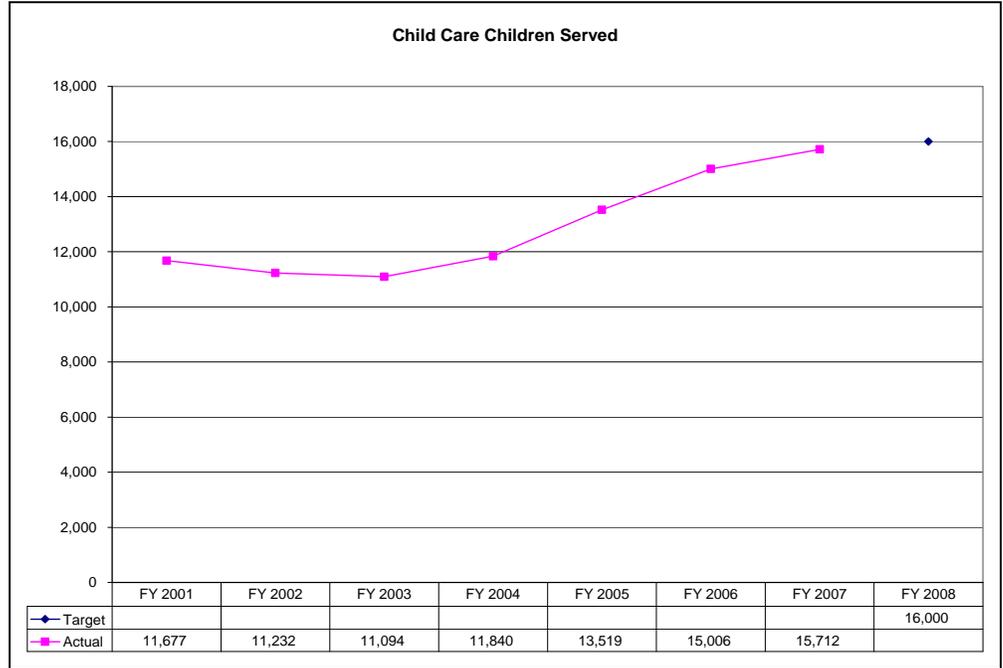


Figure 7-8

Measure: Child care children served

Goal: Monitor Child Care workload

Methodology: Count the number of children served

Measure Type: Output

This shows that the program is getting better at processing applications on time.

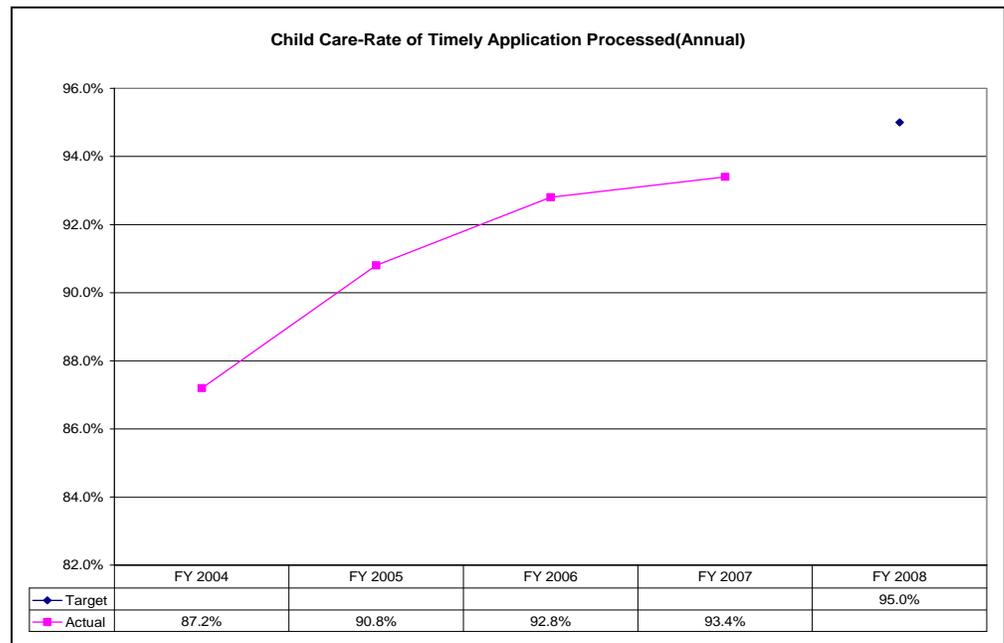


Figure 7-9

Measure: Child care applications processed on time

Goal: Process child care applications in a timely fashion

Methodology: This means processed within 30 days

Measure Type: Output

The “Payment-to-Parent” Assisted Child Care Program provides funding for child care to low-income parents who are employed, or are employed and attending school or training. A subsidy is available for families whose household income is at or below 64% of the state median income (currently \$2,951 per month for a family of four).

WORKFORCE INVESTMENT ACT (WIA)

Function

This federally funded program prepares low-income youth, adults and dislocated workers, and persons with other barriers. It makes funding available to eligible job seekers for vocational training, education, and other support services, and for help in finding a job.

Funding Detail

The Random Moment Time Sampling method of allocating costs is different than other state programs. The standard table is not applicable. The following table shows the expected funding level for the current year:

Workforce Investment Act (WIA)	
	FY 2007 Authorized
Sources of Finance	
Federal Funds	\$13,235,037
Total	\$13,235,037

Table 7-6

Accountability

This shows the number of WIA clients getting and keeping a job.

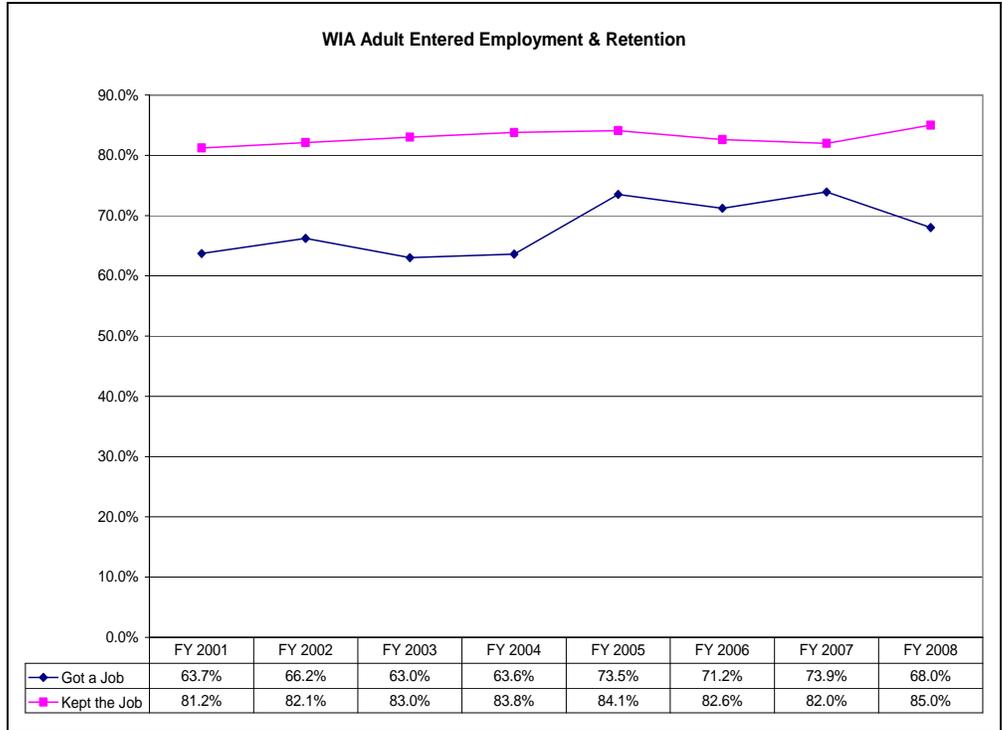


Figure 7-10

Measure: WIA Adult Entered Employment and Retention

Goal: Help WIA clients get and keep a job

Methodology: Employed in the first quarter after program exit. Retention shows the percentage of participants who stayed on the job for six months

Measure Type: Output

This graph shows the number of Dislocated Worker clients getting and keeping a job.

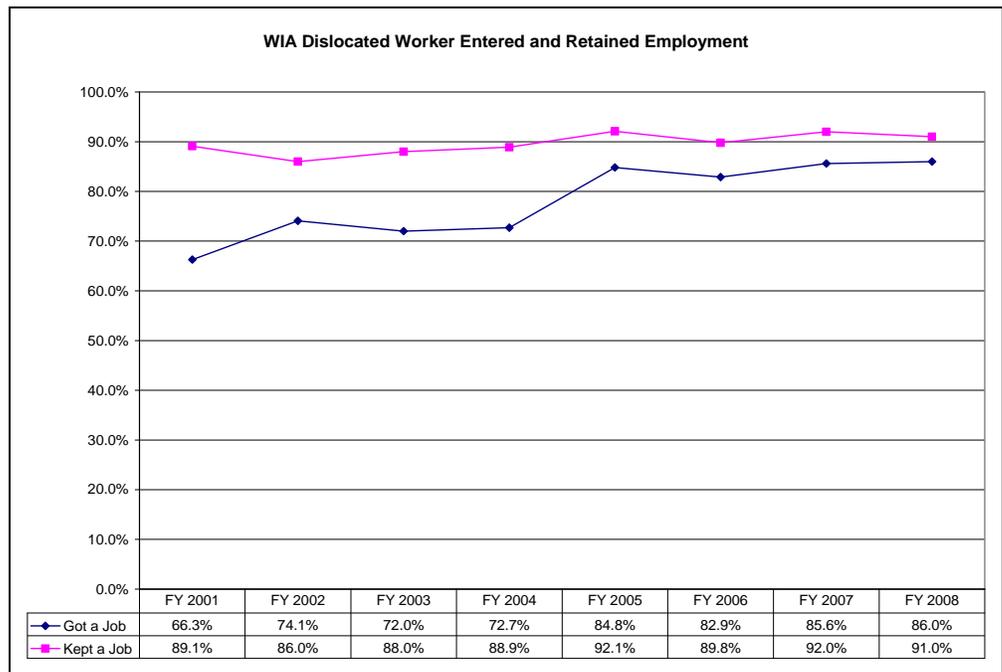


Figure 7-11

Measure: WIA Dislocated Worker Entered Employment and Retention

Goal: Help WIA clients get and keep a job

Methodology: Employed in the first quarter after program exit. Retention shows the percentage of participants who stayed on the job for six months.

Measure Type: Output

NOTE: This metric is no longer tracked by the Department of Workforce Services with the recent adoption of the Balanced Score Card. The Office of Legislative Fiscal Analyst will be recommending the adoption of new performance measures during the 2008 General Session.

This graph shows the number of Older Youth getting and keeping a job.

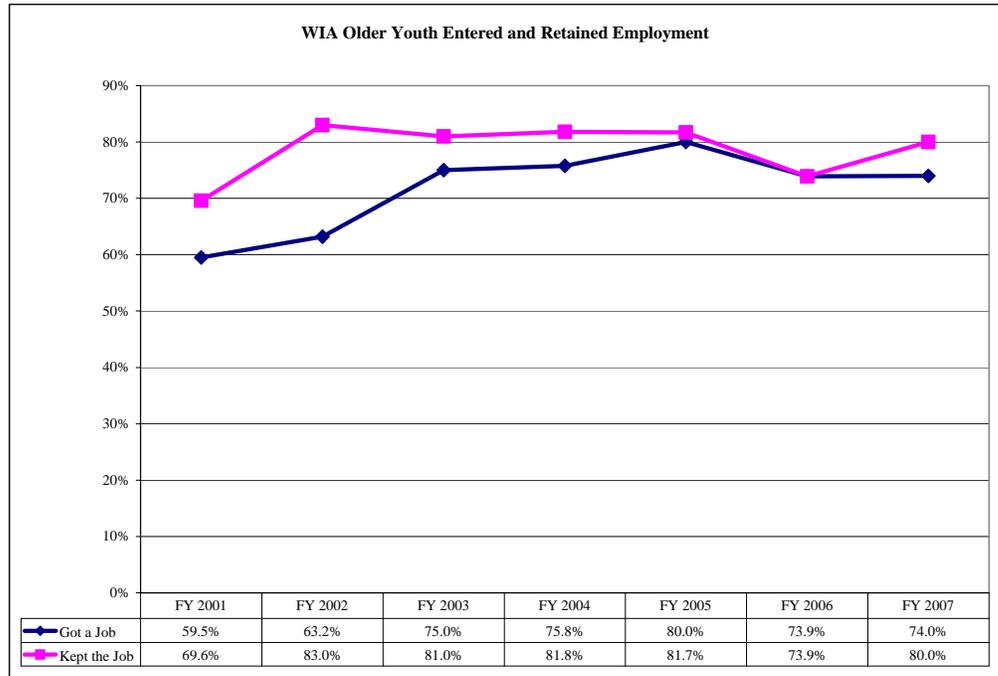


Figure 7-12

Measure: WIA Older Youth Employment and Retention

Goal: Help WIA clients get and keep a job.

Methodology: Employed in the first quarter after receiving benefits. Retention shows the percentage of participants who stayed on the job for six months.

Measure Type: Output.

NOTE: This metric is no longer tracked by the Department of Workforce Services with the recent adoption of the Balanced Score Card. The Office of Legislative Fiscal Analyst will be recommending the adoption of new performance measures during the 2008 General Session.

This shows the number of Younger Youth clients getting a skill or a diploma.

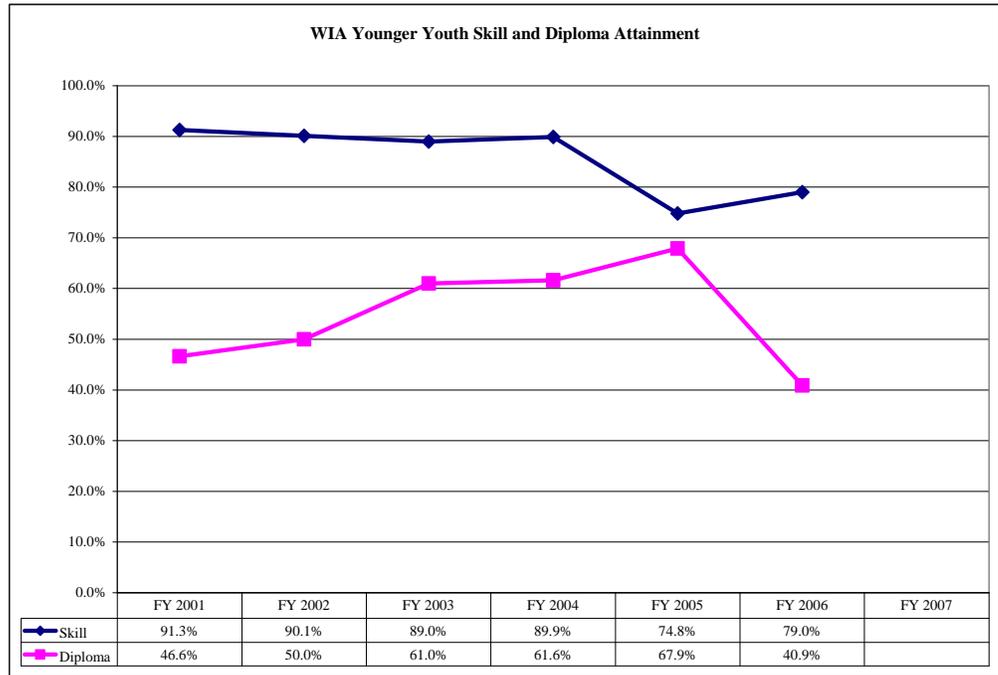


Figure 7-13

Measure: WIA Younger Youth Skill and Diploma Attainment

Goal: Help WIA clients get the skills necessary for a job and independence.

Methodology: Younger youth may still be in school and a degree may not yet be appropriate. The skill may be a literacy or welding certificate.

Measure Type: Output.

This shows WIA employer clients and job seeker client satisfaction levels.

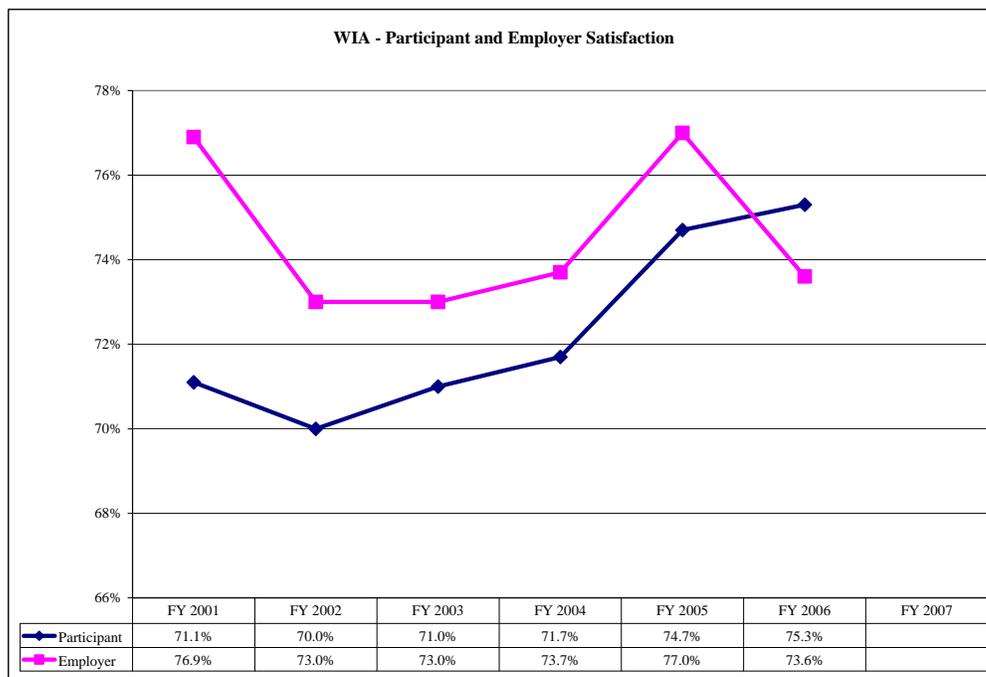


Figure 7-14

Measure: WIA Participant and Employer Satisfaction

Goal: Ensure that participants and employers are satisfied with program performance.

Methodology: Perceptive survey to measure satisfaction with DWS programs and services related to WIA and Wagner-Peyser.

Measure Type: Output.

NOTE: This metric is no longer tracked by the Department of Insurance with the recent adoption of the Balanced Score Card. The Office of Legislative Fiscal Analyst will be recommending the adoption of new performance measures during the 2008 General Session.

WAGNER-PEYSER (EMPLOYMENT EXCHANGE)

Function

This federally funded program:

- Helps employers hire the most qualified worker for the job.
- Helps job seekers identify their skills and abilities so that they will make the right job and career decisions.

Funding Detail

The Random Moment Time Sampling method of allocating costs is different than other state programs. The standard table is not applicable. The following table shows the expected funding level for the current year:

Wagner Peyser, Trade, and Vettrans Programs	
Sources of Finance	FY 2008 Authorized
Federal Funds	\$16,676,506
Total	\$16,676,506

Table 7-7

Accountability

This graph shows that the number of job orders is steadily increasing.



Figure 7-15

Measure: WIA younger youth Skill and Diploma Attainment

Goal: Help WIA clients get the skills necessary for a job and independence.

Methodology: Younger youth may still be in school and a degree may not yet be appropriate. The skill may be a literacy or welding certificate.

Measure Type: Output

NOTE: This metric is no longer tracked by the Department of Workforce Services with the recent adoption of the Balanced Score Card. The Office of Legislative Fiscal Analyst will be recommending the adoption of new performance measures during the 2008 General Session.

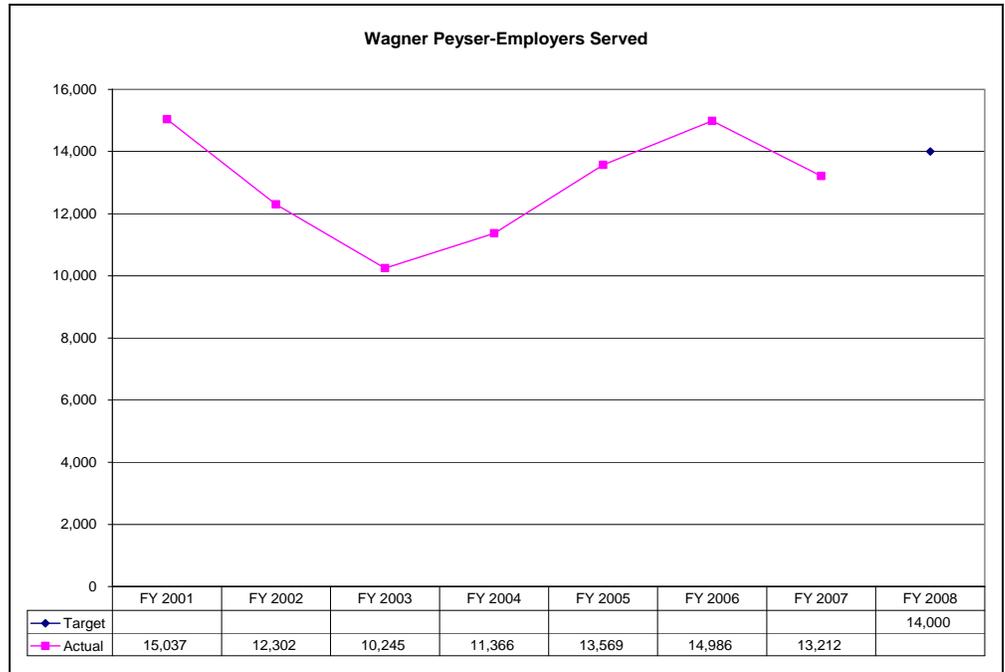


Figure 7-16

Measure: Employers Served

Goal: Be of service to as many employers as is practical

Methodology: This is a straight count

Measure Type: Output

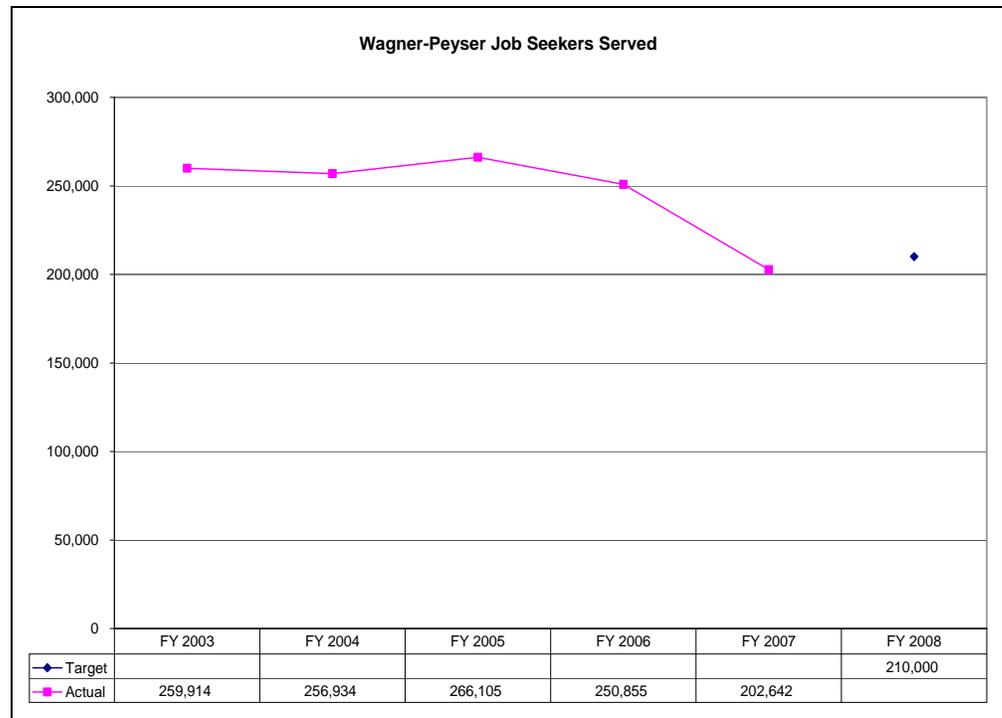


Figure 7-17

Measure: Job Seekers Served

Goal: Be of service to as many job seekers as is practical

Methodology: This is a straight count

Measure Type: Output

UNEMPLOYMENT INSURANCE

Function

Unemployment Insurance (UI) collects employer contributions to the trust, determines eligibility and pays weekly benefits to unemployed workers

This federally funded program will spend approximately \$24 million on operations in FY 2008. The benefit portion of the program is not part of the budget but will amount to approximately \$107 million in FY 08.

The Department opened jobs.utah.gov, the nation’s first complete unemployment insurance web site. The Department believes that it is the most forward looking, comprehensive state unemployment system in the country. After logging on, eligible job seekers can file unemployment insurance claims, register for work and employers can conduct all of their business (registering as a new employer, reporting and paying their UI tax obligations, accessing unemployment insurance tax rates, researching unemployment tax laws and regulations, downloading unemployment tax forms and publications, etc.) Representatives from other states have already visited Utah to get additional information about the Utah’s system from the developers and more are planning trips to get information that will allow them to copy Utah’s system.

Another part of the website is a job matching function. Three years in the making, the service allows employers to search for qualified employees from a database of more than 65,000 job seekers, and job seekers will be able to search and apply online for thousands of Utah jobs.

Funding Detail

The Random Moment Time Sampling method of allocating costs is different than other state programs. The standard table is not applicable. The following table shows the expected funding level for the current year:

Unemployment Insurance	
	FY 2008
Sources of Finance	Authorized
Federal Funds	\$135,800,878
Total	\$135,800,878

Table 7-8

Accountability

This shows that the number of average monthly claims filed by people is declining.

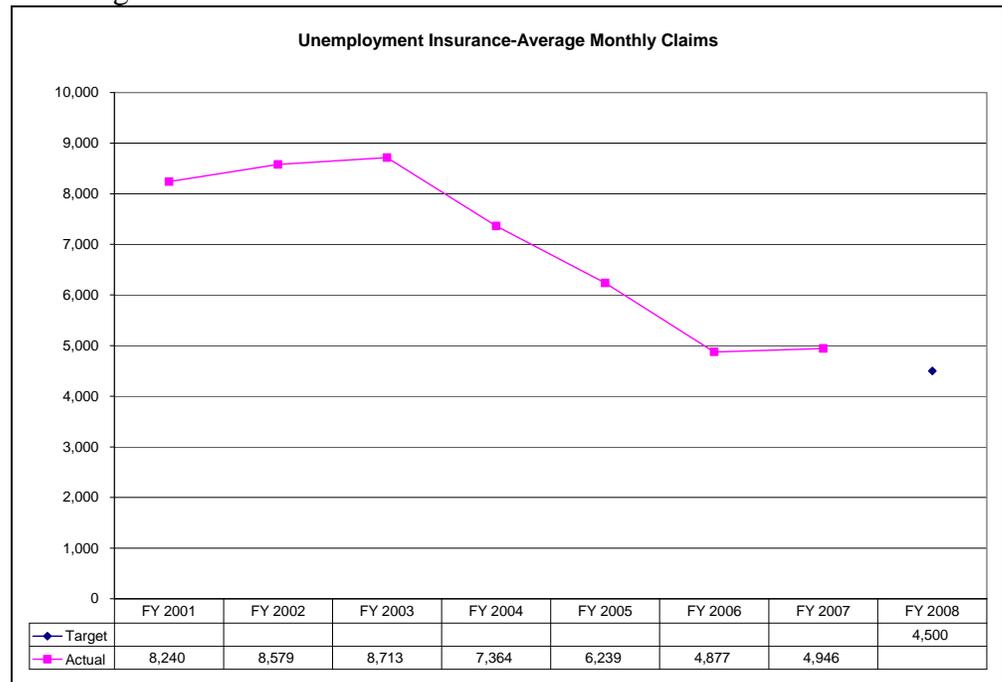


Figure 7-18

Measure: Unemployment Insurance Average Monthly Claims

Goal: Monitor Unemployment Insurance workloads

Methodology: This is a straight count

Measure Type: Output

The average claim duration is declining.

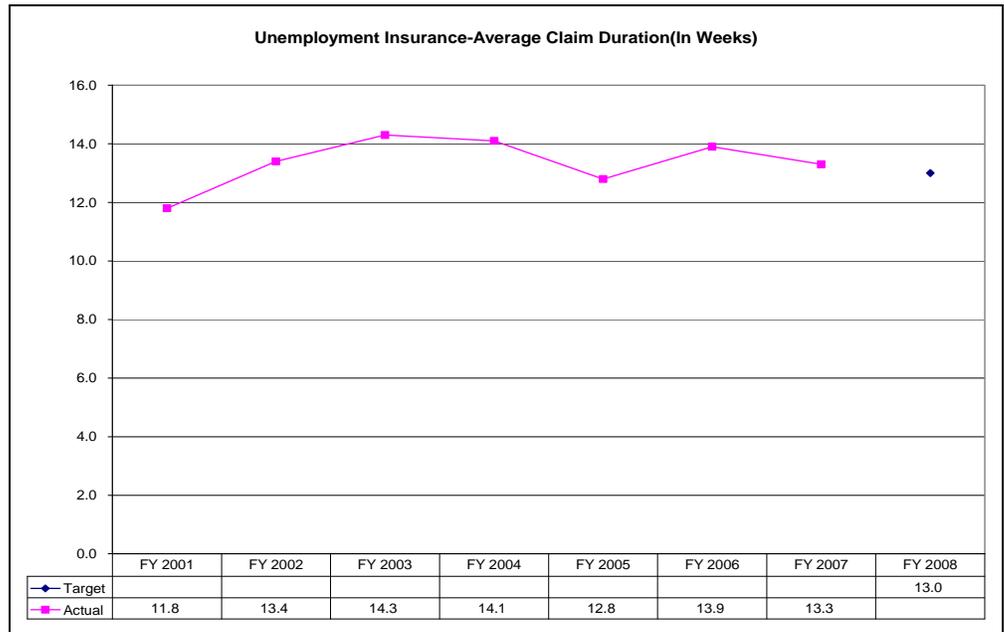


Figure 7-18

Measure: Average Claim Duration in weeks

Goal: Monitor Unemployment Insurance claim duration

Methodology: This is a straight count

Measure Type: Output

The timeliness of the first unemployment payment is declining.

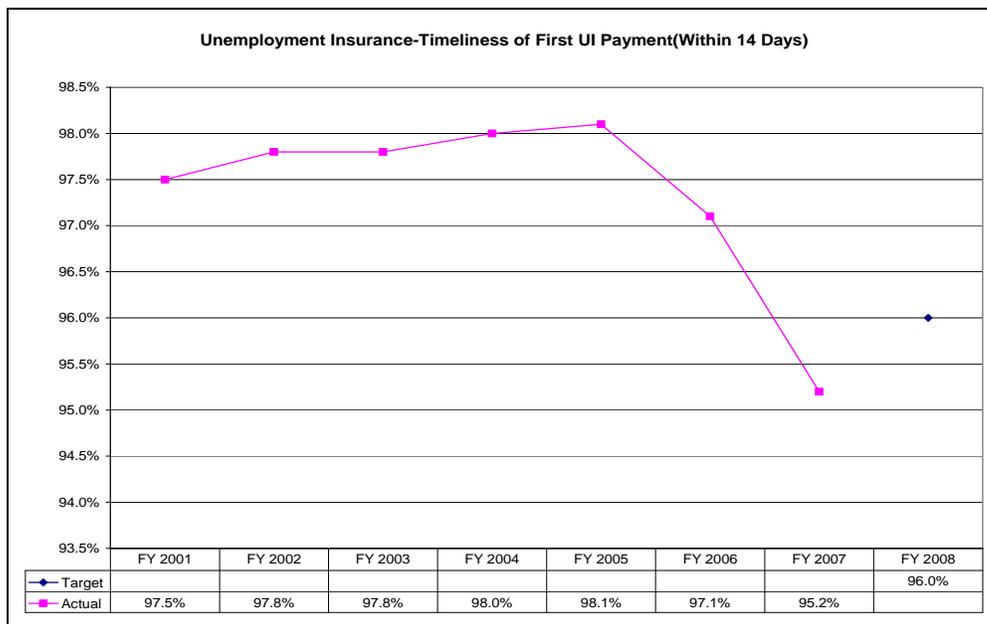


Figure 7-19

Measure: Timeliness of First UI Payment

Goal: Get benefits to clients on a timely basis

Methodology: This is a 14 day measure (after a one week wait).This is a straight count

Measure Type: Output

OTHER PROGRAMS & SERVICES

Function

The Department has centralized services to the regions and their Employment Centers. All case managers are now classified as “employment counselors”.

Services include oversight of job training, employment development, and support services, adjudication and auditing, labor market information, and data processing. The Division contracts with the federal government to provide information and specific services to them. There are some quality control responsibilities to assure compliance with federal guidelines.

Six major program systems are currently being managed:

1. Public Assistance Case Management Information System (PACMIS) - Determines eligibility and payments for financial assistance, Medicaid and food stamps;
2. Contributions Automated Tax System (CATS) - Collects and manages the unemployment taxes paid by employers. System will also gather wage information to be entered into a database via scanners, internet, tape, and diskette.

3. New Hire Registry - Federal welfare reform requires states to implement a new hire registry to help locate those with delinquent child support obligations. This system is being developed with funds transferred from the Office of Recovery Services.
4. EREP is the integrated eligibility determination system being built with TANF funds to replace the Public Assistance Case Management Information System (PACMIS), a program that is old and only serving 50% of the Department's needs. PACMIS is also used by Human Services and Health. The Department is using residual TANF funds to build a rule based program that will serve TANF and Child Care. The Department will integrate Food Stamps, Medicaid, General Assistance, Foster Care, and Adoption, into the eRep system.
5. EFIND is the integrated system used to access multiple databases help DWS staff verify eligibility to all public assistance programs, it will also be integrated within EREP system.
6. Comprehensive Unemployment Benefits System (CUBS) - Determines unemployment eligibility and benefit determinations. Customers may file claims and obtain information about the status of their claim though the internet or an Interactive Voice Response (IVR) system.

CHAPTER 8 UTAH STATE OFFICE OF REHABILITATION**Function**

The Utah State Office of Rehabilitation (USOR), under the direction of the State Board of Education, operates programs designed to assist disabled individuals prepare for and obtain gainful employment as well as increase their independence. USOR contains an Executive Director's Office, and four operating divisions: Services to the Blind and Visually Impaired, Rehabilitation Services, Disability Determination Services, and Services to the Deaf and Hard-of-Hearing.

The Smith-Fess Act authorizing the state-federal vocational rehabilitation program was passed by Congress and signed into law in 1920. The program officially opened in Utah in 1921. The Utah State Office of Rehabilitation was created during the 1988 Legislative session under the direction of the State Board of Education and State Superintendent of Public Instruction. Prior to 1988 two separate departments the Division of Rehabilitation Services and the Division of Services for the Blind and Visually Impaired existed as separate divisions under the Utah State Office of Education.

USOR provides tailored services focusing on the needs, interests, abilities, and informed choices of the individuals served. USOR works in concert with other community service and resource providers to offer rehabilitative services throughout the state.

To be eligible for services, patrons must have a physical or mental impairment that constitutes a substantial impediment to gainful employment. State law requires a financial needs test to determine the extent to which a client may receive services.

Statutory Authority

Statutory provisions for the Utah State Office of Rehabilitation may be found in UCA, Section 53A, Chapter 24. In addition to state law, many functions provided by USOR have provisions detailed in federal law. Those federal law references, where available, follow the references in Utah Code.

Utah Code:

- UCA Title 53A, Chapter 24 – State Rehabilitation Act, creates and defines the State Office of Rehabilitation and its functions.

Federal Law:

- 29 USC 721 (a)(2) – Designates the State Agency/Unit for Rehabilitation Services.

Funding Detail

Two primary sources provide revenue for USOR. The largest contributor is the federal government, providing approximately 62 percent of total USOR revenues in FY 2007. In addition to federal funds, USOR receives a significant appropriation from state funds. Uniform School Fund revenues account for roughly 36.2 percent of the total appropriation. The remaining state generated revenue comes from the General Fund. In addition to state and federal resources, the office collects dedicated credits generated primarily through fees and the sale of services, goods and materials.

Table 113 provides a 5 year budget history for the Utah State Office of Rehabilitation.

Budget History - State Board of Education - State Office of Rehabilitation					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
General Fund	254,900	254,900	254,900	254,900	265,100
Uniform School Fund	18,166,100	18,996,900	19,605,800	20,488,800	21,310,100
Uniform School Fund, One-time	0	128,600	300,000	383,100	1,000,000
Federal Funds	32,998,200	34,132,300	32,495,300	33,512,800	35,195,400
Dedicated Credits Revenue	521,900	441,800	929,000	999,900	1,042,100
Transfers	0	0	0	0	19,300
Closing Nonlapsing	0	0	0	(4,800)	0
Total	\$51,941,100	\$53,954,500	\$53,585,000	\$55,634,700	\$58,832,000
Programs					
Executive Director	1,423,000	1,366,500	1,433,500	1,790,300	1,350,000
Blind and Visually Impaired	4,897,100	5,115,900	5,378,200	5,205,800	5,585,800
Rehabilitation Services	36,486,900	37,939,000	37,163,800	38,534,100	40,943,200
Disability Determination	7,505,200	7,899,000	7,841,100	8,142,800	8,720,100
Deaf and Hard of Hearing	1,628,900	1,634,100	1,768,400	1,961,700	2,232,900
Total	\$51,941,100	\$53,954,500	\$53,585,000	\$55,634,700	\$58,832,000
Categories of Expenditure					
Personal Services	20,017,400	21,545,300	22,592,700	23,945,700	26,482,400
In-State Travel	187,000	217,500	230,100	242,600	227,400
Out of State Travel	37,500	42,700	57,500	63,300	57,500
Current Expense	3,910,600	4,195,600	4,598,800	4,635,100	4,602,200
DP Current Expense	753,500	658,700	787,800	756,600	787,800
DP Capital Outlay	40,900	5,000	61,300	0	61,300
Capital Outlay	15,600	57,500	2,382,100	58,500	0
Other Charges/Pass Thru	26,978,600	27,232,200	22,874,700	25,932,800	25,279,100
Total	\$51,941,100	\$53,954,500	\$53,585,000	\$55,634,600	\$57,497,700
Other Data					
Budgeted FTE	404.0	406.0	431.6	431.0	431.0
Vehicles	41	41	37	37	37

Table 8-1

EXECUTIVE DIRECTOR’S OFFICE

Function

With the approval of the State Board of Education, the State Superintendent appoints the Executive Director of USOR. The Executive Director administers the office in accordance to the direction of the State Superintendent, policies of the State Board, and applicable state and federal laws and regulations.

The Executive Director’s Office supervises and coordinates the four operating divisions which include the Division of Services for the Blind and Visually Impaired, the Division of Rehabilitation Services, the Division of Disability Determination Services, and the Division of Services to the Deaf and Hard of Hearing.

Functions of the Executive Director’s office include planning, budgeting, policy and procedure development, program evaluation, program and fee approval, facility and lease management, computer network development and maintenance, contracts and monitoring, public relations, special project grants, personnel, and training. The office also acts as the primary interface between the Legislature, the State Board of Education as well as the Rehabilitation Services Administration and the Social Security Administration for the various divisions.

Statutory Authority

The following statutes detail the creation of the Executive Director’s office, provide for the appointment of the Executive director and enumerate the functions of the office.

Utah Code:

- UCA 53A-24-104 – This section directs the State Superintendent, with approval of the State Board of Education to appoint an Executive Director for the State Office of Rehabilitation.
- UCA 53A-24-105 – Details the statutory functions of the Executive Directors Office, including, budgeting, program administration, establish divisions, conduct studies and make reports pursuant to office functions, etc.

Federal Law:

- 29 USC 721 (a)(2)(B)(ii) – Executive Director

Funding Detail

The Uniform School Fund provides the majority of funding for the Executive Director’s Office. The office receives approximately 8 percent of its revenue from the federal government. In addition, the Executive Director’s office generates a portion of its revenue from dedicated credits.

The dedicated credits are generated through two receivable contracts USOR has with the Department of Health. One contract involves network support services for a Department of Health office that is located next to a USOR office in the same building. The second contract involves a joint effort with the Governor’s Committee on Employment of People with Disabilities through the State Office of Rehabilitation and the Medicaid Infrastructure Grant (DOH) to educate employers about hiring people with disabilities.

Budget History - State Board of Education - State Office of Rehabilitation - Executive Director					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
Uniform School Fund	956,300	916,200	1,040,600	1,335,100	1,037,800
Uniform School Fund, One-time	0	5,000	0	(2,400)	0
Federal Funds	424,800	424,400	387,500	450,600	306,800
Dedicated Credits Revenue	41,900	20,900	5,400	7,000	5,400
Total	\$1,423,000	\$1,366,500	\$1,433,500	\$1,790,300	\$1,350,000
Categories of Expenditure					
Personal Services	952,700	990,100	1,037,300	1,161,200	1,263,400
In-State Travel	17,300	21,500	22,000	26,700	22,000
Out of State Travel	6,400	13,500	16,600	14,000	16,600
Current Expense	219,200	173,000	197,800	343,000	200,800
DP Current Expense	94,100	16,900	10,900	17,200	10,900
Other Charges/Pass Thru	133,300	151,500	148,900	228,100	(164,400)
Total	\$1,423,000	\$1,366,500	\$1,433,500	\$1,790,200	\$1,349,300
Other Data					
Budgeted FTE	14.0	13.0	15.0	15.0	15.0

Table 8-2

DIVISION OF SERVICES FOR THE BLIND AND VISUALLY IMPAIRED

Function

The Division of Services for the Blind and Visually Impaired (DSBVI) assists individuals who are blind or visually disabled to obtain employment and increase their independence. The division provides a variety of services that include orientation and mobility assistance, vocational counseling, vocation training, adaptive technology services, adjustment to blindness training activities, visual screening of children, and prevention of blindness training. The division also administers a Business Enterprise Program that includes cafeterias, gift shops, and convenience stores that are operated by the blind.

The DSBVI provides preschool vision screening. According to state law, DSBVI coordinates vision screening for pre-school and kindergarten age children throughout Utah. Several youth with amblyopia and other severe vision problems are discovered each year through the screenings provided by the division.

Low Vision Services

Low Vision services provided by DSBVI help citizens throughout the state. The division offers free low vision clinics weekly in Salt Lake City, and on a regular basis throughout the State. The section offers services to aid consumers in adjusting to their particular low vision needs, such as, devices, training, mobility, etc.

DSBVI employs a deaf-blind specialist who provides services for those who are deaf-blind, and coordinates services for individuals with other state or USOR programs. In addition to the deaf-blind specialist, the division receives through the Rehabilitation Services Administration funding to conduct an older-blind program. Individuals age 55 and older with severe vision problems may be eligible for these services. The division contracts for three full-time older-blind specialists in Logan, Price and St. George and two part-time specialists in Vernal and Moab through the Independent Living Centers in the respective areas. These individuals assist the older-blind population in rural areas with in-home instruction, support services, and involvement in division and community programs.

Statutory Authority

The statutory references below define the creation of DSBVI, the division’s responsibilities and the appointment of an advisory council.

- UCA 53A-24-302 – Creates the Division of Services for the Blind and Visually Impaired within the Utah State Office of Rehabilitation.
- UCA 53A-24-303 – Provides that the Executive Director of USOR appoint the director of the Division of Services for the Blind and Visually Impaired with the approval of the State Board of Education.
- UCA 53A-24-304 – Establishes the duties and responsibilities of DSBVI. The statute also enables the division to provide the Business Enterprise Program, as well as various vocational and employment training services.

- UCA 53A-24-305 – Directs the State Board to appoint an advisory council to assist the division, USOR, and the Board on issues regarding serving blind and visually impaired individuals. The statute also mandates at least one-third of the council members be individuals that are blind or have visual impairments.

Funding Detail

The Uniform School Fund provides the largest source of revenue for the division, at approximately 70 percent of total division funds. Federal funds and dedicated credits represent the remaining division revenue at 30 percent. The division generates dedicated credit revenue primarily through the sale of low vision magnification devices, Braille devices, and speech equipment.

The table below provides a 5 year budget history for the division. Funding for the division has remained steady throughout the 5 years in this history.

Budget History - State Board of Education - State Office of Rehabilitation - Blind and Visually Impaired					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
Uniform School Fund	3,165,700	3,240,600	3,515,800	3,192,300	3,625,900
Uniform School Fund, One-time	0	20,800	0	(5,400)	0
Federal Funds	1,659,200	1,793,300	1,798,600	1,940,800	1,896,000
Dedicated Credits Revenue	72,200	61,200	63,800	78,100	63,900
Total	\$4,897,100	\$5,115,900	\$5,378,200	\$5,205,800	\$5,585,800
Categories of Expenditure					
Personal Services	2,739,600	2,939,700	2,991,100	3,064,100	3,325,600
In-State Travel	24,400	25,400	24,000	22,700	24,000
Out of State Travel	4,900	5,700	7,100	12,100	7,100
Current Expense	881,400	975,700	1,109,900	921,300	1,109,700
DP Current Expense	201,800	112,000	132,800	88,900	132,800
DP Capital Outlay	5,800	5,000	5,600	0	5,600
Capital Outlay	0	37,000	50,200	15,600	0
Other Charges/Pass Thru	1,039,200	1,015,400	1,057,500	1,081,100	908,100
Total	\$4,897,100	\$5,115,900	\$5,378,200	\$5,205,800	\$5,512,900
Other Data					
Budgeted FTE	56.0	56.0	56.0	56.0	56.0
Vehicles	13	13	13	13	13

Table 8-3

DIVISION OF REHABILITATION SERVICES

Function	<p>Rehabilitation Services provides two major programs, Vocational Rehabilitation and Independent Living.</p>
<i>Vocational Rehabilitation</i>	<p>Vocational Rehabilitation provides services directed towards the goal of employment. Services include counseling and guidance, assistive technology, job training, job placement, and post employment follow-up. Eligibility for vocational rehabilitation is based on the presence of physical or mental impairment that constitutes a substantial impediment to employment. Once determined eligible, an individual will work with a counselor to develop an individualized program that leads to employment.</p> <p>The division provides statewide services to people with disabilities through twenty-eight offices. All forty school districts in the state, through cooperative agreements, receive vocational rehabilitation services. Vocational Rehabilitation Counselors are assigned to each high school in the state. The division also works through cooperative agreements with the Department of Workforce Services, the Division of Children’s with Special Health and Special Care Needs, the State Board of Regents, the Division of Services for People with Disabilities, Health Care Financing (Medicaid), and the Division of Substance Abuse, and the Division of Mental Health.</p>
<i>Utah’s Independent Living Centers</i>	<p>Statewide Independent Living Centers enable people with disabilities to live independently. The Division of Rehabilitation Services works with the Independent Living Centers, the Division of Services for the Blind and Visually Impaired, and the Utah Statewide Independent Living Council to coordinate services. Services provided include; peer support, skills training, recreation and community integration programs, and assistive technology.</p> <p>Eligibility for the program is based on the presence of a disability coupled with the ability to benefit from services. All services are based individual need in accordance with an IL plan with specific goals and objectives. Services are time-limited and designed to assist consumers increase and maintain their levels of independence and community participation.</p> <p>Currently, six Independent Living Centers (ILC’s) and four satellites operate throughout Utah. They include: Options for Independence in Logan with a satellite in Brigham City; Tri-County Independent Center in Ogden; Utah Independent Living Center in Salt Lake City which operates a satellite in Tooele; Central Utah Independent Living Center in Provo; Active Re-Entry Independent Living Center in Price, which operates two satellites in Vernal and Moab; and Red Rock Independent Living Center in St. George. Each ILC operates on a combination of State and federal funding. All ILC’s provide, at a minimum, the services detailed above.</p>
Statutory Authority	<p>The statutory references below detail the Division or Rehabilitation Services, Assistive Technology Services, and various advisory councils in Utah law. Appropriate federal law references may be found following the state code section.</p> <p>Utah Code:</p>

- UCA 53A-24-110.5 – Establishes the Rehabilitation Services Advisory Committee as an advisory council for the Utah Center for Assistive Technology.
- UCA 53A-24-110.7 – Provides an ongoing revenue source for Assistive Technology. Funding assists individuals in accessing, customizing, or using assistive technology devices.
- UCA 53A-24-114 – Establishes the Governor’s Committee on Employment of People with Disabilities and defines its duties.
- UCA 53A-24-202 – Establishes within the Utah State Office of Rehabilitation, the Division of Rehabilitation Services.
- UCA 53A-24-203 – Provides that the Executive Director of USOR appoint the director of the Division of Rehabilitation Services with the approval of the State Board of Education.
- UCA 53A-24-204 – Outlines the statutory responsibilities of the Division of Rehabilitation Services.
- UCA 53A-24-205 – Provides for the creation of an advisory council for the Division of Rehabilitation Services to advise the office on issues relating to the needs of persons with disabilities and how they relate to office functions and vocational rehabilitation services.

Federal Law:

- 29 USC 721 (a)(2)(B) – Designated State Unit
- 29 USC 721 (a)(21)(A)(ii) – State Rehabilitation Council
- 29 USC 796 (c) – Independent Living Services
- 29 USC 796 (d) – Statewide Independent Living Council.

Funding Detail

The federal government provides the largest portion of division funding at over 64 percent. A combination of state funds (Uniform School Fund and General Fund) contributes roughly 33 percent of division funds. The remaining division revenue is generated through dedicated credits.

The division’s dedicated credits revenue comes from two sources: 1) The Division of Facilities Construction and Management rents a portion of the Buffmire Rehabilitation Services Center building; 2) The Department of Workforce Services Receivable Contract, the Department of Health Receivable Contract, and the Department of Education – At Risk Students Receivable Contract contribute to the dedicated credits revenue.

As noted above, Rehabilitation Services receives revenue from the state’s general fund of \$254,900. This funding stream has existed at the current level for several years. Rehabilitation Services is the only education related agency that receives an ongoing general fund appropriation. The General Fund appropriation provides for the Utah Center for Assistive Technology (UCAT).

UCAT began as a federal grant serving multiple state agencies such as; the Division of Services for People with Disabilities, the Division of Children’s with Special Health and Special Care Needs, the Division of Aging, the Department of Workforce Services, etc. When the federal grant ended, the Legislature continued the program and placed the Center under the direction of the Utah State Office of Rehabilitation. The General Funds are used to continue services to other non-education related state agencies.

Table 116 shows the 5 year budget history for the division. Division funding has remained fairly consistent over the past 5 years.

As with many of the USOR divisions, Rehabilitation Services passes through the majority of its revenue to other agencies or programs. Rehabilitation Services uses the majority of its pass through revenue in client case management to provide direct services to those clients.

Budget History - State Board of Education - State Office of Rehabilitation - Rehabilitation Services					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
General Fund	254,900	254,900	254,900	254,900	265,100
Uniform School Fund	12,562,100	13,292,700	13,373,900	14,190,600	14,621,600
Uniform School Fund, One-time	0	85,900	300,000	397,000	1,000,000
Federal Funds	23,411,600	24,019,200	22,470,500	22,979,900	24,272,500
Dedicated Credits Revenue	258,300	286,300	764,500	716,500	764,700
Transfers	0	0	0	0	19,300
Closing Nonlapsing	0	0	0	(4,800)	0
Total	\$36,486,900	\$37,939,000	\$37,163,800	\$38,534,100	\$40,943,200
Categories of Expenditure					
Personal Services	11,046,100	11,940,900	12,488,900	13,257,500	14,518,400
In-State Travel	131,400	160,700	168,300	180,500	168,300
Out of State Travel	14,600	16,500	20,500	24,000	20,500
Current Expense	1,897,300	2,099,000	2,314,000	2,481,100	2,314,000
DP Current Expense	255,800	431,800	506,100	506,300	506,100
DP Capital Outlay	35,100	0	55,700	0	55,700
Capital Outlay	15,600	0	0	42,900	0
Other Charges/Pass Thru	23,091,000	23,290,100	21,610,300	22,041,800	22,170,600
Total	\$36,486,900	\$37,939,000	\$37,163,800	\$38,534,100	\$39,753,600
Other Data					
Budgeted FTE	226.0	228.0	241.1	241.0	241.0
Vehicles	24	24	21	21	21

Table 8-4

DIVISION OF DISABILITY DETERMINATION SERVICES

Function This state administered federal program develops, adjudicates, and processes all disability claims of Utah residents under Title II and Title XVI of the Social Security Act. It refers disabled adults to the Division of Rehabilitation Services whenever the adult may benefit from vocational rehabilitation services. The determination of who may benefit is based on criteria developed by the Social Security Administration.

Statutory Authority The following statutes govern the operation of the Division of Disability Determination Services. Federal law references follow references to Utah Code.

- UCA 53A-24-501 – Creates the Division of Disability Determination Services within the Utah State Office of Rehabilitation.
- UCA 53A-24-502 – Provides that the Executive Director of USOR appoint the director of the Division of Disability Determination Services with the approval of the State Board of Education.
- UCA 53A-24-503 – Provides that DDDS may perform disability determination services authorized under state or federal law or regulation.

Funding Detail Disability Determination Services, except for a small Uniform School Fund appropriation, receives its’ revenue from the federal government. The \$3,600 in state Uniform School Funds received by the division supports the Disabilities Determination Services Advisory Council (UCA 53A-15-205). Table 117 details the division’s budget for the past 5 years.

Budget History - State Board of Education - State Office of Rehabilitation - Disability Determination					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
Uniform School Fund	2,600	3,600	2,400	5,100	2,100
Uniform School Fund, One-time	0	0	0	(3,800)	0
Federal Funds	7,502,600	7,895,400	7,838,700	8,141,500	8,718,000
Total	\$7,505,200	\$7,899,000	\$7,841,100	\$8,142,800	\$8,720,100
Categories of Expenditure					
Personal Services	4,069,800	4,470,600	4,761,300	5,037,300	5,650,600
In-State Travel	1,600	1,100	600	1,200	600
Out of State Travel	11,600	6,300	10,200	10,400	10,200
Current Expense	627,800	659,300	656,400	493,000	656,600
DP Current Expense	142,700	49,800	80,700	88,300	80,700
Capital Outlay	0	0	2,331,900	0	0
Other Charges/Pass Thru	2,651,700	2,711,900	0	2,512,600	2,325,000
Total	\$7,505,200	\$7,899,000	\$7,841,100	\$8,142,800	\$8,723,700
Other Data					
Budgeted FTE	76.0	76.0	81.5	81.0	81.0

Table 8-5

DIVISION OF SERVICES TO THE DEAF AND HARD OF HEARING**Function**

The Division of Services to the Deaf and Hard-of-Hearing (DSDHH) helps increase productivity, independence, and community integration of individuals who are deaf or hard-of-hearing. Program services provided through the Robert G. Sanderson Community Center for the Deaf include: information and referral, educational classes, counseling and case management services, recreation and leisure activities, telecommunication services for the deaf, repair and maintenance of assistive technology, interpreter services, and a library. The division operates four programs: Deaf and Hard of Hearing, Utah Interpreter Programs, Outreach and Technology Program, and the Individualized Program. These programs are detailed in the following paragraphs.¹

Programs for the Deaf – The deaf program includes activities and services to fulfill social, recreational, and adult learning needs with barrier-free communication. Specialized programs have been developed for Deaf Seniors, Deaf teenagers, families with Deaf children, people with multiple disabilities and some degree of deafness, and people who have lost their hearing as adults.

Programs for the Hard of Hearing – The Hard of Hearing Specialists work with hard of hearing and late-deafened individuals and their families to support those individuals with building various degrees of adjustment/coping skills by providing a barrier-free environment in which to learn, share experiences and enjoy socialization with others who have similar experiences. They provide classes, workshops, sign language and speech reading training. They also provide information and resources on self-advocacy, assistive technology, purchasing hearing aids, the Americans with Disabilities Act (ADA), self-help strategies and employment issues.

Utah Interpreter Program – The program provides interpreter training, mentoring, best practices, and certification. The center offers classes and workshops to help interpreters improve skills, increase knowledge, and prepare for certification.

The Center performs interpreter certification quality assurance evaluations to ensure that deaf community is receiving quality interpreting services.

Individualized Services Program – Services are provided at no cost to individuals who are Deaf and Hard of Hearing, such as mental health counseling in family, group or individualized settings; case management services; assistance with reading documents; and referring clients to appropriate agencies or service providers.

Outreach and Technology Program – Outreach services offer information and referrals to the public regarding deaf and hard of hearing issues. The program provides presentations or workshops on the needs and technology available for individuals who are Deaf or Hard of Hearing.

¹ Utah Services to the Deaf and Hard of Hearing, Program Descriptions. Found at: www.deafservices.utah.gov.

The Center offers a Demonstration Lab that has equipment available for individuals to test before purchase. Equipment includes special phones for the Hard of Hearing, TTY Devices, Doorbell and Phone Transmitters and Flashers, Baby Cry Devices, Fire/Burglar Alarms, computer software and hardware, etc.

Statutory Authority

The following statutes detail the creation of the division, division responsibilities, and the appointment of an advisory council. Federal law references follow UCA references.

- UCA 53A-24-402 – Creates the Division of Services to the Deaf and Hard of Hearing within the Utah State Office of Rehabilitation.
- UCA 53A-24-403 – Provides that the Executive Director of USOR appoint the director of the Division of Services to the Deaf and Hard of Hearing with the approval of the State Board of Education.
- UCA 53A-24-404 – Outlines the services the division may provide, including: training and adjustment services for adults with hearing impairments; maintain a register of qualified interpreters; operate community centers for individuals with hearing impairments.
- UCA 53A-24-405 – Directs the State Board to appoint an advisory council to assist the division, USOR, and the Board on issues relating to serving the needs of Deaf and Hard of Hearing individuals. The statute also mandates at least one-third of the council members be individuals with hearing impairments.

Funding Detail

Table 118 provides a 5 year budget history for the division. The table illustrates that Uniform School Funds represent roughly 89 percent of the total division revenue. The only other revenue source in the division’s budget is dedicated credits revenue. The division generates dedicated credits through the sale of services that includes items such as: building rental income (Utah Association for the Deaf and a Bookstore); fees for interpreter certification evaluation; fees for interpreter services to Courts and state agencies; fees for interpreter training workshops; fees for sign language classes; and mental health service fees.

Budget History - State Board of Education - State Office of Rehabilitation - Deaf and Hard of Hearing					
	2004	2005	2006	2007	2008
Sources of Finance	Actual	Actual	Actual	Actual	Appropriated
Uniform School Fund	1,479,400	1,543,800	1,673,100	1,765,700	2,022,700
Uniform School Fund, One-time	0	16,900	0	(2,300)	0
Federal Funds	0	0	0	0	2,100
Dedicated Credits Revenue	149,500	73,400	95,300	198,300	208,100
Total	\$1,628,900	\$1,634,100	\$1,768,400	\$1,961,700	\$2,232,900
Categories of Expenditure					
Personal Services	1,209,200	1,204,000	1,314,100	1,425,600	1,724,400
In-State Travel	12,300	8,800	15,200	11,500	12,500
Out of State Travel	0	700	3,100	2,800	3,100
Current Expense	284,900	288,600	320,700	396,700	321,100
DP Current Expense	59,100	48,200	57,300	55,900	57,300
Capital Outlay	0	20,500	0	0	0
Other Charges/Pass Thru	63,400	63,300	58,000	69,200	39,800
Total	\$1,628,900	\$1,634,100	\$1,768,400	\$1,961,700	\$2,158,200
Other Data					
Budgeted FTE	32.0	33.0	38.0	38.0	38.0
Vehicles	4	4	3	3	3

Table 8-6

GLOSSARY

Finance categories used by the state are:

General Fund revenues come primarily from sales taxes. General Fund may be spent as the Legislature pleases. The receiving agency may not spend more than is appropriated.

Education Fund revenues come primarily from personal income taxes and corporate franchise taxes. Funds are constitutionally restricted to public and higher education. The Tax Commission uses these funds to cover the costs of collection.

Transportation Funds are derived primarily from the gas tax and are constitutionally restricted to road and highway related issues. The Tax Commission uses these funds to cover some of the costs of collection.

Federal Funds. These funds come from the federal government for use in partnership with the state to pursue common goals. Generally, federal funds have requirements limiting what they can be spent on and matching requirements. The Legislature must review and approve most federal grants before state agencies may receive them. The appropriated amount is an estimate and agencies may spend more with the governor's approval.

Dedicated Credits are funds that are paid to an agency for specific services and are dedicated to financing that service. For example, fees collected by an internal service fund agency from another state agency are dedicated credits. By law, these funds must be spent before other appropriated state funds are spent. The amount in the appropriation is an estimate and they may spend up to 125% of the appropriated amount.

Restricted funds are statutorily restricted to designated purposes. The agency may not spend more than the appropriation.

Lapsing funds. At the end of the year, unspent funds lapse, or go back to the fund from which they were appropriated.

Non-lapsing. Those exceptions include funds that are setup as non-lapsing in their enabling legislation, or appropriations designated non-lapsing by annual intent language per UCA 63-38-8.1. In these cases, left over funds do not lapse back to the state, but remain with the agency in a special non-lapsing balance, for use in the next fiscal year. In the budgets, the Beginning Non-lapsing balance is the balance on July 1, while the balance on the next June 30 is termed the Closing Non-lapsing balance. The Closing Non-lapsing balance from one fiscal year becomes the Beginning Non-lapsing balance of the following fiscal year. The reasoning behind non-lapsing funds is that a specific task may take an indeterminate amount of time, or span more than one fiscal year. By allowing departments to keep their unexpended funds, the state not only eliminates the rush to spend money at the end of a fiscal year, but also encourages managers to save money.

Other funds are discussed in detail as the budgets are presented.

Expenditure categories used by the state are:

Personal Services includes employee compensation and benefits such as health insurance, retirement, and employer taxes.

Travel is divided into In-state and Out of State travel.

Current Expense includes general expenses such as utilities, subscriptions, communications, postage, professional and technical services, maintenance, laundry, office supplies, small tools, etc. that cost less than \$5,000 or are consumed in less than one year.

Data Processing Current Expense includes items such as small computer hardware and software, port charges, programming, training, supplies, etc.

Data Processing Capital Expense is for expenditures greater than \$5,000.

Capital Expenditures includes items that cost over \$5,000 and have a useful life greater than one year.

Pass Through includes funds passed on to other non-state entities for use by those entities, such as grants to local governments.

Other budgeting terms and concepts:

Performance Measures. Making government accountable to the people has been given new emphasis by the Legislature. **Input measures** track the resources applied to a project. **Output measures** track agency workloads. **Outcome measures** tell if the efforts of the agency are making a difference.

Intent language may be added to an appropriation bill to explain or put conditions on the use of the funds in the line item. Intent language may restrict usage, require reporting, or impose other conditions within the item of appropriation. However, intent language cannot contradict or change statutory language.

Supplemental Appropriation. The current legislative session is determining appropriations for the following fiscal year. However, the legislature may decide to change the appropriation made in the last session for the current year. These changes to previous appropriations are called supplemental appropriations, or sometimes just supplementals.

FTE is an abbreviation for Full Time Equivalent. This method of standardizing personnel counts considers any combination of 40 hours per week equal to one FTE. One person working 40 hours or four employees each working ten hours per week would both count as 1 FTE.

Line Item. In an appropriations bill, a line number identifies each appropriated sum. A line item may contain several programs. Once the appropriation becomes law, the money may be moved from program to program within the line item, but cannot be moved to another line item.

INDEX

- ADJUDICATION**, 64
- Administration, 115, 117, 122
- ADMINISTRATION - COMMERCE**, 20
- Appeals Board, 64
- BAIL BOND ADMINISTRATION**, 48
- Board of Education, 113, 115, 117, 120, 122, 124
- BUILDING OPERATIONS & MAINTENANCE – FINANCIAL INSTITUTIONS**, 42
- BUILDING OPERATIONS & MAINTENANCE – LABOR COMMISSION**, 72
- CHILD CARE**, 87, 97, 99, 111
- COMMERCE GENERAL REGULATION**, 20
- CONSUMER PROTECTION**, 25
- CORPORATIONS & COMMERCIAL CODE**, 28
- Division of Disability Determination Services, 115, 122
- Division of Rehabilitation Services, 113, 115, 119, 120, 122
- Division of Services for the Blind and Visually Impaired, 113, 115, 117, 119
- Division of Services to the Deaf and Hard of Hearing, 115, 123, 124
- Executive Director’s Office, 113, 115, 116
- FINANCIAL INSTITUTIONS ADMINISTRATION**, 41
- FOOD STAMPS**, 92, 111
- GENERAL ASSISTANCE**, 87, 95, 96, 111
- Glossary, 127
- Individualized Services Program, 123
- INDUSTRIAL ACCIDENTS**, 61
- Instruction, 113
- INSURANCE ADMINISTRATION**, 47
- INSURANCE FRAUD**, 51
- LABOR COMMISSION ADMINISTRATION**, 61
- OCCUPATIONAL & PROFESSIONAL LICENSING**, 21
- OTHER PROGRAMS & SERVICES**, 110
- Outreach and Technology Program, 123
- Programs for the Deaf, 123
- Programs for the Hard of Hearing, 123
- PUBLIC UTILITIES - COMMERCE**, 32
- PUBLIC UTILITIES PROFESSIONAL & TECHNICAL – COMMERCE**, 36
- REAL ESTATE**, 12, 19, 20, 30
- RELATIVE VALUE STUDY**, 50
- SAFETY DIVISION**, 65
- SECURITIES**, 12, 23
- SPEECH & HEARING IMPAIRED**, 82
- TITLE INSURANCE**, 52
- UNEMPLOYMENT INSURANCE**, 107
- Uniform School Fund, 114, 116, 118, 120, 122, 125
- UNIVERSAL PUBLIC TELECOMMUNICATION SERVICE SUPPORT FUND**, 83
- UTAH ANTI-DISCRIMINATION & LABOR**, 67
- Utah Interpreter Program, 123
- Utah State Office of Rehabilitation, 113, 114, 117, 120, 121, 122, 124
- WAGNER-PEYSER (EMPLOYMENT EXCHANGE)**, 104
- WORKPLACE SAFETY**, 59, 67

