

Utah Department of Commerce Annual Report



2006

A Message from Governor Jon Huntsman, Jr.



JON M. HUNTSMAN, JR.
GOVERNOR

STATE OF UTAH
OFFICE OF THE GOVERNOR
SALT LAKE CITY, UTAH
84114-2220



It is my privilege to present the 2006 Annual Report for the Utah Department of Commerce. This State agency enables Utah's economy, businesses and citizens to grow and prosper in the Beehive State. I am pleased to offer my sincere thanks to all of the Department of Commerce employees for their tireless contributions and public service. Their efforts have helped make Utah one of the best managed states in the country.

Sincerely,

A handwritten signature in black ink that reads "Jon M. Huntsman, Jr.".

Jon M. Huntsman, Jr.
Governor

Our Mission

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



Utah State Capitol, Salt Lake City

Our Vision

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

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A Message from Francine A. Giani, Exec. Director



JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah Department of Commerce

FRANCINE A. GIANI
Executive Director

THAD LEVAR
Deputy Director

Governor Huntsman, Members of the Utah Legislature, Citizens of Utah:

It is my pleasure to present the Annual Report for Fiscal Year 2006 for the Utah Department of Commerce, recording the year's accomplishments and how our employees serve the people of Utah.

With responsibility for issuing over 150,000 licenses and regulating hundreds of industries, the Department of Commerce is one of the Utah's chief regulatory agencies. Our employees are focused on carrying out fair and efficient regulation across a variety of industries which impact Utah's citizens.

In 2006, the Department's Divisions expanded their efforts to protect Utah consumers, while regulating business and industry to promote healthy commerce in the state. The following are highlighted achievements for each Division:

Administration adopted the Balanced Scorecard Program to better track efficiencies across all Divisions within the Department of Commerce.

Division of Consumer Protection recovered benefits for consumers totaling over 2.4 million dollars.

Division of Corporations and Commercial Code now offers over 75 percent of its services online or through the Internet to better serve the business community and citizens of Utah.

Division of Occupational and Professional Licensing increased online renewal to nearly 80% of 150,000 professional licensees which is one of the highest among state online applications.

Division of Public Utilities successfully negotiated conditions in the MidAmerican acquisition of PacifiCorp (now Rocky Mountain Power), that guarantee long-term capital investments in Utah's electricity system and will provide \$1 to \$3 million of tangible benefits to consumers.

The Committee of Consumer Services secured acquisition commitments made by MidAmerican Energy Holding Company and PacifiCorp which will provide increased reliability to customers.

Division of Real Estate reduced turn around for licenses and change-of-address cards from five weeks to three days.

Division of Securities expanded efforts educating the public and industry it regulates by posting press releases announcing all enforcement actions and sending quarterly newsletters to licensees outlining regulatory concerns.

These advancements and others made Fiscal Year 2006 one of great progress. Commerce employees look forward to serving the citizens of Utah and building on our accomplishments in the years ahead. I invite you to visit our website at www.commerce.utah.gov to learn more about the Utah Department of Commerce.

Respectfully yours,

Francine A. Giani
Executive Director



Administration

Mission

Administration's mission is to provide administrative support (financial, human resources, information technology, public relations, and adjudicative) to the following Divisions within the Department of Commerce:

Consumer Protection (DCP)
Corporations and Commercial Code (CORP)
Occupational and Professional Licensing (DOPL)

Public Utilities (DPU)
Committee of Consumer Services (CCS)
Real Estate (DRE)
Securities (DS)

Balanced Scorecard Program

The Department of Commerce has adopted the Balanced Scorecard Program to help track efficiencies across all Divisions. This program helps employees target internal business processes, customer service, financial measures, learning and growth. This is part of an initiative by Utah Public Policy and state government.

Internal Efficiencies

The Department of Commerce is continually looking for ways to increase operating efficiency and has implemented new programs to lower costs.

The following are measures taken by the entire Department.
Additional cost-saving efficiencies are described in each Division's report.

Lights are attached to motion sensors and timers.
Computers are shut down automatically at end of day.
Unnecessary temporary positions have been eliminated.
Only certain employees are authorized to order office supplies.
All modem lines have been removed.

The Department monitors desk phones and removes extra equipment to lower costs.
30% of customer transactions have been moved online, allowing the Department to re-allocate resources.



Serving the Public

Commerce Administration oversees the following programs and procedures:

Office of the Property Right Ombudsman
New Automobile Franchise Act
Powersport Vehicle Franchise Act
Pete Suazo Utah Athletic Commission Act
Administrative Actions

New Automobile Franchise Act and Powersport Vehicle Franchise Act

The *New Automobile Franchise Act* (NAFA) and the *Powersport Vehicle Franchise Act* (PVFA) protect the public interest by helping ensure fair business practices between vehicle franchisors and franchisees. The Acts establish a standard of conduct and clarify the duties of a franchisor (generally a manufacturer) and franchisee (a dealer). In addition, they establish a right to notice and hearing for franchisees with regards to a franchisor's intent to terminate, relocate, or establish a new franchised dealership. Franchisors and franchisees must pay an annual registration fee to cover the cost of regulation.

New Automobile Franchise Act (NAFA)	Fiscal Year 2004	Fiscal Year 2005	Fiscal Year 2006
Franchisor/ Franchisee Registrations	227	239	192
Powersport Vehicle Franchises Act (PVFA)			
Franchisor/ Franchisee Registrations	55	57	38

Franchise Cases Adjudicated	Fiscal Year 2004		Fiscal Year 2005		Fiscal Year 2006	
	Filed	Closed	Filed	Closed	Filed	Closed
New Automobile Franchise Act (NAFA)	3	3	3	3	1	1
Powersport Vehicle Franchises Act (PVFA)	3	4	3	1	3	2

Pete Suazo Utah Athletic Commission

The five-member *Pete Suazo Utah Athletic Commission* (PSUAC) regulates professional unarmed combat sports including boxing, kickboxing, and martial arts.

Promoters, managers, contestants, seconds, referees, and judges must be licensed under the Act.

Pete Suazo Utah Athletic Commission (PSUAC) Licenses Issued	Fiscal Year 2004	Fiscal Year 2005	Fiscal Year 2006
Contestants	293	254	200
Seconds	30	120	291
Referees	4	11	4
Managers	1	1	0
Judges	14	20	7
Promoters	7	8	2

Pete Suazo Athletic Commission (PSUAC)	Fiscal Year 2004	Fiscal Year 2005	Fiscal Year 2006
Sanctioned Athletic Events	22	15	56

Administrative Actions

A business registrant or licensee, having been adversely impacted by a decision by one of the Divisions at the Department of Commerce, may request agency review of that decision by the Executive Director. Upon review, the decision could be upheld, reversed, modified, or remanded to the Division for further consideration.

Division Cases	TOTAL		DCP		CORP		DOPL		DRE		DS	
	'05	'06	'05	'06	'05	'06	'05	'06	'05	'06	'05	'06
Filed	62	57	9	0	1	0	39	25	13	18	0	0
Closed	64	59	12	11	2	0	40	28	10	20	0	0
Affirmed	16	18	1	3	0	0	11	6	4	9	0	0
Remanded	18	18	1	1	0	0	13	11	4	6	0	0
Dismissed	25	21	10	6	1	0	12	10	2	5	0	0
Reversed	3	1	0	1	1	0	2	0	0	0	0	0
Modified	2	1	0	0	0	0	2	1	0	0	0	0

Education

The Department of Commerce places high priority on educating the citizens of Utah on ways to protect themselves from becoming victims of unscrupulous business practices and assist them in filing complaints if that occurs. Educating the public is accomplished through many mediums: media coverage, presentations to community groups, newsletters, brochures, press releases, press conferences, public service announcements, and the Department of Commerce website.



www.commerce.utah.gov

Questions specific to the Administration may be directed to:

Francine A. Giani, Executive Director
(801) 530-6431 fgiani@utah.gov

Thad LeVar, Deputy Director
(801) 530-6431 tlevar@utah.gov



Division of Consumer Protection

Mission

The mission of the Division of Consumer Protection is to respond to consumer complaints, investigate unfair and deceptive business practices, and provide consumer education. The Division accomplishes this through a three-pronged approach: education, registration, and enforcement.



Internal Efficiencies

The Department has implemented a new Balanced Scorecard that will indicate where improvement is needed within the Division.

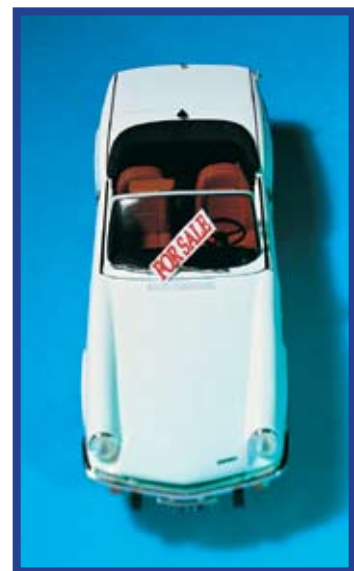
Employees are asked to perform cross-functional job duties, thereby distributing extra work among existing staff when needed.

All investigators share mobile phones and vehicles.

Enforcement

The Division of Consumer Protection enforces 15 Utah Statutes:

Business Opportunity Disclosure Act
Charitable Solicitations Act
Child Protection Registry
Consumer Sales Practices Act
Credit Services Organizations Act
Health Spa Services Protection Act
Music Licensing Act
New Motor Vehicle Warranties Act
Pawnshop Transaction Information Act
Postsecondary Proprietary School Act
Price Controls During Emergencies Act
Prize Notices Regulation Act
Pyramid Scheme Act
Telephone and Facsimile Solicitation Act
Telephone Fraud Prevention Act
Unfair Practices Act



Fiscal Year 2006 Highlights



During Fiscal Year 2006, the Division of Consumer Protection recovered benefits for consumers totaling **over 2.4 million dollars**.

Gold's Gym

In December 2005, the Division commenced an investigation of Gold's Gym. The case involved violations of certain provisions of the *Utah Health Spa Services Protection Act* and the *Utah Consumer Sales Practices Act*. There were approximately 81 consumer complaints that were received, which could have resulted in a fine of \$190,000.00. The Division initiated a lawsuit to attach both of the Gold's Gym's bonds in the amounts of \$50,000.00 for West Jordan fitness center and \$35,000.00 for the fitness center on Van Winkle Blvd. Gold's Gym and the Division have reached an agreement to settle the matter. Gold's Gym agreed to honor Lifestyles membership agreements according to the terms of the settlement agreement.

Sona Laser Center

On April 12, 2006, the Division investigated Sona Laser Center of Salt Lake City and allegations of violations of the *Utah Consumer Sales Practices Act*. Sona Laser was a laser hair removal provider that went out of business and left numerous Utah consumers with prepaid balances and no product or service. The Division and Sona Laser Center entered into a settlement agreement. The Division received consumer refund money in the sum of \$30,136.51 from the business and the principal owners. The Division then provided refunds to 137 Utah consumers who verified their losses.

Mentoring of America

On April 4, 2006, the Division of Consumer Protection filed a lawsuit against Mentoring of American, an investment coaching company in American Fork. Though the case remains pending, Mentoring of America has issued restitutions in the amount of \$393,315.29. This amount is in addition to those refunds made at the Division's insistence prior to the filing of the lawsuit.

Hoodiaforfree/UltraLife Fitness, Inc.

An investigation of Utah companies Hoodiaforfree and UltraLife Fitness Inc was launched after the Division of Consumer Protection received over 60 complaints. The Better Business Bureau also referred over 1000 complaints for both companies to the Division. Consumers alleged that once they provided their credit or debit card numbers for a free sample, both companies charged their cards for additional products without their authorization. Terms and conditions detailing the additional charges were hidden on other web-pages of both Companies' websites. In May of 2006 a settlement agreement was reached, and each company agreed to pay the Division a fine and make refunds to consumers for unauthorized charges. As of July 2006, refunds provided to consumers have exceeded \$53,000.000.

Christopher Harris

In April 2006, as a result of the Division's investigation, criminal fraud charges against Christopher Harris of Tremonton, UT for the operation of an illegal credit repair company that defrauded numerous consumers out of large up-front fees and failed to provide the promised credit repair services. This was the first time criminal action has been taken under the Credit Services Organization Act. Mr. Harris plead guilty to three Class A Misdemeanors for operating a credit services organization without a registration and was ordered to pay restitution. This Consumer Protection investigation led to information being provided to the Utah Securities Division, which filed additional felony counts against Harris for bilking several Utah investors.

Conference Hosting



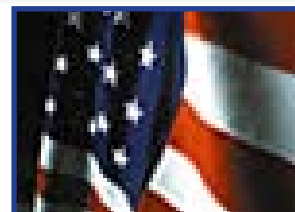
Park City 2008



The Division of Consumer Protection has made arrangements to host two national conferences in Utah in 2008. The National Association of Consumer Agency Administrators and the National Association of State Administrators and Supervisors of Private Schools will hold their conferences in Park City, Utah. These conferences bring regulators from around the country to discuss evolving trends and enforcement methods, and often result in collaborative multi-state enforcement efforts.

Fraud Summits

The Division of Consumer Protection has coordinated with the Division of Securities, the Attorney General's office, and AARP of Utah to provide fraud summits throughout Utah. These summits provide consumer education on avoiding scams, investment fraud, and identity theft.



Flight Schools

The Division is in the process of enforcing recent legislative changes affecting Part 141 and Part 61 flight schools operating in Utah. Flight schools that do not accept tuition on a pay as the student flies basis will be required to be registered and maintain surety compliance with the Act. The Division of Consumer Protection continues to investigate and register schools that fall within the parameters of the Act.



Legislative Highlights



House Bills

H.B. 65, Consumer Protection Agency, Rep. Lawrence

This bill appropriated \$20,000 to the Division of Consumer Protection to fund a public awareness campaign to educate Utah consumers.

H.B. 133, Commercial Transactions of Personal Property, Rep. Lockhart

This bill modified the requirements for a pawnshop to hold items and implemented provisions related to the use of the pawnshop database by out-of-state law enforcement agencies.

H.B. 417, Amendments to Child Protection Registry, Rep. Hutchings

This bill expanded the Child Protection Registry to include telephone numbers and instant message addresses, established a safe harbor for email senders who check photo identification prior to sending email messages, and allows the Division of Consumer Protection to offer discounted fees to some email senders.

H.B. 428, Consumer Sales Practices Act Amendments, Rep. Lawrence

This bill prohibits a supplier from sending a mailing to a person that appears to be a bill or otherwise requests payment for an ongoing product or service the person has not received or requested.

Senate Bills

S.B. 66, Price Controls During Emergencies Amendments, Sen. Arent

This bill clarifies that the Price Controls During Emergencies Act only applies to an emergency that has a direct effect within Utah.

S.B. 79, Uniform Debt-Management Services Act, Sen. Hillyard

With the passage of this bill, Utah became the first state to adopt the Uniform Debt-Management Services Act. The bill includes definitions and requirements for debt management providers on issues including registration, insurance coverage, bond coverage, disclosures to the Division, disclosures to consumers, accreditation, audits, reciprocal registration, trust accounts, fee restrictions, and other prohibited acts and practices.

S.B. 147, Division of Consumer Protection Amendments, Sen. Eastman

This bill increased some maximum potential administrative fines and modified various definitions within the following statutes: the Business Opportunity Disclosure Act, the Credit Services Organizations Act, the Health Spa Services Protection Act, and the Utah Postsecondary Proprietary School Act.

Division of Consumer Protection: 2006 Statistics



Compliance			
Complaints	FY 2004	FY 2005	FY 2006
Complaints received	3,567	4,078	4,110
Complaints opened	2,552	2,962	2,875
Cases closed	2,456	2,992	2,731
Cases Not Assigned	1,015	1,149	1,263

Registration	
Active Registrations	FY 2006
Charities	2,459
Postsecondary Proprietary Schools	275
Professional Fundraisers, Fundraising Counsel, and Consultants	199
Health Spas	190
Telemarketers	70
Business Opportunities/Exemptions	1,435
Credit Services Organizations	40

Statistics

	Fiscal Year 2004	Fiscal Year 2005	Fiscal Year 2006
Total Benefit Recovered for Consumers	\$1,445,873.00	\$1,667,380.00	\$2,472,897.00
Total Amount of Fines Paid into Protection Fund	\$506,319.00	\$179,186.00	\$319,486.00

Staff Highlights

David Furlong is our newest investigator in the Division of Consumer Protection. He was hired on March 27, 2006 and came to us from the Evanston, Wyoming Police Department where he served as Investigations Lieutenant. David has worked in law enforcement for over 26 years. He has successfully handled investigations of each case assigned to him with the Division. David has also participated in the preliminary hearings of his cases that have brought criminal charges.

Janet Collings is our receptionist and an important member of our Consumer Protection team. She is the division's "face" and does an admirable job in that difficult role. She has worked for the state since 1988. In 2004, she was recognized as a Semi-Finalist State Employee of the Year. She moved to our division from the Division of Real Estate a few years ago. Her warm personality disarms angry callers and helps consumers through our complaint process. Her dependability makes it possible for our team to focus on resolving consumers' complaints.

Questions specific to the Division of Consumer Protection may be directed to:



Kevin Olsen, Director
 Division of Consumer Protection
 (801) 530-6601 kolsen@utah.gov



Division of Corporations and Commercial Code

Mission

The Division of Corporations and Commercial Code serves 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.

About the Division

The Division of Corporations and Commercial Code in the Utah Department of Commerce registers all statutory business entities, state trademarks, and article 9 lien notice filings. The Division also records certain service of process and bankruptcy filings. There are other less noticeable, but equally important filings.

Those businesses which should register with the division are: profit and non-profit corporations, limited liability companies, limited partnerships, limited liability partnerships, general partnerships, sole proprietors who have an assumed name, business trusts, real estate investment trusts, and any other assumed business name. Those entities which are created by the filing with the division are: corporations and limited liability companies. All other filings are notice filings and those entities can exist without the filing in the division.

The trademark law covers notice for the State of Utah only. Federal

trademark law will offer protection for the entire United States. The state law ties into the federal statute in that it requires the filer to affirm that they checked the federal registry and their filing will not infringe on any federal filing. It is the responsibility of the filer to discover any similar filings.

The Division accepts service of process for businesses that were registered in Utah, but no longer maintain a registered agent. Out-of-state motorist service is also filed with the division. Bankruptcy filings are sent to the division for notice.

The Division also files Uniform Commercial Code filings relative to Revised Article 9. These are notice filings which report the existence of a secured transaction. The Division also files agricultural liens under the CFS (Federal Food Security Act) filing guidelines.

As well as all the above mentioned activities, the Division is charged with a variety of small filings, such as: the Governmental Entity Database – an online directory of

contact for any governmental entity; One Stop Business Registration web site – a partnership with multiple agencies from local, state and federal level; digital signatures certification agents; archival business research – searching old stock certificates to find disposition of business entity; and individual name searches – those people involved as principals in businesses.

The Division staffs an information and help phone bank which answers thousands of phone calls each month. The help staff also man an online information chat for those using our online services. The agency has two help counters for walk-in service and partners with the Tax Commission to provide walk-in service at the satellite offices in St. George, Provo, and Ogden, Utah.

The Division of Corporations and Commercial Code provides many services, but is not an investigative nor enforcement agency. The Division will not compel anyone to make statutorily required filings, but will, in good faith, accept any statutorily compliant filings.

Legislative Highlights



House Bills

H.B. 127, Limited Liability Company Amendments, Rep. J.S. Adams

This bill enacted a section of the code to allow for the filing of Series LLCs. This alters the liability of the members and allows for a series of members whose activities will not affect the other members.

Senate Bills

S.B. 020, Repeal of the Digital Signatures Act, Sen. Lyle Hillyard

Due to the Federal ESign legislation, there is no longer a need for the state statute and thus the legislature repealed this statute.

S.B. 084, Non Profit Entity Amendments, Sen. Lyle Hillyard

Many changes were made to the statute before and during the 2002 Olympics to allow for better scrutiny. Now that the Olympics are gone, the statute was returned to the model act.

S.B. 137, Corporations Amendments, Sen. Gene Bell

This was a clean up bill that standardized registered agent requirements and equalized service of process fees.

S.B. 165 S1, Corporations, Professional Services Amendments, Sen. Lyle Hillyard

This bill added a few more professions to the Professional Corporations Act.

Customer Service

Customer service is a top priority for our employees.

The Division of Corporations and Commercial Code now images all UCC filings received. Copies of these images are available upon request, using a national form for searches.

The Division also moved to post card notification of negative notices, renewals and certificates of registration. This allows the notice to be forwarded by the US Postal Service and avoid return of notice. Along with the renewal process, businesses can update principals' information online.

All forms for the Division are now available online. The Division has also developed some helpful forms for articles of incorporation or articles of organization, as well as amendment forms. None of these forms substitute for competent professional advice, but are a convenient tool for the filer.

The Division of Corporations and Commercial Code continues to look for innovative ways to allow the business filer in Utah access to services 24 hours a day, 7 days a week.

Division of Corporations and Commercial Code

2006 Statistics



One Stop Business Registration

The One Stop Business Registration web site continues to improve and be recognized in the national and international community. Representatives from foreign countries continue to look at this site as a model of government filing efficiency.

One Stop Business Registration	2004	2005	2006
In-House Filings	36,794	38,168	41,237
Online Filings	6,014	9,456	11,600
Total	42,808	47,624	52,837
Adoption Rate	15.23%	19.34%	21.52%
Difference from previous year		3,442	2,144
% Increase		57.23%	22.67%



All Online Services	2003	2004	2005	2006
Total Online Filings	26,963	54,311	68,227	83,800
Adoption Rate	18%	25%	30%	35%
Difference from previous year		27,348	13,916	15,573
% Increase		101.43%	25.62%	22.83%

Certificates of Existence	2003	2004	2005	2006
In-House Certificates	2,097	2,057	1,513	856
Online Certificates	4,664	6,497	8,601	10,116
Total	6,761	8,554	10,114	10,972
Adoption Rate	68.98%	75.95%	85.04%	92.20%
Difference from previous year		1,833	2,104	1,515
% Increase		39.30%	32.38%	17.61%

Annual Business Renewal	2003	2004	2005	2006
In-House Renewals	86,382	95,159	103,007	103,296
Online Renewals	11,595	23,870	27,747	39,308
Total	106,131	119,029	130,825	142,999
Adoption Rate	12.17%	20.07%	21.22%	27.56%
Difference from previous year		12,275	3,877	11,561
% Increase		105.86%	16.24%	41.67%

Division of Corporations and Commercial Code

2006 Statistics

	UCC-I	UCC I - Addendum	UCC II	UCC III	UCC III - Addendum
2003	27,942	11,500	2,225	20,208	2,583
2004	26,953	9,568	3,205	18,734	2,136
2005	24,339	8,664	2,258	18,499	1,540
2006	24,322	9,609	1,145	19,145	1,567

	CFS - I	CFS - III
2003	504	667
2004	453	861
2005	431	750
2006	419	724



Albion Basin, Little Cottonwood Canyon

UCC - 1	2003	2004	2005	2006
In-House	19,521	15,233	10,157	10,394
Online	8,421	11,720	14,182	13,928
Total	27,942	26,953	24,339	24,322
Adoption Rate	30.14%	43.48%	58.27%	57.27%
Difference from previous year		3,299	2,462	-254
% Increase		39.18%	21.01%	-1.79%

UCC - 2	2004	2005	2006
In-House	2,055	928	115
Online	1,150	1,330	1,030
Total	3,205	2,258	1,145
Adoption Rate	35.88%	58.90%	89.96%
Difference from previous year	1,150	180	-300
% Increase		15.65%	-22.56%

UCC - 3 Terminations/Continuations	2004	2005	2006
In-House	10,692	6,498	6,782
Online	3,138	6,911	7,437
Total	13,830	13,409	14,219
Adoption Rate	22.69%	51.54%	52.30%
Difference from previous year	3,138	3,773	526
% Increase		120.24%	7.61%

Division of Corporations and Commercial Code

2006 Statistics

New Filings

	Corp.	Percent Increase	DBA	Percent Increase	LLC	Percent Increase	LP	Percent Increase	Total	Percent Increase
2001	10,304		16,487		10,015		777		37,583	
2002	11,421	11%	16,443	0%	11,173	12%	730	-6%	39,767	6%
2003	12,217	7%	18,989	15%	12,879	15%	664	-9%	44,749	13%
2004	10,898	-11%	17,516	-8%	13,705	6%	562	-15%	42,681	-5%
2005	11,423	5%	17,325	-1%	19,018	39%	556	-1%	48,322	13%
2006	12,674	11%	17,296	0%	23,320	23%	618	11%	53,908	12%

	Average No. of Entities Gained per Month	Total	Percent Increase
2003	1,159	13,908	
2004	1,131	13,572	-2%
2005	1,390	16,680	23%
2006	1,503	18,036	8%

Other Data Entry	Reinstatements	Amendments	Mergers	Conversions	Renewals	Change Forms
2003	4,268	2,579	297	516	15,309	19,716
2004	4,005	3,114	369	696	16,658	21,920
2005	3,995	3,475	416	1,166	17,596	22,595
2006	4,504	4,001	413	1,298	15,629	20,590



Bryce National Park, Southern Utah

Division of Corporations and Commercial Code Conference Hosting

The Division of Corporations and Commercial Code will bring an international conference to Utah in 2008. The International Association of Commercial Administrators (IACA) is an organization of government administrators charged with business filing and Uniform Commercial Code or Personal Property filing all over the world. Representatives from jurisdictions in the US and Canada, as well as many foreign countries will come together to address cross-jurisdictional regulation and ease of international commercial filings with governmental agencies. The conference will take place in downtown Salt Lake City.



State Capitol at night

Staff Highlight

Tim Davis has worked for the Division for six years. During that time he went back to school and completed a four-year degree in computer technology in three years, all while working full time. Since his graduation, he has used his new skills to benefit the Division. He has put all Division forms online in pdf format which allows filers to complete their forms and print them for filing. He has also created new forms where none previously existed which has simplified certain filings. All these forms are preparatory to completing online filings. Some of the requirements are finished completely online now thanks in part to Tim's efforts. Business owners can renew their entities, update principals or change addresses online with immediate acknowledgement. This saves time and effort for the business filer and also saves money for the Division of Corporations and Uniform Commercial Code. Tim Davis continues to grow in his role with the Division and his forward thinking has enabled our staff to better serve Utah businesses.

Questions specific to the Division of Corporations and Commercial Code may be directed to:



Kathy Berg, Director

Division of Corporations and Commercial Code
(801) 530-4849 kberg@utah.gov



Division of Occupational and Professional Licensing

Mission

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.

Internal Efficiencies

Online Renewal System

Continual enhancements to DOPL's online renewal system has increased adoption of the system to nearly 80% of DOPL's 150,000 professional licensees. This adoption rate is one of the highest among state online applications.

Cross-Training Staff

DOPL has made significant efforts in the past year to provide additional cross-training to its staff in order to be more efficient and timely within all of its responsibilities. This cross-training allows for a reallocation of staff to any other unit in need of additional assistance, which in turn provides for greater customer service.

Electronic Fingerprint System

Installation of new electronic fingerprint equipment within DOPL's Salt Lake Office has provided for faster turn around of processing criminal history background checks. Prior to use of this system, a manual background check would take a minimum of 90 days, but use of the new equipment has reduced this process to a maximum of 14 days, thereby allowing DOPL to issue licenses faster.



Fiscal Year 2006 Highlights



Controlled Substance Database

Additional enhancements were implemented this year to the state's Controlled Substance Database. The improvements included online access to controlled substance prescriptions for pharmacists and law enforcement personnel. (Previously, online access to CSDB information had only been available to medical providers.) With this expanded online access, requests for information from the database have increased from an average of 2,500 to nearly 7,000 per month.

Implementation of Identix

Nearly a year ago, DOPL purchased Identix equipment and software, enabling Division personnel to obtain electronic fingerprints from applicants for licensure. (Previously, applicants who were statutorily required to obtain a clear criminal history check as a condition of licensure had to have their prints manually rolled and processed, taking up to 90 days or more. With the implementation of Identix, the processing time has been reduced to 14 days, thereby allowing DOPL to complete the licensure process much faster.)

Online Renewal System

Adoption of DOPL's online renewal system continues to rise due to efforts to streamline the process and provide improved training on use of the system. Additionally, this system was recently used as a model for other states who are interested in implementing a similar system. DOPL's system was chosen for demonstration because it works efficiently for multiple profession types with varying fees.

Elimination of Lockbox System

For many years, DOPL has contracted with a local banking institution to electronically process its paper renewal coupons in bulk. As adoption of DOPL's new online renewal system has grown, the need for a separate processing system has diminished. Therefore, DOPL recently chose to divest itself entirely from this alternative process.

Fiscal Year 2006 Highlights



Transition to VeriDoc

DOPL contracted with VeriDoc Inc. to provide electronic verifications for all Utah licensed physicians and osteopathic physicians to other state licensing boards. Use of this service has already proven to be a great time and money savings for both DOPL and the respective licensees. Instead of manually processing each verification request by hand, DOPL now simply provides a routine download of electronic verification data to VeriDoc. A similar process is also in place for nursing verifications.

Prescription Drug Training

In February, DOPL had a unique opportunity to sponsor and conduct a conference for approximately 45 federal, state, and local law enforcement agencies on the investigation of prescription drug diversion. Senior Investigator Irene Gayheart was in charge of the training, and the instructor was a pharmacologist PhD from Purdue Pharma.

Successful FBI Audit

In May, an audit was completed by FBI representatives to ensure compliance with regard to DOPL's access to FBI information. This information is obtained as part of the required background checks for several

professions regulated by DOPL. The FBI audit included review of randomly selected applications being processed and a verbal interview about DOPL's policies, procedures, security, training, disciplinary policies, access, and general information. The FBI representatives also toured DOPL's physical layout to ensure computers, printers, and other equipment are situated in accordance with established FBI requirements. The outcome was very positive, with no problems being identified.

Amended Renewal Dates

DOPL recently amended, via an administrative rule change, the established renewal dates for several of its regulated professions, based primarily on industry need. For example, the renewals dates for contractors, plumbers, and electricians were moved from July – the busiest time of the year for these occupations – to November. Similarly, pharmacy renewals were moved from May to September. This will allow DOPL personnel to more timely process new applications in the spring and renewal applications in the fall, instead of having an overwhelming influx of all applications at one time of the year.

State Construction Registry

Utah's State Construction Registry is an exclusive, statewide electronic database with the sole purpose of protecting lien rights. The concept is an online "bulletin board" identifying those who provide labor and materials to commercial, public work, and residential construction projects, which may enable interested parties to assess exposure and minimize risk.



Totals for Fiscal Year 2006

Notice of Commencement Filings	34,247
Filed by Municipalities	26,490 (77%)
Filed by Users	7,757 (23%)
Preliminary Notice Filings	68,645
Notice of Completion Filings	1,484

Residence Lien Recovery Fund

Under the Mechanics' Lien Laws, if a contractor fails to pay his subcontractors and suppliers, the homeowner would have to pay them directly to prevent loss of the home due to lien foreclosure. In effect, the homeowner had to pay twice for the same product or service. To correct this inequity, the *Utah Residence Lien Restriction and Lien Recovery Fund Act* provides homeowners in Utah with limited protections from mechanics' liens arising as a result of construction of or on their residence. The Fund also reimburses those contractors and suppliers who are unable to collect on a lien because of the homeowner protection.

Totals for Fiscal Year 2006

Number of Claims Filed = 145
Amount of Claims Filed = \$1,236,949.10
Number of Claims Paid = 84
Amount of Claims Paid = \$560,349.15
Number of Claims Denied = 8
Number of Claims Withdrawn = 4

Totals Since Program's Inception (as of 07/13/06)

Number of Claims Filed = 1,956
Amount of Claims Filed = \$12,491,151.65
Number of Claims Paid = 1,288
Amount of Claims Paid = \$6,990,865.76
Number of Claims Denied = 411
Number of Claims Dismissed = 188

Case Status as of 7/13/06

Number of Claims in Prolonged Status = 17
Number of Claims Pending Prosecutor Review = 5
Number of Claims Pending LRF Board Review = 0
Number of Claims Pending Claimant Response = 15
Number of Claims Pending Division Review = 32

Claimant Statistics as of 7/13/06

	Claims	Amount Paid
Suppliers	1,113	\$5,870,539.21
Contractors	797	\$2,463,497.45
Laborers	43	\$ 17,070.17
Other	2	\$ 0.00

Fund Status

Investment Account Balance (as of 6/12/06)	\$1,702,547.08
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Operating Account Balance (as of 6/12/06)	<u>\$ 151,408.54</u>
Total	\$1,853,955.62

Customer Service

Internet Advancements

The Division of Occupational and Professional Licensing's website continues to be one of the state's most hit web pages, with approximately 1,000 visitors per day.

During fiscal year 2006, over 87,500 documents (applications, forms, statutes, etc.) were viewed and/or downloaded from the site.

The online renewal rate continues to grow and is currently at 80 percent.

20 percent of all license verification requests are completed online.



Licensing

Fiscal Year Final	6/30/04	6/30/05	6/30/06
Total Number of Licensees	141,157	137,818	152,116

New Applications Submitted

Fiscal Year Final	2004	2005	2006
Total Number of Applications	19,384	18,158	21,076

Total Number of Licensees Renewed (2-year cycle)

Fiscal Year Final	2004	2005	2006
Total Number of Renewals	63,329	71,192	50,130

Customer Service



Total Licensees by Profession Including Temporary Licensure (as of 6/30/06)

	FY04	FY05	FY06	Difference
Acupuncturists	66	78	74	-4
Alternative Dispute Resolution Providers:				
Arbitration, Mediation, Negotiation	58	54	56	+2
Architects	1,892	2,039	1,932	-107
Athlete Agents	13	5	6	+1
Building Inspectors: Combination & Limited	497	479	562	+83
Burglar Alarm Company Agents	1,347	1,727	3,018	+1,291
Burglar Alarm Companies	137	134	151	+17
Certified Court Reporters:				
Shorthand & Voice	134	144	129	-15
Certified Public Accountants	3,730	3,684	3,914	+230
Certified Public Accountancy Firms	638	624	658	+34
Chiropractic Physicians	720	770	711	-59
Contractors	18,034	16,802	19,881	+3,079
Controlled Substance Handler:				
Facility & Individual	24	76	87	+11
Controlled Substance Precursors:				
Purchaser and Distributor	14	11	12	+1
Cosmetologist/Barbers	19,896	21,104	21,142	+38
Cosmetology/Barber Schools	36	35	34	-1
Deception Detection Examiners & Interns	26	27	29	+2
Dental Hygienists	1,425	1,536	1,549	+13
Dentists: Classes I, II, III, and IV	2,165	2,270	2,198	-72
Dietitians, Certified	506	481	535	+54
Direct-Entry Midwives	--	--	10	+10
Electricians:				
App, Jrny, Mstr, Res. Jrny, & Res. Mstr	8,696	8,681	10,282	+1,601
Electrologists	148	154	138	-16
Electrology Schools	1	1	1	--
Engineers: Professional & Structural	7,235	6,460	6,927	+467
Environmental Health Scientists				
& In-Training	245	220	230	+10
Estheticians & Master Estheticians	1,245	1,484	1,696	+212
Genetic Counselors	22	23	28	+5
Geologists, Professional	923	886	899	+13
Health Facility Administrators	298	275	315	+40
Hearing Instrument Specialists & Interns	103	105	109	+4

Total Licensees by Profession Including Temporary Licensure (as of 6/30/06)

	FY04	FY05	FY06	Difference
Land Surveyors, Professional	669	639	674	+35
Landscape Architects	313	353	357	+4
Marriage & Family Therapists, Interns, & Externs	486	456	508	+52
Massage Therapists & Apprentices	4,379	3,759	4,460	+701
Nail Technicians	2,487	2,802	2,833	+31
Nail Technician Schools	6	7	5	-2
Naturopathic Physicians	16	19	18	-1
Nurses: APRN, CRNA, CNM, RN, & LPN	23,459	22,548	24,681	+2,133
Occupational Therapists & Assistants	586	564	641	+77
Optometrists	403	400	421	+21
Osteopathic Physicians	244	281	301	+20
Pharmacists, Interns, & Technicians	5,128	4,979	5,644	+665
Pharmacies: Class A, B, C, D, & E	1,128	982	1,148	+166
Physical Therapists	1,446	1,359	1,479	+120
Physician Assistants	458	523	543	+20
Physician/Surgeons	6,955	7,346	7,072	-274
Plumbers: App, Jrny, & Res. Jrny	4,103	4,171	4,773	+602
Podiatric Physician	183	176	189	+13
Preneed Funeral Arrangement Providers & Sales Agents	251	273	203	-70
Private Probation Providers	58	44	66	+22
Professional Counselors, Interns, & Externs	522	567	662	+95
Professional Employer Organizations & Groups	67	72	79	+5
Psychologists & Psychology Residents	778	763	811	+48
Radiology Technologists & Practical Technicians	2,173	2,030	2,362	+332
Recreational Therapists: MTRS, TRS, and TRT	750	648	725	+77
Respiratory Care Practitioners	1,099	1,004	1,111	+107
Security Companies	61	63	72	+9
Security Personnel: Armed & Unarmed Officers	5,417	3,661	5,385	+1,724
Social Workers: LCSW, CSW, CSWI, & SSW	5,214	5,009	5,485	+476
Speech-Language Pathologists & Audiologists	634	615	695	+80
Substance Abuse Counselors	341	287	327	+40
<u>Veterinarians & Interns</u>	<u>583</u>	<u>549</u>	<u>598</u>	<u>+49</u>
TOTAL:	141,157	137,818	152,116	+14,298

Division of Occupational and Professional Licensing

Customer Service

<u>Investigations</u>	FY04	FY05	FY06
Complaints Received	3,844	4,725	4,361
Investigations Opened	3,579	4,349	3,826
Investigations Completed	3,758	3,999	3,591
Formal Administrative Filings	308	325	274
Criminal Filings - Felonies	21	57	62
Criminal Filings - Misdemeanors	21	31	55
Letters of Concern Issued	193	332	216
Citations Issued	1,091	1,069	1,100
Diversion Referrals Issued	13	14	22
Fines Collected	\$211,487	\$322,005	\$407,105

Prelitigation

Prelitigation Action

Fiscal Year 2006 Results	FY97	FY98	FY99	FY00	FY01	FY02	FY03	FY04	FY05	FY06
Cases Opened	327	386	354	397	372	392	531	484	384	335
Requests Denied	63	51	54	60	104	63	40	32	24	23
Hearings Scheduled	306	296	299	279	243	324	288	499	295	231
Cases Closed	324	353	381	374	371	433	414	577	417	341

Outcome of Prelitigation Cases

<u>Fiscal Year 2006 Results</u>	FY00	FY01	FY02	FY03	FY04	FY05	FY06
No Merit	174	160	230	221	290	222	170
Meritorious	28	34	33	30	32	28	21
Stipulation	59	52	52	84	139	76	52
Dismissed	63	53	43	84	59	55	56
Split Decision	46	54	67	41	40	30	28
Jurisdiction Problem	3	17	8	12	16	6	14
Undecided	2	1	0	0	0	0	0
Other	3	0	0	0	0	0	0

Controlled Substance Database

Totals for FY2006

Total Rx's in CSDB	27,842,949	
Total Rx's Processed	4,113,435	Registered Online Database Users: 981
Requests for Information	81,955	Pharmacies Reporting to the Database: 484
Online Requests	47,982	Complaints Generated by CSDB: 121
In-House Requests	33,973	Doctor Shopper Cases Generated by CSDB: 71
		Doctor Shopper Letters Sent: 1,365
		Letters on Forged Prescriptions: 62

Legislative Highlights



House Bills

H.B. 74, Athletic Trainer Licensing Act, Rep. Paul Ray

Enacted the Athletic Trainer Licensing Act, providing for the licensing of athletic trainers and the creation of the Athletic Trainers Licensing Board.

H.B. 137, Medication Aide Certified, Rep. Rebecca Lockhart

Amended the Nurse Practice Act to create a medication aide certified in long-term care facilities. Also created a pilot program for the medication aide certified which sunsets on May 15, 2010.

H.B. 160, Construction Standard Amendments, Rep. Michael Morley

Addressed standards for filings made to the State Construction Registry and made numerous significant changes to the Act. Also provided for standardized building permit form numbering and content.

H.B. 262, Respiratory Care Amendments, Rep. Bradley Last

Clarified exemptions from licensure to specify that the installation of durable medical equipment and instructions on its use does not require licensure. Requires licensure for anyone practicing as a respiratory care practitioner beginning January 1, 2007.

H.B. 284, Veterinary Practice Act Amendments, Rep. John Mathis

Created a licensed category for veterinary interns, and created a continuing education requirement for licensure. Defined unlicensed assistive personnel, which includes veterinary assistants, veterinary technicians, and veterinary technologists. Also provided standards of practice for reporting animal cruelty, maintaining and disclosing medical records, and for veterinary-patient relationships.

H.B. 306, Private Probation Provider Amendment, Rep. Lorie Fowlke

Amended the definition of professional conduct for private probation providers regarding interests that may affect impartiality or constitute a conflict of interest to provide that the conflict of interest must be an actual conflict of interest.



Mt. Timpanogos with Yellow Aspens

Legislative Highlights



Senate Bills

S.B. 68, Plumbing License Qualifications Amendments, Sen. Parley Hellewell

Provided that a licensed apprentice plumber must be under the immediate supervision of a licensed journeyman plumber or a licensed residential journeyman plumber. Provided that a licensed apprentice plumber in the fourth through tenth year of training may work without supervision for a period not to exceed eight hours in any 24-hour period.

S.B. 92, Certification of Crane Operators, Sen. Gene Davis

Modified the Construction Trades Licensing Act by requiring the certification of crane operators. Requires an individual to be certified as a crane operator by the National Commission for the Certification of Crane Operators or any other equivalent organization specified by rule, in order to operate a crane on commercial construction, demolition, or excavation projects. Provided a class A misdemeanor criminal penalty for unlawful conduct in operating a crane.

S.B. 95, Psychologist Licensing Act Amendments, Sen. Ed Mayne

Added certification by the National Register of Health Service Providers in Psychology or certification by the Association of State and Provincial Psychology Boards to the list of acceptable requirements for licensure by endorsement.

S.B. 108, Ethics in Dental Advertising, Sen. Peter Knudson

Defined an unsubstantiated claim of superiority in training or skill to include advertising or practicing in a dental specialty in which the dentist has not successfully completed the education specified for the dental specialty, as defined by the American Dental Association, without providing a prominent disclaimer that the specialty services will be provided by a general dentist.

S.B. 160, Physician Licensing Amendments, Sen. Beverly Evans

Amended the licensure by endorsement provisions of the Utah Medical Practices Act and the Utah Osteopathic Medical Practices Act to require DOPL to issue a temporary license to qualified applicants for licensure by endorsement while their application is pending.

S.B. 176, Contact Lens Consumer Protection Act, Sen. Curtis Bramble

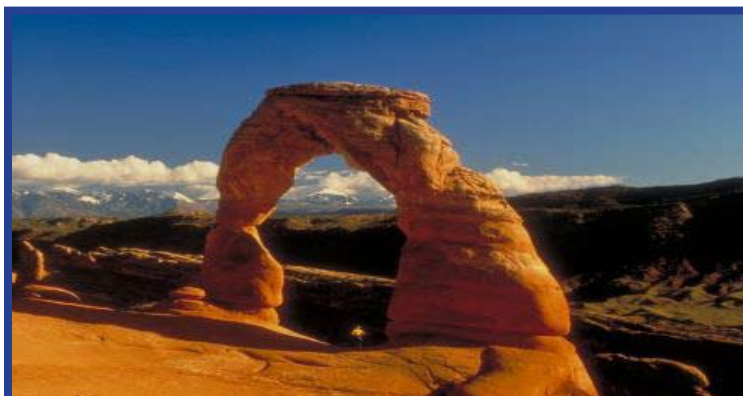
Enacted the Contact Lens Consumer Protection Act within the Utah Optometry Practice Act in relation to producing, prescribing, marketing, selling, and distributing contact lenses. Provided that a manufacturer of contact lenses who sells, markets, or distributes contact lenses in the state shall certify by affidavit to the attorney general that the brand of lenses are made available in a commercially reasonable and nondiscriminatory manner to prescribers, entities associated with prescribers, and alternative channels of distribution.

S.B. 234, Servicing of Heating or Cooling Duct Systems, Sen. Parley Hellewell

Modified the definition of a combustion system to specifically include air ducts. Modified provisions related to the work and scope of practice in the installation repair, maintenance, cleaning, or replacement of a residential or commercial combustion system by requiring certification for maintenance and cleaning in addition to the current certification required for installation, repair, or replacement of a combustion system.

Diversion - Utah Recovery Assistance Program (URAP)

URAP Fiscal Year 2006 Results	Total	Files Closed Successfully:	Total
Committee Meetings Conducted:	53	RN/LPN	2
Diversion Interviews Completed:	401	APRN	1
		Physician	1
		Dentist	1
<u>New Contracts Signed:</u>			
RN/LPN	17		
Physician	2	<u>Unsuccessfully:</u>	
CRNA	2	RN/LPN	3
Physical Therapist	2	Physician	1
Pharmacist	1		
Architect	1		
Physician Assistant	1	<u>Clients participating in URAP</u>	
Resp. Care Practitioner	1	<u>Fiscal Year 2006</u>	<u>Total</u>
		RN/LPN	54
<u>Clients Not Accepted:</u>		Physician	13
Nurse	2	Pharmacist	3
Pharmacist	1	Dentist	2
		Lic. Clinical Social Worker	2
<u>Clients who Chose not to Sign:</u>		Social Service Worker	2
Nurse	2	Physician Assistant	2
Pharmacist	1	Physical Therapist	2
Rec Tech	1	Cert. Reg. Nurse Anesthetist	2
		Respiratory Therapist	2
<u>Clients Pending:</u>		Advanced Practice RN	1
Nurse	2	Certified Public Accountant	1
Pharmacist	1	Funeral Director	1
Funeral Director	1	Substance Abuse Counselor	1
		Pharmacy Tech	1
		<u>Veterinarians</u>	<u>1</u>
		Total:	90



Delicate Arch, Southern Utah

Staff Highlights

Staff Highlights

Steve Davis has been DOPL's chief investigator for nearly 25 years, and is DOPL's longest tenured manager. He came to DOPL in 1982 after working as an investigator in the Division of Public Utilities. With a degree in Sociology and Police Science from Weber State University and his vast experience in law enforcement, Steve is a valuable resource to DOPL. He has seen many changes during his tenure, including passage of numerous licensure and enforcement statutes, increased use of technology within the investigative arena, and growth of DOPL's investigative force from 3 when he started to nearly 40 today. Steve is also known for his friendly, jovial attitude among his employees and peers and is highly respected by those who work with him.

DOPL's Administrative Assistant **Carol Inglesby** is DOPL's longest tenured staff member, having started with DOPL in 1982 as a front desk clerk. She is impeccably consistent in handling critical responsibilities for the Division including coordinating all disciplinary information, tracking more than 350 board and committee members, serving as records officer, handling administrative rule filings, processing GRAMA requests, tracking employee parking and timesheets, and serving as administrative assistant to four different division directors. In 2005, she was nominated for Outstanding State Employee. Carol is known for her extraordinary abilities, and she can be counted on to perform at the same high standard time and time again.

Laura Poe, bureau manager for DOPL's nursing professions, was notified in June that she has been selected to receive the R. Louise McManus Award by the National Council of State Boards of Nursing (NCSBN). This award will be presented at the annual awards luncheon held during the 2006 NCSBN Delegate Assembly in Salt Lake City. As NCSBN's most prestigious award, the R. Louis McManus Award is given to an individual who has made sustained and lasting contributions through the highest commitment and dedication to the purposes and mission of NCSBN. Selection criteria includes active leadership in NCSBN, direct and substantial contribution to the improvement of nursing regulation, impact on public policy and development to enhance the health and well-being of individuals and the community, and contribution to the mission of NCSBN over a significant period of time. Laura has been employed with DOPL since March of 1993.

Questions specific to the Division of Occupational and Professional Licensing may be directed to:



Craig Jackson, Director

Division of Occupational and Professional Licensing
(801) 530-6628 cjackson@utah.gov



Division of Public Utilities

Mission

The Division of Public Utilities promotes the public interest in utility regulation and works to assure that all utility customers have access to safe, reliable service at reasonable rates. The Division supports the Utah Public Service Commission (PSC) in all matters within the PSC's jurisdiction. This includes:

- Investigating applications for certificates of convenience and necessity to provide utility service, and letters of exemption;
- Auditing, analyzing, and investigating rate cases and making recommendations;
- Investigating and resolving complaints of utility customers;
- Monitoring the safety of natural gas pipelines within the state;
- Reviewing reports of all utilities;
- Auditing utilities doing business in Utah;
- Assisting in monitoring and managing the Universal Service Fund, which provides support for telecommunications customers in high-cost areas;
- Monitoring compliance with Utah law and PSC rules and orders;
- Advising the Legislature as requested.

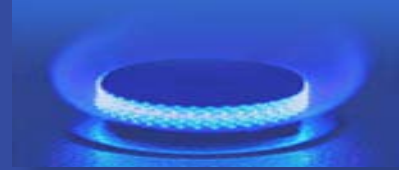
About the Division

The Division's staff of approximately thirty-five employees works with the PSC, the Committee of Consumer Services, the utilities, the public, outside experts, attorneys, other states' utility regulators, and others. Nearly 75% of the staff holds advanced degrees or professional certifications, and have expertise in accounting, finance, economics, and engineering.



Seagulls over the Great Salt Lake

Fiscal Year 2006 Highlights



PacificCorp Transition

The Division participated in lengthy and multi-party negotiations over the acquisition of PacifiCorp by Mid-America. Parties avoided the uncertainties of litigation and agreed on measures to protect customers and enhance service and reliability.

Natural Gas Supplies

The Division helped to resolve a lengthy, controversial dispute over the treatment of changing natural gas supplies. The Division helped to craft a settlement with the Committee and the utility to ensure that customers are treated fairly and continue to have access to more new supplies of gas.

Utah Pipeline Safety Award

For the third year in a row, the Utah Pipeline Safety program achieved a perfect score from the federal Office of Pipeline Safety in its annual audit of the program's performance. This means that Utah's pipeline safety program will continue to receive the maximum level of funding from the OPS, which partially funds the program.

Telecom Audits

As a result of audits of a number of rural telephone companies, the Division filed, and settled with approval by the Public Service Commission, several cases which adjusted the amounts distributed from the state Universal Service Fund. This continues to ensure that our stewardship of the program continues to serve all of the public.



Sundance Creek

Customer Service

During Fiscal Year 2006, the Division's Customer Service Unit fielded 1,282 informal complaints from utility customers, a 25% reduction from the previous year.

Complaints typically involved service quality and billing issues.

The reduction would have been even greater except for over 300 complaints due to increases in costs Questar Gas pays for gas it purchases, which are beyond the control of Questar Gas and of state agencies. Prices spiked in reaction to shortages caused by Hurricane Katrina.

The Division works with customers and utilities to resolve complaints informally. Unresolved disputes are referred to the PSC for more formal action or hearing.

Utility Complaints Received Fiscal Year 2006

Utilities	Fiscal Year 2004	Fiscal Year 2005	Fiscal Year 2006
Electric	492	220	232
Natural Gas	209	172	520
Telecom - ILEC*	437	371	252
Telecom - CLEC**	566	609	190
Telecom - Long Distance	201	329	81
Water/Sewer	2	3	7
TOTAL	1,907	1,704	1,282

Utility Complaints Resolved Fiscal Year 2006

		Informal	Complaints
Utilities	Total Fiscal Year 2006	Complaints	Resolved by
	Complaints	Resolved without	Hearing Officer
		Hearings	
Electric	232	225	7
Natural Gas	520	513	7
Telecom - ILEC*	252	248	4
Telecom - CLEC**	190	183	7
Telecom - Long Distance	81	81	0
Water/Sewer	7	5	2
TOTAL	1,282	1,255	27

*Incumbent Local Exchange Carrier, i.e. Qwest

**Competitive Local Exchange Carrier, i.e., AT&T, XO, McLeod, etc.

Water Section



Fall Colors, Logan Canyon

The Water Section completed rate and compliance audits on 6 regulated water companies. In 2003, the Water Section, working with the Division of Water Quality, identified 163 private irrigation and culinary water companies that were operating without the appropriate Certificates of Convenience and Necessity or Letters of Exemption. Much of the work required to bring these companies into compliance has already been done, but a few issues are still outstanding. As a result of this effort, in FY2006, the Public Service Commission issued two new Certificates of Convenience and Necessity to regulated water companies and 7 Letters of Exemption to mutual water companies.

Pipeline Safety

The Pipeline Safety Group operates under federal statutes to investigate safety and other conditions relative to the piping of natural gas within Utah. Pipeline Safety works with leading major local natural gas distribution companies, such as Questar Gas Company, as well as municipal and intrastate transmission operators. In addition, several hundred small gas system operators, which purchase gas from a distribution company and further distribute it within their facilities, fall under the Group's jurisdiction. The Group is responsible for determining the state of these small gas systems and working with the operators to assure that the systems are either inherently safe or that some protection measures are installed to assure their safety against leaks.

Each year the federal Office of Pipeline Safety (OPS) evaluates performance of state programs in fulfilling the requirements of the federal program. For the third year in a row, the Utah Pipeline Safety program has achieved a perfect score in its evaluation, which results in the maximum percent of funding reimbursed by OPS.

During fiscal year 2006, Pipeline Safety personnel conducted comprehensive inspections of Questar Gas Company operations, municipal gas distribution operators, liquid petroleum gas (propane) operators, and initial and follow-up inspections of small gas system operators. These inspections assure that operator procedures and operations are consistent with federal regulations for safe functioning of natural gas systems. No reportable accidents occurred.

Work was completed in December, 2005 on a grant awarded to the Division through the Pipeline Safety group to continue collection of statistics relating to excavator-caused damage to underground natural gas facilities. The data continues to give Pipeline Safety a better understanding of the factors leading to excavation damage and those contractors responsible. A follow-on grant in the amount of \$22,655 was awarded in the spring of 2006 to continue educational efforts through Blue Stakes of Utah to improve awareness of those who contribute to excavation damage.

Pipeline Safety Inspections Fiscal Year 2006

Questar Gas Company Regions	7
Municipal Gas Distribution Operators	5
Intrastate Transmission Operators	1
Liquid Propane Gas Operators	1
Small Gas System Operators	124
Gathering Lines (Jurisdictional)	1
Personal or Property Damage Incidents	0

Telecommunications Section



The Telecommunication Section of the Division advises the Utah Public Service Commission on issues relating to regulated telecommunications companies operating in Utah. During the year, the Section was involved in rate cases, rulemakings, applications, hearings, audits, and other issues impacting the Utah telecommunications market.

All Utah residential telephone customers pay a small monthly amount into the Universal Service Fund (the "USF"), which is mainly used by high-cost rural telephone companies to defray costs so as to maintain affordable rates; monies also are used to assist qualifying Lifeline (low-income) customers. The Division is responsible to ensure that these funds are used as efficiently as possible to promote universal service.

During FY06, the Telecommunications Section concluded its work in two pending rate cases for UBTA-UBET and Carbon-Emery Telecom. Both cases involved rural telephone companies requesting large increases in funding from the USF. Based on the Division's audits and investigations, the parties voluntarily settled both cases, agreeing to draw more modest amounts from the USF and to slightly increase local rates while still keeping them within the affordable range.

The Division also continued to conduct periodic audits of other Utah telecommunications companies to ensure compliance with Commission rules. As a result of the Division's FY06 compliance audits, three rural telephone companies agreed to reduce their State USF payments, creating an annual savings of approximately \$3.7 million to the USF.

As a result of these cases, and other factors, the Utah USF has realized an increasing surplus. The Division therefore recommended a reduction in the customer contribution to the USF, from .9% to .5% of Utah billed revenues. Although the amount per customer is minimal, 12 cents on average, Utah ratepayers will cumulatively save approximately \$4.2 million per year, while customers in high-cost rural areas will continue to enjoy affordable rates.

The Division continues to coordinate and oversee the administration of the Lifeline program (Utah Telephone Assistance Program), which helps qualifying low-income customers pay their telephone bills. In FY06, approximately 5200 additional low-income customers qualified for Lifeline participation, an increase of over 22%.

In a major enforcement action, the Division investigated over 400 slamming complaints against a long distance reseller operating in Utah. Based on this investigation, the company agreed to discontinue its activities and to pay \$150,000 in penalties. To date, this is the largest settlement in a case involving slamming complaints.

In FY06, the Division recommended approval of Sanpete County wide Extended Area Telephone Service (EAS), which will allow Sanpete County customers, for an extra monthly fee, to call within the entire County without incurring long distance charges. As part of its investigation, the Division conducted over 1200 customer telephone surveys to ensure that there was sufficient customer support for the service.

Additionally, the Division reviewed 82 interconnection agreements and amendments, recommending that the Public Service Commission approve 78 of them. There was no change in the number of licensed Competitive Local Exchange Providers ("CLEC's") in Utah: 10 CLECs were certificated and 10 CLECs relinquished their certificate.

The Division also analyzed and recommended approval of four proposed mergers and of two requests for one-time distribution of funds from the USF for use in high-cost areas. During the year, customer complaints involving telephone companies decreased by 47% from the previous year.

Energy Section

The Energy Section assists the PSC in regulating electric and natural gas utilities. Electric utilities that are subject to PSC jurisdiction include Rocky Mountain Power, rural electric cooperatives, and one electric service district. Questar Gas Company is the only regulated natural gas company in the state. The Division also actively follows and participates in proceedings before the Federal Energy Regulatory Commission (FERC), as well other national or regional organizational meetings, involving issues relevant to Utah's energy consumers.

Electricity

During the past fiscal year the energy section worked on a variety of issues impacting Utah ratepayers. Division representatives participated with other parties including consumer and industrial representatives in settlement discussions with utility executives over the recent acquisition of PacifiCorp by MidAmerican Energy. The discussions led to an agreement that includes over 50 measurable conditions that will ensure the acquisition serves the interest of Utah ratepayers.

Rocky Mountain Power filed an application for a \$194 million rate increase in March. Division auditors and other staff members have been actively investigating the basis for the request and have, along with other parties, been pursuing a settlement that is fair and reasonable.

Utah's demand for electricity continues to grow at a relatively fast rate and the Division continues to encourage Rocky Mountain Power to address its peak load periods with innovative conservation programs, including

special "interruptible" rates for industrial customers who agree to forego guaranteed service during peak periods and Demand Side Management (DSM) programs. Last year the Utah Legislature passed legislation enabling the Public Service Commission to enact a DSM Tariff Rider to fund DSM programs. The rider (a 3% surcharge on customer bills) started on April 1, 2004, and is anticipated to collect about \$3 million annually. Currently, the three DSM programs in place include:

"Cool Cash" provides incentives for residential customers to purchase more efficient home cooling systems.

"Cool Keeper" provides incentives for participation in a program that allows Rocky Mountain Power to control customer's air conditioning load.

"Refrigerator Recycling Program" is designed to get older, more inefficient refrigerators out of circulation.

The growth in demand in Utah means that Rocky Mountain Power must acquire additional resources to meet its load requirements. The Division and other interested parties are actively exploring how to promote competition to the benefit of Utah ratepayers. One outcome of this inquiry led to the passage of Senate Bill 26. This requires utilities to hold a competitive bidding process for new generation resources to ensure that they are obtained at the lowest cost. The Division is working cooperatively with other parties to develop rules that will successfully implement this legislation.

Energy Section

Natural Gas

Wellhead prices are deregulated and determined by market conditions. Over the past fiscal year, and especially the winter months, due to increasing demand and the uncertainty over oil supplies stemming from severe weather conditions in the Gulf of Mexico, these prices have seen substantial increases. As a result, natural gas prices have increased substantially and Questar Gas Company (QGC) filed some of its largest rate increase requests this past year. The effects of these rate increases appeared on customers' bills this past winter. However, since late winter, natural gas prices have moderated and, while prices are still higher than they have been historically, Questar has lowered its rates twice.

At the request of the Division, for the past year Questar has been providing monthly price and condition updates and the Division spends considerable time following market prices and making sure that company production is optimized. DPU employees continue to examine the pass through filings as well as QGC's methods for obtaining gas in a volatile market.

The Division also advocates a pilot program to evaluate a "Conservation Enabling Tariff". If the application is approved by the Commission, the resulting conservation programs will help Utah ratepayers lower their gas consumption and their overall energy bills during the life of the pilot project. Hearings in this matter are scheduled for September 2006.

Staff Highlights

Dennis Miller may be the Division's single busiest employee, and is a huge asset. As a paralegal, he supports the Division's professional staff by preparing exhibits, transparencies, electronic format presentations to support staff's testimony, and filings in compliance with the Public Service Commission's standards. He coordinates the complicated "discovery" process which assists all parties in complex litigation before the PSC. Dennis maintains the document control system for the Division and on his own initiative instituted considerable improvements in indexing, storing and maintaining the mountains of information which the Division generates and on which it relies. The Division's day to day operations run smoothly thanks to Dennis' efforts.

Dr. William A. Powell: Artie manages the Division's energy section, supervising a technical and professional staff that handles all the work relating to electricity or natural gas utilities. He and his staff ably represented the public interest in many cases, big and small, throughout the year. Although small in number, the energy section under Artie's leadership continues to help ensure that utility rates remain just and reasonable.

Chris Luras is an outstanding example of the newer talent in the Division. Originally hired as an intern while still in school, Chris quickly proved his value as a member of the Division's telecommunications section. While working full time, he also is pursuing a graduate degree. In addition to his work on telecommunications issues and cases, he volunteers for extra tasks in order to contribute to the Division and to expand his skills.

Questions specific to the Division of Public Utilities may be directed to:



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Committee of Consumer Services

Mission

The Utah Committee of Consumer Services (Committee) was created by the Utah Legislature in 1977. The Committee represents 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, on its own behalf and in its own name, positions most advantageous to a majority of its constituency before the Public Service Commission of Utah.

Customer Outreach Program

This year the Committee has emphasized communicating with its constituency. In order to inform, educate, and listen to its constituents, Committee staff and members visited sixteen legislators, the Utah taxpayers Association, Bonneville Kiwanis, Utah Rural Electric Association, Women's State Legislative Council of Utah, Utah Farm Bureau Federation, American Association of Retired Persons (AARP), and Salt Lake Community Action Program. Outreach efforts continue throughout the state. The Committee's Web site is another source of news on current issues: www.ccs.utah.gov



Sego Lily, Utah State Flower

Fiscal Year 2006 Highlights

The Committee participated in numerous PSC dockets on electricity, natural gas, and telephone issues. Through its participation the Committee attempts to ensure that its constituents' rates remain as low as possible.

Highlights of the fiscal year include the following:

PacifiCorp Rate Case – March 7, 2006

(Docket No. 06-035-21)

PacifiCorp (dba Utah Power) filed an application with the Public Service Commission of Utah for a record-breaking rate hike of \$197 million, averaging 17 percent over current levels. The Committee hired expert consultants to examine the utility's filings and ensure electric costs passed on to customers were fair and reasonable.

Questar Gas Co. Recovery of Gas Management Costs – CO2 Case

(Docket No. 05-057-01)

On January 6, 2006, the Public Service Commission approved the Gas Management Cost Stipulation of Questar Gas Company, the Utah Division of Public Utilities and the Utah Committee of Consumer Services, authorizing recovery in rates of a portion of the costs incurred by Questar Gas Company in managing the heat content of the gas supplies delivered to its system commencing February 1, 2005.

Questar Conservation Enabling Tariff - December 16, 2005

(Docket No. 05-057-T01)

Questar Gas Company, Utah Division of Public Utilities, and Utah Clean Energy jointly filed an application before the Public Service Commission requesting approval of a Conservation Enabling Tariff (CET) Pilot Program. The Committee favors conservation but has concerns with the CET mechanism.

MidAmerican Energy Holdings Company Acquisition of PacifiCorp

(Docket No. 05-035-54)

On 15 November 2005, the Committee and other interested parties reached an agreement with MidAmerican Energy Holdings Company on conditions of the acquisition. The Committee worked to secure commitments from the company to increase local presence with decision-making authority and improve service reliability.

PacifiCorp Excess Income Tax Cost Monies Collected in Rates

(Docket No. 05-035-98)

On October 6, 2005, the Committee filed a petition with the Public Service Commission of Utah alleging that PacifiCorp had been over-collecting income tax costs in Utah rates since its 1999 merger with ScottishPower. In order to complete the acquisition with no further complications, this company and Mid-American settled with the Committee and Utah Industrial Energy Consumers on terms that offer future cost savings of approximately \$32 million to Utah ratepayers.

Customer Service

Electricity

PacifiCorp 2006 Rate Case

On March 7, 2006, PacifiCorp (doing business as Utah Power & Light Company) filed an application for a rate increase of \$197.2 million (averaging 17 percent), effective November 11, 2006. This is a significant increase over previous rate case requests. This request was made under the ownership of ScottishPower. MidAmerican Energy Holdings Company (MEHC) completed its purchase of Utah Power at the end of May. Under the terms of acquisition, MEHC agreed to the Committee's request, to hold off implementing its rate increase for 45 days. At the proposed rate increase amount, the 45-day delay was worth approximately \$24 million to Utah consumers. On April 5, 2006, PacifiCorp filed testimony that reduced the Company's proposed rate increase from \$197.2 million to \$194.1 million.

The Committee hired consultants to ensure electric costs being passed on to Utah customers were fair and reasonable. Based on the facts and circumstances in this rate case, the Committee filed testimony in June supporting the use of the Company's proposed future test year ending September 30, 2007 as allowed under Utah Statute 54-4-4(3). However, support was contingent on safeguards being put into place that would make PacifiCorp more accountable for its projections and provide more assurance that the costs it forecasts are consistent with what actually occurs in the rate effective period.

Demand Side Management (DSM)

The Committee recognizes that more efficient use of energy is of vital importance to all PacifiCorp customers. Consequently, Committee staff actively participates in the DSM advisory group. PacifiCorp is reviewing and evaluating the cost-effectiveness of proposals received from its DSM Request for Proposals (RFP). It is expected that additional DSM programs from the RFP will be implemented in FY 07.

Qualifying Facilities Contracts and Avoided Cost Methodology

The Public Utilities Regulatory Policies Act (PURPA) requires utilities to interconnect with, and purchase power at avoided cost from, Qualifying Facilities (QFs). QFs are non-utility generators that may use a variety of generating technologies. PURPA was passed to encourage more efficient use of fossil fuels and the development of renewable energy. "Avoided cost" is what it would have cost the utility to produce or purchase the power if it were not available from the QF. The Committee participated in the PSC's efforts to determine a fair method for calculating these costs.

The Committee also analyzed and evaluated proposed QF contracts from two large industrial cogeneration facilities in Utah. The Commission has approved both contracts and those resources are providing approximately 56MW to PacifiCorp's system.

Customer Service

Electricity

PacifiCorp's Integrated Resource Plan

PacifiCorp (Company) filed an update to its 2004 Integrated Resource Plan (IRP) on November 4, 2005. The IRP helps to determine future actions the Company will take and resources it will acquire to meet its responsibility to provide reliable, least cost service with reasonable risk to its customers. A fresh report is prepared biennially. An update to the report is prepared in the off year.

In its comments, the Committee expressed appreciation to the Company for its responsiveness to stakeholder concerns, which resulted in an improved plan. It indicated that the new plan reduced the gas price risk inherent in the previous plan and better integrated the PacifiCorp system. However, the Committee did not endorse the new plan as least cost, least risk. The Committee stated that it remained alarmed by the market risk inherent in the Company's resource strategy. It noted that since wind and coal are the only feasible technologies that reduce market reliance while not increasing gas price risk, PacifiCorp should make every effort to lock down such stably priced resources as quickly as possible and to proceed expeditiously with its 2012 RFP.

Power Cost Adjustment Mechanism (PCAM)

PacifiCorp filed an application for a Power Cost Adjustment Mechanism (PCAM) on November 23, 2005. Approval of a PCAM would change the way net power costs are determined for recovery from Utah customers. Instead of the normalizing process and production cost modeling currently used, a PCAM would track actual power costs in a deferred account and either charge customers or credit customers the difference from a base level determined during a general rate case whenever a predetermined balance was reached. A PCAM shifts the risk that the future unfolds differently from what the Company expects, and has planned for, from shareholders to ratepayers. Thus, a PCAM can distort planning incentives.

A procedural schedule for the filing of testimony and evidentiary hearings for the PCAM was set in early April 2006 as part of the 2006 Rate Case under the rate case docket number, and the two dockets were consolidated for certain purposes. In late June, the Commission issued an Order vacating the PCAM procedural schedule and freed the PCAM to proceed independently. A new procedural schedule for the PCAM has not been set.

In May the Utah Industrial Energy Consumers (UIEC) filed a Motion to Dismiss the PCAM. Replies are due in early July. The Committee intends to support the UIEC's Motion to Dismiss.

Customer Service

Electricity

Multi-State Process (MSP)

PacifiCorp operates a single system to serve customers in six states and is subject to the jurisdiction of those states. In order for the Company to neither under nor over collect from its customers, state commissions must determine a state's share of total system costs in a similar manner. The Multi-State Process (MSP) is the current forum for addressing issues with interjurisdictional allocation components.

The current MSP process resulted from concerns with the effect on other states of Oregon's 1999 deregulation legislation and Utah's strong load growth. The formal multi-state process began in March 2002. It resulted in a new interjurisdictional allocation method termed the Revised Protocol that became effective early in 2005.

The Revised Protocol directed ongoing activity, and Oregon's order approving the Revised Protocol required further multi-state action. As a result, three workgroups were formed in the spring of 2005. The Committee participated fully in all three workgroups. Early in June 2006, the MSP Standing Committee, created by the Revised Protocol, declared that the workgroups had completed their tasks.

The Standing Committee is considering forming a new workgroup to address upcoming issues. The Standing Committee will again take up the issue at its next meeting.

MidAmerican Energy Holdings Company (MEHC) Acquisition of PacifiCorp

On May 24, 2005, MidAmerican announced it had reached an agreement with ScottishPower to acquire its subsidiary, PacifiCorp. The Public Service Commission of Utah (Commission) established that a net positive benefit must be shown if MEHC were to acquire PacifiCorp. On November 15, 2005, the Committee and other interested parties accepted terms of agreement with MEHC. The Stipulation constituted the negotiated resolution of all issues among the signatory parties, as provided in 50 general commitments and 28 Utah-specific commitments. The commitments include the extension of existing commitments previously entered into by PacifiCorp and/or ScottishPower, new commitments applicable to all the states of PacifiCorp's service territory, and commitments applicable only to the activities and operations of PacifiCorp within Utah. Among the Utah-specific commitments are that which deal with local presence of PacifiCorp. The Applicants made a commitment to increase senior management and associated corporate personnel with those positions in the state of Utah. They also made a commitment dealing with the decision-making authority of principal officers and those with delegated authority in Utah to be able to make decisions regarding Utah customers on issues involving tariff interpretations and line extensions, for example, and other issues. On January 27, 2006, the Commission approved the Stipulation by parties supporting the acquisition of PacifiCorp from ScottishPower by MidAmerican Energy Holdings Company. MEHC announced that it had completed the purchase of PacifiCorp from ScottishPower on March 21, 2006.

Customer Service

Electricity

Review and Evaluation of Home Electric Lifeline Program (HELP)

The HELP program was first authorized by the Public Service Commission in May, 2000. The program provides for a fund from which eligible low-income residential customers are given a credit on their monthly Utah Power electric bill. The Committee contends that HELP is beneficial to public and ratepayer interests. For this reason, the Committee and others recommended that the Public Service Commission continue the program. On November 23, 2005, the Commission approved the continuation of the HELP program, reduced the customer surcharge rate from 12 cents to 10 cents, and made a one-time refund to all PacifiCorp Utah customers from the excess account balance.

Excess PacifiCorp Income Tax Cost Monies Collected in Rates

On October 6, 2005, the Committee filed a request for agency action with the Public Service Commission of Utah alleging that a U.S. Securities and Exchange Commission (SEC) audit revealed that PacifiCorp had been over-collecting income tax costs in Utah rates since its 1999 merger with ScottishPower. PacifiCorp denied the Committee's allegations and asserted the income tax costs it collected in rates were calculated in accordance with long-standing Public Service Commission practice.

The parties ultimately concluded that it was in the public's best interest to settle the dispute on reasonable terms. On March 24, 2006, the Committee, Utah Industrial Energy Consumers and MidAmerican Energy Holdings Company, who recently acquired PacifiCorp from ScottishPower, settled the lawsuit on terms that offered future cost savings of approximately \$32 million to Utah ratepayers. As part of the settlement, MEHC agreed to transfer its \$12.2 million stock ownership in Intermountain Geothermal Company (IGC) to PacifiCorp.

PacifiCorp's ownership and control of IGC's steam fields offer potential economic benefits to Utah customers. The projected benefits of \$32 million, enough energy to supply 27,000 homes, are based on a 36 Megawatt expansion of the Blundell Geothermal Plant located near Milford, Utah. The Blundell Geothermal Plant represents a 'clean energy resource' with costs projected to be lower than gas and coal resource alternatives.

Customer Service

Natural Gas

Questar Green Sticker Accord

The Green Sticker Accord is an effort to unify the positions of all parties relating to the Green Sticker and furnace inspections. The Committee has always been an advocate for better technician training, a customer inspection checklist, and regular appliance inspections to promote safety. After hiring a consultant to examine the conditions under which changing gas quality create a genuine customer safety concern, the Committee is convinced there is a potential safety problem if natural gas appliances are not properly adjusted to handle the new fuel blend. The Committee urges homeowners to have their gas furnaces and water heaters inspected and serviced regularly by a certified technician.

Questar Gas Company's Request for Reduction in Rates

On May 10, 2006, The Committee of Consumer Services and other interested parties reached a settlement with Questar Gas Company that reduced natural gas rates by \$9.7 million, effective June 1, 2006. This reduction, in addition to the \$38.6 reduction announced in April and the \$93.7 million reduction announced in February of this year, means the typical residential customer's natural gas bill will be reduced by approximately \$150 annually. On May 26, 2006, the Utah Public Service Commission issued an order approving the rate reduction.

Questar Conservation Enabling Tariff

On December 16, 2005 Questar Gas Company, the Division of Public Utilities, and Utah Clean Energy filed an application before the Public Service Commission requesting approval of tariff

changes that would implement a Conservation Enabling Tariff (or CET) Pilot Program and Full Sales and Revenue Decoupling Mechanism.

The Committee supported and pushed for an immediate rate decrease of \$9.7 million but believed a CET that encompassed a full sales and revenue decoupling mechanism would not benefit ratepayers. The Committee withheld its support and has retained an expert to examine all aspects of the CET application.

Telecommunications

Sanpete County Extended Area Service (EAS)

On June 7, 2005, the Public Service Commission of Utah (Commission) ordered Manti Telephone, Gunnison Telephone, and Central Utah Telephone to undertake a study to determine cost-based prices for providing a Sanpete county-wide extended area service (EAS). An EAS would eliminate long distance charges within the county. Instead of paying long distance charges, telephone customers will pay a fixed monthly EAS charge.

On February 24, 2006, the Commission approved the companies' proposed EAS rates as a condition for conducting a customer survey to determine public interest. The Committee was involved in the surveying process, which found customers in Sanpete County generally in favor of the EAS. Because of the level of interest expressed by different parties, the Commission has set a public witness hearing date for August 28, 2006.

Customer Service

Telecommunications

Petitions for Additional State Universal Service Funds (USF)

The Committee was involved in the process of evaluating two requests for additional support from the State USF. Requests were made by (1) Uintah Basin Telecommunications Association, Inc. and UBET Telecom, Inc. and (2) Carbon/Emery Telcom, Inc.

(1) On April 27, 2005, a petition was submitted by Uintah Basin Telecommunications Association, Inc. and UBET Telecom, Inc. (Applicants) requesting an additional \$7.2 million increase in USF distribution. On July 7, 2005, the Commission issued a Procedural and Scheduling Order with the intent to have all relevant issues examined. The Utah Division of Public Utilities (Division) and the Committee of Consumer Services filed testimony on September 9, 2005, addressing a number of issues, such as: revenue requirement calculation, affiliate and subsidiary transactions, proper treatment of patronage credits, and the cost and necessity of building a redundant route.

On October 12, 2005, the Applicants, Division and Committee filed a Stipulation. The Stipulation was presented to the Administrative Law Judge at a hearing on October 18, 2005. In the Stipulation the Applicants agreed to withdraw from their application any request pertaining to the Plant Acquisition and Amortization Adjustment relating to the purchase of the Vernal, Roosevelt, and Duchesne exchanges. The applicants also agreed to withdraw any request pertaining to an alternate or redundant route. Parties agreed Applicants' return of debt, return on equity, and overall rate of return shall be set at 6.01%, 9.50%, and 6.08%, respectively.

Based on the foregoing, the parties agreed that a \$1,719,646 increase in Applicants' intrastate revenue requirement was just and reasonable and that the balance of the intrastate revenue requirement shall be funded by a \$1,035,243 USF distribution increase. On November 4, 2005, the Commission approved the Stipulation increasing Applicants' intrastate revenue requirement and annual USF disbursement.

(2) On June 17, 2005, Carbon/Emery Telcom, Inc (Applicant) filed with the Public Service Commission of Utah (Commission) an application for Increase of Rates and Charges and USF Eligibility. The Applicant requested approximately \$1.5 million in additional funding. On December 19, 2005, the interested parties filed a Stipulation by which they agreed to settlement of all disputes. The parties agreed to a \$1,200,000 increase in Applicant's intrastate revenue requirement with a base affordable rate of \$14.50/month for residential and \$24.00/month for business. It was also agreed that the balance of the intrastate revenue requirement increase shall be funded by a \$250,714 USF distribution. On January 3, 2006, the Commission approved the Stipulation of Carbon/Emery Telcom, Inc, the Utah Division of Public Utilities and the Utah Committee of Consumer Services, increasing Applicant's intrastate revenue requirement and base affordable rate, and approving disbursement from the Universal Service Support Fund.

Legislative Highlights



House Bills

H.B. 309S2 - Municipal Energy Sales and Use Tax Amendments, Rep. Greg Hughes

This bill limits the amount of energy sales and use tax a municipality may charge on gas sold or used to an average historical amount based on a per decatherm calculation. The Committee gave the bill its full support. The bill passed and was signed by Governor Huntsman.



Governor Jon Huntsman, Jr. signs HB 309S2

Questions specific to the Committee of Consumer Services may be directed to:

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(801) 530-6674 rwarnick@utah.gov



Division of Real Estate

Mission

Our mission is to protect the public through education, licensure and regulation of appraisal, mortgage, and real estate professionals.

The Division's informal mission statement is to "make things as easy as possible for the good guys and as difficult as possible for the bad guys".

Internal Efficiencies

Over the past year, the Division has significantly reduced processing times and backlogs, while serving nearly 7,000 new customers, thereby accomplishing our goal of "doing more with less". The credit for this dramatic increase in efficiency belongs to the highly motivated and dedicated Division staff and their success in implementing a number of process improvements, including:

"Paperless" processing of licensing applications through scanning hard files, receiving and sending faxes through desktop computers, and increasing the number of online license renewals.

Savings in staff time, paper goods, and postage by sending "postcard renewals" (postcard size notice with instructions on how to renew a license online or download the form from the Division's website), instead of mailing multiple page forms to each licensee.

Streamlined licensing approval process by redesigning the application forms, reducing the required paperwork, reorganizing the staff, and redistributing work assignments.

Created one central filing system by combining four separate systems, incorporating numerous un-filed cases, and archiving old/expired files.

Combined three separate newsletters into one "Division Newsletter" for the appraisal, mortgage and real estate industries, resulting in more consistent and timely publication and improved inter-industry communication.



Wildflowers by Mt. Timpanogos

Fiscal Year 2006 Highlights

Licensing

- The Division of Real Estate reached an all-time-high of **42,568 licensees**, a 23% increase from last year and a 50% increase since FY 2003.
- Licensed, through education and testing, 1124 Principal/ Associate Lending Managers (PLMs) who are responsible for supervising the licensed Mortgage Officers in the mortgage company for which the PLM works.

Online Renewal System

- Improved the online license renewal system and increased use to over 50 percent, including allowing Principal Lending Managers and Principal Brokers to renew their licenses online.

Continuing Education

- Implemented and began regulating new continuing education requirements for mortgage licensees, including certifying 308 courses and 155 instructors.
- Began "CE Banking" which allows licensees to view online credit received for completed continuing education courses.

Processing Improvements

- Closed 637 real estate cases, 34 appraiser cases, and 104 mortgage cases.
- Reduced processing backlog for licenses and change cards from five weeks to three days.

Industry Outreach

- Conducted industry outreach by visiting and training licensees in Price, Moab, St. George, Logan, Tooele, Provo, Vernal, and the surrounding areas.
- Developed and started using a Monthly Management Report (MMR) – for tracking critical performance measures across the Division.



This is the Place State Park

Customer Service

Education

Within the appraisal, mortgage and real estate industries, the Division is charged with certifying courses and providers for both pre-licensing and continuing education. The Division also, through a private contractor, administers pre-licensing examinations for all three industries.

Additionally, the Division produces and provides courses and information directly to licensees. The Division publishes and mails to each licensee a quarterly newsletter.

The Division has an Education Coordinator for each of the three industries, as well as a Licensing and Education Director who oversees the activities outlined above.

The following tables show the number of certifications and exams over the past three years.

Certifications	Fiscal Year 2004	Fiscal Year 2005	Fiscal Year 2006
Educational Programs	27	27	24
Real Estate Continuing Education Classes	416	416	659
Real Estate Pre-Licensing Instructors	36	36	46
Real Estate Continuing Education Instructors	192	192	369
Mortgage Continuing Education Classes	N/A	N/A	308
Mortgage Pre-Licensing Instructors	N/A	N/A	53
Mortgage Continuing Education Instructors	N/A	N/A	102
Appraiser Instructors	27	27	29

Pre-Licensing Examinations	Fiscal Year 2004	Fiscal Year 2005	Fiscal Year 2006
Real Estate Agent Exams	3,414	3,982	5,606
Real Estate Broker Exams	351	357	426
Mortgage Lender Exams	3,282	9,229	4,365
Mortgage PLM Exams	N/A	N/A	1,905
Appraiser Exams	107	107	130



Downtown Salt Lake City

Customer Service

Licensure

The first few years in the early 2000's saw a notable decrease in the number of appraisers. Since hitting a low of 991 appraisers in FY 2003, the State has seen a steady increase. At the end of FY 2006, there were 1561 licensed appraisers and appraiser trainees.

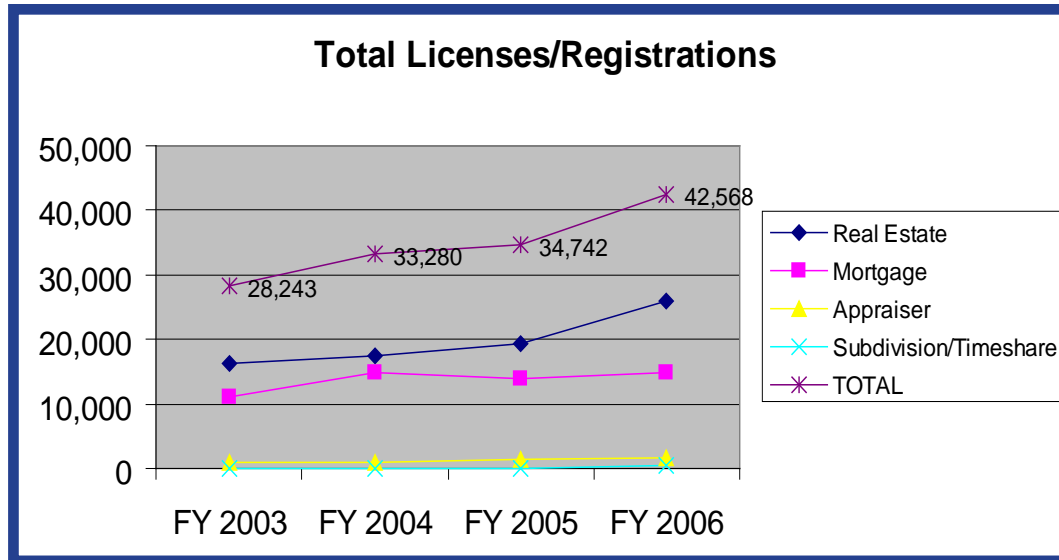
The number of new licensees for both real estate and mortgage continues to grow dramatically, at an average rate of 400 new real estate and 300 new mortgage licensees per month. The Division has worked hard to maintain a high level of customer service as the number of customers has grown.

The number of mortgage licensees experienced an added increase in licensees during the late Spring and early Summer of FY 2006, as a result of the new Principal Lending Manager (PLM) requirement.

The licensing staff consists of a Licensing Specialist for each of the three industries, as well as administrative staff support for scanning/filing, license updates, and reception. The Licensing Supervisor and Licensing and Education Director oversee these efforts.

Total Number of Licenses/Registrations				
Licensees/Registrations	Fiscal Year 2003	Fiscal Year 2004	Fiscal Year 2005	Fiscal Year 2006
Real Estate	16,223	17,500	19,405	25,829
Mortgage	11,020	14,746	14,001	14,756
Appraiser	991	1,034	1,336	1,561
Subdivision/Timeshare	-	-	-	422
TOTAL	28,234	33,280	34,742	42,568
New Licenses/Registrations Issued				
Licenses	Fiscal Year 2003	Fiscal Year 2004	Fiscal Year 2005	Fiscal Year 2006
Real Estate	2,530	3,159	3,609	4,666
Mortgage	5,380	4,693	2,944	3,669
Appraiser	125	176	99	160
Timeshare	135	280	194	156
TOTAL	8,170	8,308	6,846	8,651
Licenses/ Registrations Renewed				
Licenses	Fiscal Year 2003	Fiscal Year 2004	Fiscal Year 2005	Fiscal Year 2006
Real Estate	7,183	7,387	6,863	7,601
Mortgage	6,545	3,555	3,296	1,998
Appraiser	618	405	539	390
Timeshare	N/A	1	69	122
TOTAL	14,346	11,348	10,767	10,111

Total Registrations: Fiscal Year 2006



Enforcement

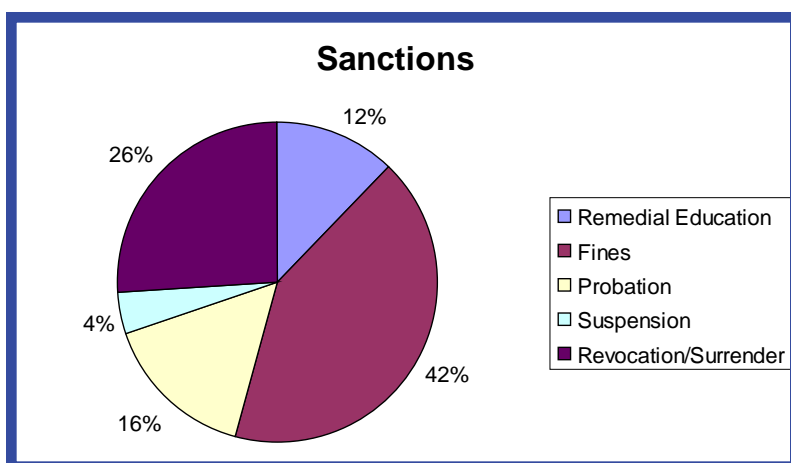
One of the Division's primary duties is to protect the public through the enforcement of appraiser, mortgage and real estate statutes and regulations. The goal of the Division as it relates to bad actors in all three industries is to "keep them out or kick them out".

The Division's enforcement staff consists of eight Investigators and an Enforcement Secretary, as well as a Chief Investigator and Enforcement Director. In addition to audits and special assignments, the main source of information regarding licensees is the complaint process. This Division uses information obtained through complaints to regulate licensees. The Division does not mediate or resolve complaints between licensees and/or private parties and the Division does not represent individuals in legal actions.

When a complaint is received, the Chief Investigator or Enforcement Director makes an initial determination as to whether a violation of the relevant law is alleged. Complaints are prioritized according to the seriousness of the allegation and current workload. If an investigation is opened, an Investigator is assigned to the case and will collect relevant documents and testimony. Based on the findings, the Investigator will recommend the appropriate disciplinary sanction, if any. If a sanction is recommended, the case is referred to a prosecutor in the Attorney General's Office and, if not resolved by settlement negotiations, will proceed to an administrative hearing before the appropriate Board or Commission. Possible sanctions include remedial education, fines, probation, and license suspension or revocation.

Enforcement

Fiscal Year 2006 Sanctions	Appraisal	Real Estate	Mortgage	Total
Remedial Education	4	0	28	32
Fines	5	12	94	111
Probation	1	15	25	41
Suspension	0	6	5	11
Revocation/Surrender	0	41	28	69
TOTAL	10	74	180	264



Complaints Received	Fiscal Year 2003	Fiscal Year 2004	Fiscal Year 2005	Fiscal Year 2006
Real Estate	275	281	328	429
Appraiser	91	111	91	85
Mortgage	143	247	313	251
Investigations Opened	Fiscal Year 2003	Fiscal Year 2004	Fiscal Year 2005	Fiscal Year 2006
Real Estate	113	110	337	329
Appraiser	77	47	80	61
Mortgage	41	92	162	110
Investigations Closed	Fiscal Year 2003	Fiscal Year 2004	Fiscal Year 2005	Fiscal Year 2006
Real Estate	204	80	208	657
Appraiser	185	78	34	34
Mortgage	33	27	60	104
Hearings	Fiscal Year 2003	Fiscal Year 2004	Fiscal Year 2005	Fiscal Year 2006
Real Estate	44	49	68	74
Appraiser	9	11	7	71
Mortgage	31	35	51	66
Active Investigations	Fiscal Year 2003	Fiscal Year 2004	Fiscal Year 2005	Fiscal Year 2006
Real Estate	161	208	281	191
Appraiser	78	61	80	103
Mortgage	40	107	111	127
CE Audits	Fiscal Year 2003	Fiscal Year 2004	Fiscal Year 2005	Fiscal Year 2006
Real Estate				163
Mortgage				4

Legislative Highlights



Senate Bills

S.B. 315, Real Estate Amendments, Rep. Gordon E. Snow

This bill made both technical and substantive changes to the real estate statutes in Title 61-2. Substantive changes include:

- Creates an exemption from Division regulation for Tenants-in-Common transactions for which a Form D has been filed with the Securities and Exchange Commission (SEC) and the selling agent and purchases are not residents of Utah.
- Increases civil penalties to \$2,500 that the Real Estate Commission, with the concurrence of the Division Director, may impose per violation of licensing law.
- Allows a Real Estate Commissioner to serve two consecutive terms.

Staff Highlight

Jon Brown is the Enforcement Director for the Utah Division of Real Estate. As head of the Enforcement section, Jon is responsible for overseeing investigation and regulation of the appraisal, mortgage, and real estate industries. When Jon started at the Division seventeen years ago, he was one of two investigators. Today, Jon manages a team of nine investigators.

After working for a number of years as an investigator (and seeing a number of new investigators hired), he was promoted to be the Division's Chief Investigator and served in that capacity for ten years. For the last 4 years, Jon has served as the Enforcement Director.

Prior to joining the Division, Jon was the CEO of a mortgage company and Vice-President at a bank where he ran the foreclosure department. Jon started in the mortgage/banking business at the age of 23. At the time, he was working as a debt collector and was offered a job by one of the people from whom he was trying to collect. His soon-to-be boss figured he was better off having Jon working for him instead of on his heels.

Jon has worked tirelessly to maintain the integrity of the real estate market in Utah. He is well respected by his colleagues and the members of the industries he regulates. He was recently recognized with Administrator of the Year award from the Salt Lake Board of Realtors. Jon is retiring at the end of this calendar year and will be sorely missed by the Division and the industries he has served so long and so well.



Mc Cune Mansion, Salt Lake City

Questions specific to the Division of Real Estate may be directed to:



Derek B. Miller, Director
Division of Real Estate
(801) 530-6747 dmiller@utah.gov



Division of Securities

Mission

The Division of Securities enhances 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.

Internal Efficiencies

The Division of Securities' efforts to improve its productivity and efficiency include:

Processing an additional 6,904 license applications (an increase of 7.7% to a total of 96,478) without any increase in staff. This is made possible only because the Division uses application forms that are uniform for all state and federal securities regulators and because more than 99% of our applications are processed electronically.

Adoption of new Balanced Scorecard metrics in conjunction with Governor Huntsman's Utah Policy Partnership. The goals set by the Division include taking action on 98% of license applications within three days of receipt, reviewing incoming registrations and responding within ten days of receipt, evaluating incoming complaints within ten days, ensuring adequate training for staff, surveying users of the Division's services, and accounting to the public for the work done. The results of these improvements will be reported in future issues of this Annual Report and on the Division's web site, www.securities.utah.gov



Fiscal Year 2006 Highlights

Outreach Newsletter

The Division sends a newsletter to educate securities firms and Utah lawyers about new developments in securities regulation by sending a quarterly newsletter identifying problems the Division has seen and summarizing enforcement actions taken during the prior three months. The newsletter is sent to about 1200 brokerage and investment adviser offices in the state and to members of the Securities Section of the Utah Bar.

Young Investor Education

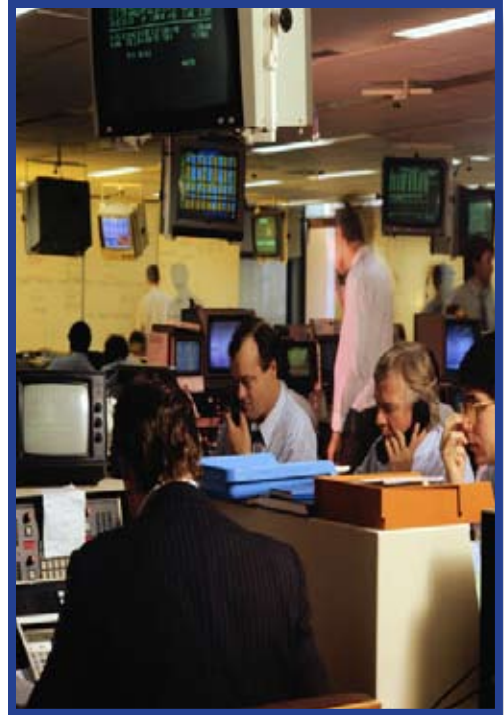
The Division promotes financial literacy and investment knowledge among secondary school students by actively working with the Utah Council on Economic Education to promote the Stock Market Game. Junior and senior high school students form teams and compete to invest a hypothetical \$100,000. Awards are given twice yearly to the winning teams.

Media Coverage

News releases have been posted on the Division's web site describing each of the enforcement actions taken by the Division or by criminal prosecutors. These releases serve to educate the public about the types of investment frauds being promoted in Utah and are used by the media to further the educational efforts of the Division.

Securities Advisory Board Additions

Three new members were appointed to the Securities Advisory Board bringing new perspectives to the Board and additional resources to the Division.



Customer Service

Licensing

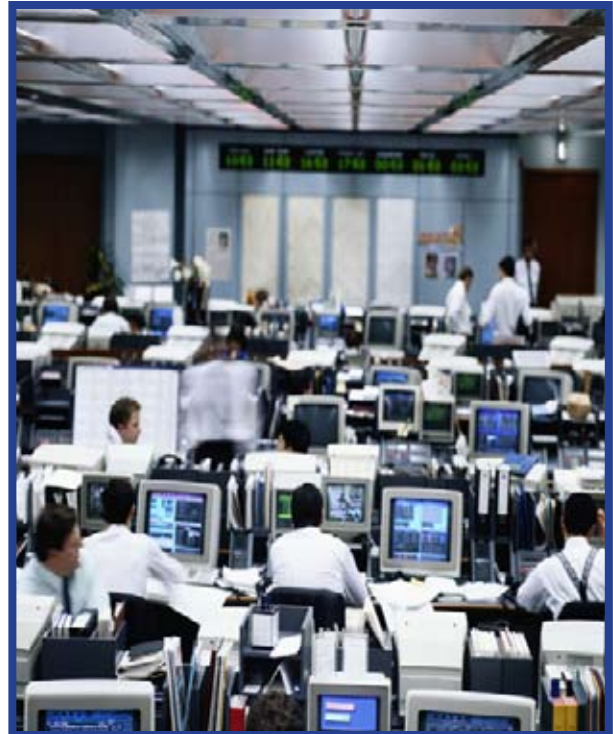
The Division of Securities licenses and regulates those in the securities industry that sell securities, offer advice about securities, or manage the investments of others.

These include: broker-dealers, securities agents, investment advisers, investment adviser representatives, issuer agents, and certified dealers and their agents.

The licensing section of the Division also oversees the operations of securities professionals by conducting compliance examinations of their operations and investigating complaints of misconduct.

When misconduct is found, disciplinary proceedings are brought.

The number of license applications reviewed by the Division continues to climb as shown on the chart below.



Licenses	Fiscal Year 2002	Fiscal Year 2003	Fiscal Year 2004	Fiscal Year 2005	Fiscal Year 2006
Broker-Dealers	1,868	1,753	1,704	1,733	1,766
Broker-Dealer Agents	82,945	76,241	77,594	83,797	89,516
Investment Advisers	129	134	132	143	157
Federal Covered Advisers	588	609	643	701	1,398
I.A. Representatives	2,013	2,239	2,451	3,088	3,445
Certified Dealers	20	25	18	25	23
Certified Dealer Agents	97	82	78	85	90
Issuer Agents	196	214	83	87	83
TOTAL	87,856	81,297	82,625	89,574	96,478

Customer Service

Enforcement

The Division of Securities actively seeks to identify those investment offerings that are fraudulent or otherwise fail to comply with the law's requirements. Enforcement is a key component in promoting legitimate capital markets by preventing the loss of investor monies to fraudulent schemes and promoting investor confidence in the markets.

The Division becomes aware of possible frauds as a result of investor complaints, referrals from other government and consumer agencies, and the Division's own investigative efforts (including undercover work). For allegations that prove valid, the Division can bring enforcement actions administratively (cease and desist orders or licensing discipline), in civil court (seeking court-imposed injunctions and restitution), or by referring cases for criminal prosecution. The Division works closely with criminal prosecutors in the Attorney General's office and multiple counties to obtain criminal convictions against the most egregious violators.

The following chart summarizes some of the Division's enforcement and disciplinary activities.

Enforcement	Fiscal Year 2002	Fiscal Year 2003	Fiscal Year 2004	Fiscal Year 2005	Fiscal Year 2006
Complaints Received	172	175	171	98	85
Cases Opened	106	104	87	70	61
Cases Closed	118	0	86	66	47
Administrative Cases					
Cases Filed	141	118	70	55	87
Orders to Show Cause	65	71	41	13	63
Cease and Desist Orders	24	34	32	8	7
Stipulated Settlements	20	37	29	30	4
Denials and Revocations	26	22	20	4	11
Civil Cases					
Lawsuits Filed	1	0	0	1	7
Judgements	0	0	2	0	1
Criminal Cases					
Criminal Charges Filed	66	46	54	35	19
Convictions	30	25	38	20	9
Pleas in Abeyance					9
Audits	28	41	50	36	54
Fines Paid	\$51,943	\$782,341	\$3,353,142	\$880,333	\$450,393
Fines Recovered or Ordered	\$16,582,868	\$5,191,923	\$28,167,307	\$63,649,804	\$2,480,666

Customer Service

Registration/Corporate Finance

Another key component of the Division's efforts to promote legitimate capital markets is by registering securities offerings that are qualified to be sold in this state and by reviewing the adequacy of disclosures to potential investors by companies offering certain types of securities. In addition, Division employees spend considerable time meeting with companies seeking to raise capital to explain the many options for raising capital and to discuss how to improve the quality of disclosure to potential investors.

The chart below lists the number of registrations, exemption offerings, and other filings reviewed by the Corporate Finance Section of the Division.

Securities Filings	Fiscal Year 2002	Fiscal Year 2003	Fiscal Year 2004	Fiscal Year 2005	Fiscal Year 2006
Registrations Coordination Qualification	127 1	125 2	136 1	146 2	128 1
Exemptions	68	58	63	36	41
Opinion/No Action Letters	3	6	3	7	4
Mutual Funds	3,915	4,184	3,998	4,252	4,514
Rule 506	412	437	531	659	808
Total	4,526	4,812	4,732	5,102	5,496



Matheson Courthouse, Salt Lake City

Investor Education

The Division exerts significant effort in not only punishing those who engage in investment fraud, but also trying to prevent future losses due to fraud. The best way to prevent investment fraud is by educating investors and those raising capital.

Secondary schools

The Division is a board member of, and financial contributor (through the Investor Education and Training Fund) to, the Utah Council on Economic Education. The UCEE sponsors the Stock Market Game that reached 3,709 students in over 100 schools, giving them an opportunity to understand stock quotes, research companies, experience simulated trading, and apply current events in our economy. In addition, Division employees visit classrooms to teach students and participated in training 47 new Stock Market Game advisors and 270 teachers statewide on financial literacy.

Seniors

Partnering with AARP, the Division made presentations to 1,350 seniors in Logan, Salt Lake, St. George, Provo, and Layton. Division employees also educated seniors about investment fraud through the Senior Expo, Utah Gerontological Society, and a seminar for

attorneys co-sponsored by the Governor's Commission on Aging. Additionally, public television produced "The Aging Game," a program warning seniors about fraud schemes. The program aired in November 2005.

Professional groups

Employees in the Division are active in professional groups relating to securities topics including the Securities Section of the Utah State Bar and the capital formation group: the Wayne Brown Institute. Division staff has presented seminars to multiple professional audiences.

Educational materials

During the year, the Division developed new educational brochures and innovative tools that remind investors to "investigate before you invest" and to contact the Division to verify that salespersons are licensed.

Staff Highlight

Gary Bowen, a corporate finance examiner in the Division, is a prime example of the passion and dedication exhibited by Division employees. Gary acts as a mentor, through the non-profit Wayne Brown Institute, helping development-stage companies plan for raising capital through venture capital groups or a public offering. He spends countless hours meeting with individuals wanting to learn how to raise money from the public in compliance with the law. He has a passion and energy to help companies wanting to raise funds and a similarly strong sense of justice in ensuring that companies wanting to offer their securities to Utah residents give clear, complete disclosure about the investment to those investors.

Questions specific to the Division of Securities may be directed to:



Wayne Klein, Director
Division of Securities
(801) 530-6600 wklein@utah.gov

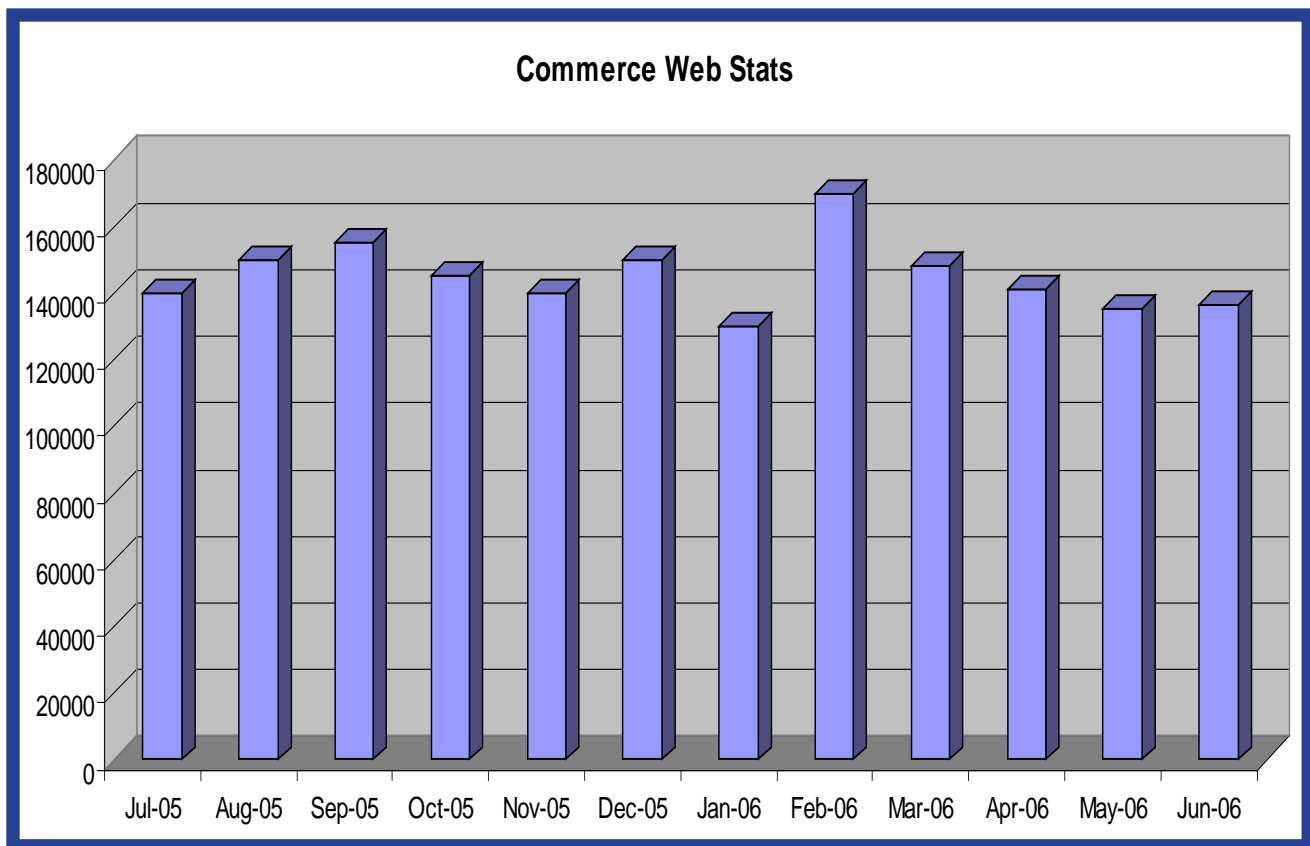
Web Trends



The Department of Commerce continues to improve customer service across all Divisions through our online business, information and licensing services.

The tables below reflect monthly visitor totals and online adoption by division.

Commerce Website Visits by Month



www.commerce.utah.gov

Web Trends



Division of Corporations and Commercial Code <u>Certificates of Existence</u>	Fiscal Year 2006
Phone/Mail/Walk-In Transactions	241
Online Transactions	10,116
Total Transactions	10,357
Online Adoption	97.67%

Division of Corporations and Commercial Code <u>Annual Business Renewal</u>	Fiscal Year 2006
Phone/Mail/Walk-In Transactions	96,477
Online Transactions	39,464
Total Transactions	135,941
Online Adoption	29.03%

Division of Corporations and Commercial Code <u>Uniform Commercial Code Filings</u>	Fiscal Year 2006
Phone/Mail/Walk-In Transactions	10,402
Online Transactions	15,817
Total Transactions	26,219
Online Adoption	60.33%

Division of Corporations and Commercial Code <u>Uniform Commercial Code Continuation Filings</u>	Fiscal Year 2006
Phone/Mail/Walk-In Transactions	2,093
Online Transactions	2,274
Total Transactions	4,367
Online Adoption	52.07%

Web Trends



Division of Corporations and Commercial Code Uniform Commercial Code Termination Filings	Fiscal Year 2006
Phone/Mail/Walk-In Transactions	4,626
Online Transactions	5,009
Total Transactions	9,635
Online Adoption	51.99%

Division of Corporations and Commercial Code Uniform Commercial Code Certified Searches	Fiscal Year 2006
Phone/Mail/Walk-In Transactions	333
Online Transactions	1,005
Total Transactions	1,338
Online Adoption	75.11%

Division of Corporations and Commercial Code One Stop Online Business Registration	Fiscal Year 2006
Phone/Mail/Walk-In Transactions	38,004
Online Transactions	11,600
Total Transactions	49,604
Online Adoption	23.39%

Division of Corporations and Commercial Code Registered Principal Search	Fiscal Year 2006
Total Online Transactions	31,864
	100%

Web Trends



Division of Corporations and Commercial Code <u>Registered Principal Search through Business Entity</u>	Fiscal Year 2006
Total Online Transactions	136,635
	100%

Division of Occupational and Professional Licensing <u>Verifications</u>	Fiscal Year 2006
Phone/Mail /Walk-In Transactions	3,666
Online Transactions	820
Total Transactions	4,686
Online Adoption	18.28%

Division of Occupational and Professional Licensing <u>Professional License Renewal</u>	Fiscal Year 2006
Phone/Mail /Walk-In Transactions	25,603
Online Transactions	33,268
Total Transactions	58,871
Online Adoption	56.51%

Division of Real Estate	Fiscal Year 2006
Phone/Mail/Walk-In Transactions	5,368
Online Transactions	4,490
Total Transactions	9,858
Online Adoption	45.55%

Utah Department of Commerce Financial Summary 2006



FY 2006 Expenditure Summary

Department of Commerce Expenditures Fiscal Year 2006

Expenditures by Division:

Administration	\$3,151,000
DOPL	\$6,586,000
Securities	\$1,425,000
Consumer Protection	\$983,000
Corporations	\$1,728,000
Real Estate	\$1,485,000
Public Utilities	\$2,736,000
Committee of Consumer Services	\$559,000
Building Rent	\$218,000
Total	\$18,871,000

Utah Department of Commerce



Heber M. Wells Building

Utah Department of Commerce
Heber M. Wells Building
160 East 300 South
Salt Lake City, UT 84111

www.commerce.utah.gov