

Utah Department of Commerce
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UTAH DEPARTMENT OF
COMMERCE

ANNUAL
REPORT
2014

OUR MISSION

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


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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Message from Governor Gary R. Herbert



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

GARY R. HERBERT
GOVERNOR


SPENCER J. COX
LIEUTENANT GOVERNOR

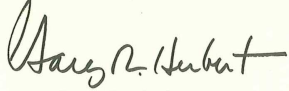
Dear Reader,

It is my pleasure as governor to introduce the Utah Department of Commerce 2014 Annual Report. The Department of Commerce supports our state economy both by overseeing and regulating hundreds of industries and by protecting consumers, ensuring Utah companies and residents have continued opportunities to prosper.

Due in large part to a business-friendly regulatory climate, Utah has become one of the leading state economies in the nation. Both *Forbes* and the U.S. Chamber of Commerce ranked Utah as the #1 state for business and careers in 2014. Utah’s spirit of innovation and entrepreneurship, as well as our well-educated workforce attract diverse companies, such as Boeing, Goldman Sachs, and Adobe, to locate and expand their operations here. Indeed, the growing demand for skilled workers and professionals in our high-tech industries on the Silicon Slopes and elsewhere offers tremendous opportunities for building successful careers in many fields.

Thanks to the hundreds of dedicated employees at the Department of Commerce, we have been able to protect and advance the interests of Utah businesses and residents by ensuring fair commercial and professional practices. I commend the Department of Commerce for a job well done. Best wishes for continued success in the years ahead.



Sincerely,

Gary R. Herbert
Governor

Message from Francine A. Giani, Executive Director



State of Utah
Department of Commerce

GARY R. HERBERT
Governor

SPENCER J. COX
Lieutenant Governor

FRANCINE A. GIANI
Executive Director

THOMAS A. BRADY
Deputy Director



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

It is my pleasure to present the Annual Report for Fiscal Year 2014 for the Utah Department of Commerce, recording how our agency and employees serve the people of Utah. With responsibility for issuing over 300,000 licenses and regulating hundreds of industries, Commerce is one of the Utah’s chief regulatory agencies.

Our employees are dedicated to fair and efficient regulation across a variety of industries which impact Utah’s citizens. The following are highlighted achievements for each Division:

Administration Commerce employees participated in Travelwise program to reduce emission producing travel.

Office of Property Rights Ombudsman issued 21 Advisory Opinion involving; Interpretation of Ordinances, Impact Fees, Non-Conforming Uses, Non-Complying Structures and Vesting.

Office of Consumer Services worked on negotiating rate case settlements with Rocky Mountain Power and Questar Gas to ensure fair consumer rates and reliable energy resources.

Division of Consumer Protection recovered over \$852,910.00 in benefits for consumers.

Division of Corporations and Commercial Code launched online Doing Business As, DBA registration process to provide ease of new business filings through the One Stop Online Business Registration Program.

Division of Occupational and Professional Licensing implemented weekly license application tracking system to address potential workflow concerns and provide better customer service.

Division of Public Utilities provided research in rate cases involving Rocky Mountain Power and Questar to ensure access to safe, adequate, and reliable energy at reasonable rates.

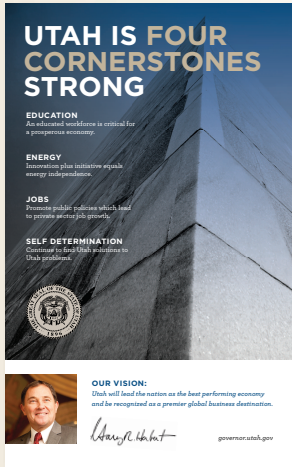
Division of Real Estate enacted electronic license renewal reminder notifications to licensees to save mailing costs and improve customer response.

Division of Securities presented over 98 investor education presentations statewide to prevent investor fraud.

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

Department of Commerce Cornerstones | 2014



Administration

EDUCATION: The Department of Commerce supports ongoing goals to educate the public and licensees on agency services to support a positive and robust business environment in Utah.

ENERGY: The Department of Commerce and its employees participated in Governor Herbert's Air Pollution Mitigation Plan where staff adopted new behaviors over several months to create a positive impact on Utah's air quality. Several marked areas of improvement among Commerce employees included; reducing vehicle idling time, carpooling to work / lunch, bringing lunch to work and a 4% increase in the use of public transit.

JOBS: The Department of Commerce works to control business costs through fiscal responsibility by keeping license fees stable to encourage business growth across all licensing Divisions.

Office of Property Rights Ombudsman (OPRO)

EDUCATION: The OPRO works closely with local universities to provide law students with hands-on legal experience in land use laws and eminent domain. In addition, the attorneys in the Office provided numerous training sessions for various local agencies and associations and are assisting in the creation of a training program for appeal authorities.

ENERGY: The OPRO staff continues to be proactive in conserving energy by utilizing various public transit systems such as UTA and GREENBike and participating in various programs sponsored by Governor Herbert such as the "Governor's Choose Health Challenge".

SELF-DETERMINATION: The Attorneys at the OPRO worked closely with legislators, lobbyists, and other stakeholders to ensure laws passed would protect the property rights of citizens.

Division of Consumer Protection

EDUCATION: The Division regularly presents at the Utah Senior Expo and provides educational materials and power point presentations to senior living centers to educate the population on scams targeting seniors and ways the Division can assist them.

ENERGY: The Division has implemented the Governor's idling policy with regard to motor vehicles, and is implementing fuel-efficient hybrid vehicles as old fleet vehicles are phased out.

JOBS: By continuing to monitor business compliance with the Consumer Sales Practices Act, the Division helps achieve a more level playing field for companies that deal fairly with consumers.

SELF-DETERMINATION: The Division continues to regulate immigration consultants to ensure that immigration consultants fairly assist those individuals who are seeking to legitimately enter the country and State of Utah legally.

Division of Consumer Services

ENERGY: The Office serves Utah consumers by making certain that small consumer interests are fully represented in electric, natural gas, and telecommunication matters — which includes vigilant assessment of regulatory actions impacting customer rates, reliability of service, and public policy issues.

Division of Corporations and Uniform Commercial Code

JOBS: By creating so many business registration services online, the Division has provided frictionless processing with a rapid turnaround. This ease of creating or registering businesses equals the creation of more jobs in Utah and contributes to our growing economy

Division of Occupational & Professional Licensing (DOPL)

EDUCATION: The Division conducted a study of telehealth laws as they relate to health care professional licensing laws. The study is available at <http://dopl.utah.gov/research.html>.

Division Investigators visited various senior citizen centers and trained seniors on methods to protect themselves when hiring a contractor.

The Division reviewed, evaluated and approved more than 546 continuing education courses for the most recent construction, electrician and plumber licensing renewal cycle.

JOBS: Division staff completed an application simplification effort to reduce the number of pages in license applications and standardize the applications. The effort was very successful in reducing the effort needed to complete applications, as well as identifying unnecessary, bureaucratic licensing steps. Various exams were eliminated as a result of the review and realization that they added no value. The application simplification process is also preparing the way to adopt online applications in the next fiscal year.

Division staff began sending renewal notices by mail for those licensees who have email addresses on file with the Division. Some professions have achieved a 25% renewal rate before renewal cards are sent. This free effort simplifies application processes for license holders, reduces the cost of license processes for the Division, and spreads out the work over more time.

The Division processed 38,439 licensing applications and 100,849 renewal applications for licensure. A total of 93.74% of renewal licenses were performed online, allowing individuals to more easily renew and practice their profession.

SELF-DETERMINATION: The Division spearheaded efforts, with the cooperation of federal and local officials, to target human trafficking. Many human traffickers abuse victims by holding them out as massage therapists. Division investigators participated in a number of efforts to target the problem.

The Division worked with the pharmacy industry and Senator Hatch's Office to evaluate the Drug Quality and Security Act before it was passed by Congress. Senator Hatch's Office coordinated with the state the need for state control where necessary for drug compounding on a local level and drug manufacturing for broader distribution

The Division implemented its agreement through the National Association of Boards of Pharmacy to share Controlled Substances Database information with surrounding states.

Division of Public Utilities

ENERGY: The Division of Public Utilities helps ensure Utahns' access to safe, adequate, and reliable energy at reasonable rates. In Fiscal Year 2014, the Division supported rate case settlements for Utah's two largest public utilities—Rocky Mountain Power and Questar Gas—that maintain low customer rates and healthy utility companies. Furthermore, Division activities helped ensure the safety of Utah's intrastate natural gas infrastructure, including an aggressive replacement program for aging or vulnerable pipelines.

Division of Real Estate

EDUCATION: The annual Spring Caravan to remote locations outside of the Wasatch Front, frequent speaking engagements to licensees, and Newsletter addressing industry questions and concerns. Added two hours of state-specific continuing education for mortgage licensees, ensuring protection of the public.

ENERGY: The Division recently enacted a system of electronic license renewal reminder notifications to licensees. Saving the expense and delays of mailing license renewal information, as well as being environmentally sensitive, the Division now sends a series of advance email license renewal notifications to licensees. These notices provide helpful, timely information that enables licensees to meet all license renewal requirements.

Division of Securities

EDUCATION: The Division of Securities continued to expand its nationally-recognized investor education program by partnering with non-profit groups and other government agencies to reach savers and investors in every corner of the state. The Division's investor education programs and on-line resources provide Utahns with the tools they need to thoroughly research and vet investment promoters and opportunities and make financial decisions with confidence.

JOBS: The Division of Securities has partnered with community organizations to provide mentoring and support to entrepreneurs and small businesses in Utah who are seeking to raise capital and expand their businesses, creating home-grown new jobs in the process.

Utah Department of Commerce ADMINISTRATION

MISSION STATEMENT

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;

- Office of Consumer Services (OCS)
- Occupational and Professional Licensing (DOPL)
- Consumer Protection (DCP)
- Public Utilities (DPU)
- Corporations and Uniform Commercial Code (CORP)
- Securities (DS)
- Estate (DRE)

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 during the fiscal year 2013-2014. Additional cost savings are included in each Division's report.

Utah Department of Commerce Agency Budget Highlights FY 2014

- General out of state travel expenses were reduced by 19% in FY 2014 in efforts to save funds and energy by eliminating any non-critical travel paid for by the Department.
- Operating a fleet of vehicles by replacing old gasoline cars with hybrids has resulted in a fleet that is now 60% hybrid vehicles.
- Replacement hybrid vehicles are reducing emissions, and fuel costs dramatically with average miles per gallon efficiency that is 92% higher than regular gasoline vehicles.
- Dispersed \$250,000 in building code education initiatives by facilitating courses offered by educational providers to ensure contractors know and understand changes in building code requirements.
- In cooperation with the U.S. Department of Justice, the Controlled Substance Database was upgraded through the use of a portion of \$400,000 in federal funds, providing for additional study and enforcement of controlled substance abuse.

Serving the Public

Commerce Administration oversees the following programs and procedures;

Office of the Property Rights Ombudsman (OPRO)

INTRODUCTION

The Office of the Property Rights Ombudsman (OPRO) is a non partisan, neutral state office, created by the Utah Legislature to protect the property rights of citizens when state and local government condemns or regulates private land. The OPRO consists of three attorneys who advise both citizens and government entities regarding property rights and land use laws. The OPRO regularly mediates disputes between citizens and government entities effectively avoiding costly litigation. The OPRO also recognizes and supports Government Herbert's Cornerstone priorities.

MISSION AND/OR VISION STATEMENT

The mission of the Office of the Property Rights Ombudsman (OPRO) is to:

- Educate citizens and government officials regarding private property rights and the protection of those rights;
- Encourage state and local government agencies to regulate and acquire land in a manner consistent with applicable statutes and constitutional law;
- Advocate for fairness and compliance with state and local laws and ordinances; and
- Assist citizens and government agencies to resolve property disputes fairly, in accordance with existing law, without expensive and time-consuming litigation.

QUESTIONS
specific to
Commerce
Administration
may be directed to::

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



QUESTIONS
specific to the
Property Rights Ombudsman
may be directed to:

Brent Bateman,
Lead Attorney
(801) 530-6391
bbateman@utah.gov
www.propertyrights.utah.gov

OPRO Fiscal Year 2014 Highlights

The OPRO provides a balance in property rights protection, so that government agencies can further the public good by building roads or other infrastructure without placing an unfair burden on individuals, families and businesses. The Attorneys at the OPRO work every day with the citizens of Utah to help them understand and to protect their property rights. Their efforts help save the hard-earned money of citizens and avoid difficulty and delay by providing property owners a resource to turn to when their property rights are threatened. The Attorneys also provide work with state and local government agencies to regulate and acquire land in a manner consistent with applicable statutes and constitutional law. In addition, the dispute resolution efforts of the OPRO save both citizens and state and local government agencies millions of dollars by avoiding expensive and time-consuming litigation. The number of dispute resolution cases relies heavily on economic downfalls and government funding for road improvements and other related infrastructure.

DISPUTE RESOLUTION IN EMINENT DOMAIN CASES

During the 2014 Fiscal Year, the attorneys at the OPRO

- Logged 467 telephone calls from citizens and government agencies where questions were answered or concerns resolved with one or two phone calls;
- Opened 178 cases; Closed 202 cases;
- Conducted 91 formal mediations and arbitrations.

DISPUTE RESOLUTION IN LAND USE CASES

During the 2014 fiscal year, the OPRO

- Issued 21 Advisory Opinions. Advisory Opinions primarily addressed the following topics. Interpretation of Ordinances Impact Fees, Non-Conforming Uses, Non-Complying Structures and Vesting.
- Successfully updated the OPRO Webpage to ease access of advisory opinions and provide information regarding general land use laws, eminent domain and services provided by the Office.

OTHER SIGNIFICANT ACCOMPLISHMENTS

- The Office provided 29 formal and informal training sessions on topics within its purview to various organizations such as the Utah Local Government’s Trust, the Utah Division of Forestry, the Utah Land Use Institute, and various County and Planning Commissions.
- The Office assisted in the organization and implementation of several training conferences.
- The Office provided hands-on legal experience to three interns – two law students from Brigham Young University (“BYU”) and one law student from the University of Utah. The two law students from BYU were part of a new ADR Clinic designed to have students look at different organizations that utilize dispute resolution, consult with, and offer possible solutions to current processes and/or procedures of those organizations.
- Brent Bateman participates in the New Lawyer Mentoring Program and is currently mentoring a new Utah lawyer in Southern Utah.
- Brent Bateman participated on the television show “The County Seat” regarding Eminent Domain, which aired on November 10th, 2013.
- The Office worked closely with legislatures, various lobbyists and other interested parties regarding Bills dealing with land use and eminent domain issues. Brent Bateman, Lead Attorney, chaired the Eminent Domain Task Force, working closely with Representative Lee Perry and various committee members to clarify eminent domain issues. HB 25 was the result of this committee and passed unanimously during the 2014 legislative session.

Administrative Actions

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

Public Outreach

Administration participated in media interviews, created and aired public service announcements throughout the state through local television as well as presenting at several Utah events to educate the public about consumer fraud awareness topics.

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 a 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 adjudication

Declutter Day 2014

The Department of Commerce held its second “Declutter Day” April 18, 2014 where employees partnered with Big Brothers Big Sisters of Utah, METech recycling, and Columbus Secure Shred to offer the community an opportunity to protect themselves from fraud and identity theft. The free public event provided secure document shredding, electronics recycling and charitable donations of household goods at the University of Utah. Paid advertisements in the Deseret News, Salt Lake Tribune and Salt Lake City Weekly as well as news stories in local media helped public outreach before the event. “Declutter Day” 2014 collected and shredded over 14 tons of financial documents, processed over 15 tons of old electronics/computers for recycling, and donated 2 tons of household goods to charity. The public response was overwhelmingly positive as many citizens liked the idea of being able to rid their homes of these items at one location. The Department of Commerce received positive public feedback about the event and saw 994 websites hits to the “Declutter Day” webpage.

FRANCHISE CASES ADJUTICATED	Filed	FY 2011 Closed	Filed	FY 2102 Closed	Filed	FY 2013 Closed
Motor Vehicle	1	1	4	4	0	0
Powersport Vehicle	1	1	0	0	1	0

DIVISION CASES	TOTAL		DCP		CORP		DOPL		DRE		DS	
	Filed	Closed	Filed	Closed	Filed	Closed	Filed	Closed	Filed	Closed	Filed	Closed
Filed	52	53	6	6	0	0	40	43	6	2	0	2
Closed	45	54	3	5	0	0	38	45	4	3	0	1
	24	18	3	3	0	0	13	13	1	2	0	0
	19	11	0	1	0	0	6	10	1	0	0	0
	38	23	0	1	0	0	15	20	1	1	0	1
	2	1	0	0	0	0	2	1	0	0	0	0
	0	1	0	0	0	0	2	1	1	0	0	2





Office of CONSUMER SERVICES

*The **Office of Consumer Services** is Utah's utility consumer advocate, representing residential, small commercial and agricultural consumers of natural gas, electric and telephone service. Utah's utility consumer advocate was first established as the Committee of Consumer Services in 1977 by the Utah Legislature, reorganized into the Office of Consumer Services in 2009.*

The Office has a staff of five led by a Director, who, on behalf of the Office, represents the interests of residential and small commercial consumers in regulatory proceedings.

A nine member layperson committee advises the Office on its regulatory and advocacy work and helps establish policy objectives.

Utility Regulatory Filings

The core work of the Office is to evaluate the impact of utility rate proposals and other regulatory actions and to advocate positions advantageous to residential and small commercial customers. Regulatory filings occur throughout the year and include a wide range of issues such as: requests for rate increases, proposals for energy efficiency and conservation programs, and presentation of long-term resource plans to meet customer's future electricity and natural gas needs. Some of the Office's accomplishments for FY2014 include:

QUESTAR GAS COMPANY GENERAL RATE CASE:

The Office worked with the Division of Public Utilities (DPU) and other stakeholders to reach a settlement that resolved most issues in the case. The settlement reduced the rate increase requested by Questar Gas from \$18.9 million to \$7.6 million and also resulted in important changes in the allocation of costs among different customer classes. In particular, the Office supported positions that allocated less cost responsibility to smaller customers versus larger customers to better reflect the actual costs to serve these customers. Accordingly, the smaller general service customers received rate increases totaling only 2.1% whereas the larger transportation service customers incurred rate increases totaling 22.8%.

ROCKY MOUNTAIN POWER GENERAL RATE CASE:

The Office and other parties were able to negotiate an agreement that settled most issues in the case. The settlement reduced the Company's requested increase of \$76 million to \$35 million. It also included a residential rate design that increases the customer charge to \$6.00 per month and aligns summer and non-summer energy rates to better promote conservation goals. The new rates will be implemented September 1, 2014 and a second rate increase will occur next year on September 1, 2015 to reflect a large new transmission investment going into service. Lastly, the settlement provides a certain level of rate stability for all customers over the next two years and results in a more efficient use of regulatory resources.

proposed new facilities charge for residential net metering customers garnered much media attention and controversy. That rate design issue was contested and brought before the Public Service Commission for a decision, which is expected to be issued in early FY 2015.

MISCELLANEOUS REPORTS AND CONTRACTS:

In addition to the larger cases, each year the Office participates in the review of contract approvals, the audit of utility cost trackers, and a large number of utility reports. For example, this year we saw an increase in the number of Public Utility Regulatory Policies Act (PURPA) Qualifying Facility (OF) power purchase agreements and participated in proceedings that resulted in the approval of four new wind and two new solar QF contracts. The Office also provided comments on an unprecedented number of utility reports on topics ranging from service quality, to smart grid updates, to a report detailing the initial results for the recently implemented solar incentive fund.

The Office serves Utah consumers by making certain that small consumer interests are fully represented in electric, natural gas, and telecommunication matters — which includes vigilant assessment of regulatory actions impacting customer rates, reliability of service, and public policy issues.

UTAH USF REQUESTS:

The Utah Universal Service Fund is designed to augment the revenues for telephone providers in order to ensure that all Utahns have access to basic telephone service. The Office supports the goals of the Utah USF, but also believes it is necessary to maintain proper oversight of the use of this public fund. Accordingly, we have stepped up our involvement in a number of these cases to assist in the review of USF proposals. The Office is also pleased that this year the summary information regarding the recipients of USF money has been made public information.

ENERGY EFFICIENCY:

This past year the Office actively participated in the demand-side management (DSM) advisory groups for Rocky Mountain Power and Questar Gas. A number of changes to DSM programs were implemented that impacted the small customers that the Office represents. For example, both the Cool Keeper and the Irrigator Load Control program were revamped with new administrators. The Office supports cost-effective conservation and energy efficiency programs as being in the interest of all customers and we intend to continue our effort in contributing to successful DSM programs.

INTEGRATED RESOURCE PLANNING:

Long-term resource planning is an ongoing activity for all utilities and the Office actively participates in these resource planning processes. This year consisted of stakeholder comments and Public Service Commission order on the biennial plan filed by Rocky Mountain Power. Questar Gas also files a resource plan, but on an annual basis. The Office works closely with the utilities to understand their key planning issues and to ensure that the needs of Utah customers will be met.

NEW COST OF SERVICE GAS PROPERTIES ADDED:

Last year the Office participated in a process to expand the cost of service gas that could be owned by Questar Gas through the Wexpro II agreement. (Cost of service gas is natural gas that is produced by the Company from its own wells at cost rather than purchased from third-party suppliers at market prices.) This year, Questar Gas requested approval for the inclusion of the first gas new property, the Trail Acquisition, under Wexpro II. The Office contributed to a settlement that allowed for the inclusion of this new gas property as well as defined new terms and provisions for gas supply management. This settlement should help to keep near-term prices lower as well as provide a cost-based gas supply to serve Utah customers for years to come.

Federal and Regional Regulatory Issues

While the majority of the Office’s work is focused on state regulatory proceedings and state/ regional policy initiatives, the Office also monitors federal actions and regional forums that play a key role in utility regulation. This work included the following:

REGIONAL TRANSMISSION PLANNING AND COST ALLOCATION:

The Federal Energy Regulatory Commission (FERC) regulates interstate transmission access and rates. The recent FERC Order 1000 resulted in some new regional processes for transmission planning and the allocation of costs associated with new transmission lines. The Office actively participates in the Northern Tier Transmission Group which is the transmission planning organization for our region and is implementing Order 1000. We believe it is important for Utah stakeholders to make sure that adequate transmission to serve customer needs is planned for and constructed. In addition, the Office works to ensure that Utah customers only pay a fair share of this new transmission investment.

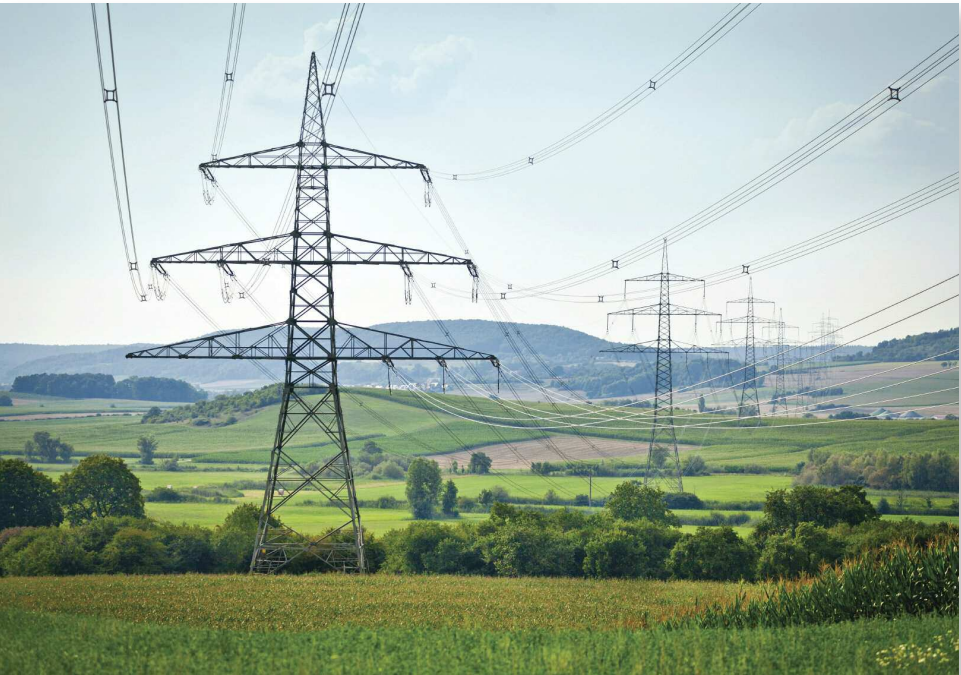
WESTERN ELECTRICITY COORDINATING COUNCIL (WECC) BIFURCATION:

WECC is the regional entity responsible for coordinating and promoting the bulk electric system reliability in the West. This year, WECC officially “bifurcated” and separated off its reliability centers into a new organization called Peak Reliability. The separation is designed to allow each organization to focus on its core functions with the aim to improve reliability and remove any real or perceived conflicts of interest.



QUESTIONS
specific to the
Office of
Consumer Services
may be directed to:

Michele Beck,
Director
(801) 530-6674
ocs@utah.gov



Division of CONSUMER PROTECTION

MISSION STATEMENT

*The **Division of Consumer Protection**'s mission is to respond to consumer complaints, protect consumers from unfair and deceptive practices, encourage businesses to develop fair practices, and to provide consumer education.*

About the Division

The Division has a staff of twenty-one employees who accomplish the Division's mission through a three-pronged approach: education, registration, and enforcement.

EDUCATION:

The Division works with the Federal Trade Commission, the U.S. Consumer Product Safety Commission, the AARP, local schools and universities, and other consumer groups to ensure consumer awareness of deceptive business practices and to distribute brochures and other educational materials to the public. The Division also works with trade groups in explaining their obligations to consumers under state and federal consumer protection laws.

The Division continues to perform extensive outreach efforts to federal, state, and local law enforcement agencies, industry members, and the public. Since July 2013, the Division has had over 50 speaking engagements and provided booths at expositions, reaching thousands of consumers, regulators, and industry members.

REGISTRATION:

The Division regulates the following business organizations:

- Charitable Organizations
- Credit Service Organizations
- Debt-Management Service Providers
- Health Spas
- Immigration Consultants
- Postsecondary Proprietary Schools
- Professional Fund Raisers
- Sellers of business opportunities
- Telemarketers
- Pawnshops and Secondhand Merchants

ENFORCEMENT:

The Division administers the following statutes:

- Business Opportunity Disclosure Act
- Charitable Solicitations Act
- Child Protection Registry
- Consumer Sales Practices Act
- Credit Services Organizations Act
- Health Spa Services Protection Act
- Immigration Consultants Registration Act
- Music Licensing Practices Act
- New Motor Vehicle Warranties Act
- Pawnshop and Secondhand Merchandise Transaction Information Act
- Postsecondary Proprietary School Act
- Postsecondary School State Authorization Act
- Price Controls During Emergencies Act
- Prize Notices Regulation Act
- Telephone and Facsimile Solicitation Act
- Telephone Fraud Prevention Act
- Unfair Practices Act
- Uniform Debt-Management Services Act



FY2014 Highlights

BENEFITS RECOVERED FOR CONSUMERS:

The Division recovered over \$852,910.00 in benefits for consumers during FY2014.

WORKED WITH STATE AND FEDERAL ENFORCEMENT AGENCIES TO PROTECT CONSUMERS:

The Division has coordinated investigations with the Federal Trade Commission (FTC), and other administrative, civil, and criminal agencies. The Division took part, along with other state and federal agencies, in a joint task force related to loan modifications.The Division has also worked with FTC’s Consumer Sentinel Network on the continuing issue of immigration service provider fraud.

Top Ten Consumer Complaints

The top consumer complaints received by the Division during FY2014 are as follows:

- 1

ALARM SYSTEMS:
Aggressive sales tactics and misrepresentations used in door-to-door solicitations, failure to allow cancellations within stated time period.
- 2

COACHING SERVICES/TELEMARKETING:
Typically involve misrepresentations and deceptive refund policies, failure to disclose risks involved with business opportunities, failure to abide by do-not-call provisions and telemarketers not being registered with the Division to conduct telemarketing.
- 3

RETAIL SALES/OTHER:
All types of deceptive practices concerning retail sales other than dealing with deposits or refunds.
- 4

INTERNET OFFER/SALES:
Misrepresentations or other deceptive practices, failure to deliver online purchases, and hidden fees.
- 5

HOME IMPROVEMENT/REPAIR:
Failure to start or complete job, refusal of job completion until consumer agrees to a higher price than originally agreed upon.

RESPONDING TO INCREASED TELEMARKETING

VIOLATION COMPLAINTS:

The Division is increasingly seeking enhanced penalties against telemarketing companies who fail to register with the Division, fail to inform consumers of the three day right to cancel, make material misrepresentations to consumers during telemarketing calls, and fail to provide refunds in conformance with the companies’ stated refund policies.

- 6

RETAIL SALES/DEPOSITS/REFUNDS:
False advertising and other deceptive practices, defective merchandise, problems with rebates, coupons, gift cards and gift certificates, failure to deliver and failure to honor stated refund policies.
- 7

AUTO REPAIR/SALES:
Repairs: Failure to disclose refund policies, failure to obtain consumers’ express authorization prior to repair, unnecessary repairs. Sales: Misrepresentations in advertising or sales, aggressive sales practices, contracts with incapacitated or vulnerable purchaser
- 8

BILLING FRAUD:
Charging consumers without their authorization. Often seen in consumer complaints concerning unauthorized credit card charges from Internet sales and auto-renewing contracts.
- 9

HEALTH SPAS:
Health Spas that have closed down failing to provide consumer refunds.
- 10

CHARITABLE SOLICITATIONS:
Donations being solicited by entities not registered with the division, charitable donations not being used for the stated charitable purpose.

STATISTICS

COMPLAINTS	FY 2012	FY 2013	FY 2014
Complaints received	2408	2620	2912
Complaints opened	1917	2127	2350
Complaints closed	1744	1374	1459
Complaints referred/not assigned	491	493	562

REGISTRATIONS

ACTIVE REGISTRATION	FY 2012	FY 2013	FY 2014
Business Opportunities	14	9	4
Business Opportunity Exemptions	893	1093	1133
Charitable Organizations	3191	3934	3678
Charitable Organizations Exemptions	1313	1361	1397
Credit Service Organizations	14	56	14
Debt Management Service Providers	30	39	40
Health Spas	265	302	262
Immigration Consultants*	-	19*	26
Pawnshops	110	126	124
Secondhand Merchandise Dealers	217	423	250
Professional Fundraisers	277	288**	308
Proprietary Schools	78	78	70
Proprietary School Exemptions	573	703	847
Postsecondary Private Nonprofit Schools	18	46	66
Postsecondary Public Nonprofit Schools*	-	-	7*
Postsecondary Accredited Schools	14	135	143
Telemarketers	97	101	79
Telemarketers Exemptions	5	122	123

*New registrations for the Division:
Immigration Consultants as of May 10, 2012, Postsecondary Public Nonprofit Schools as of May 2014
**75 Professional Fundraisers were reported in the 2013 annual report in error.
There were 288 active Professional Fundraising registrations in the 2013 fiscal year.

TOTAL CONSUMER BENEFITS RECOVERED & FINES COLLECTED

RECOVERIES & FINES	FY 2012	FY 2013	FY 2014
Total Consumer Benefits Recovered	\$1,159,796.00	\$1,458,688.00	\$852,911.00
Total Fines Collected	\$334,915.00	\$384,600.00	\$195,875.00



QUESTIONS
specific to the
Division of Consumer
Protection

may be directed to:

Daniel O'Bannon,
Director
(801) 530-6303
dobannon@utah.gov

Legislative Highlights

The Legislature passed H.B. 405, Postsecondary School State Authorization, sponsored by Representative James A. Dunnigan and Senator Curtis S. Bramble. H.B. 405 clarified and modified

state authorization requirements for postsecondary schools, and helps certain postsecondary schools qualify for loans and grants for their students.

Division of CORPORATIONS & COMMERCIAL CODE

MISSION STATEMENT

*The **Division of Corporations & 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, collection agencies, and article 9 (UCC) and agricultural (CFS) lien notice 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, unincorporated cooperative associations, general partnerships & sole proprietors who have an assumed name, business trusts, real estate investment trusts, tribal businesses, and any other assumed business name.

Out-of-state motorist service of process is also filed with the division. Certain bankruptcy filings are sent to the division for notice only.

THE DIVISION IS CHARGED WITH A VARIETY OF SMALL FILINGS, SUCH AS:

- Pharmacy Benefit Managers, 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;
- Verify Utah – an online voluntary registry of businesses that have complied with the federal e-Verify program;
- 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 center that answers an average of 7000 phone calls per month. The help staff also provides an online information chat for those using online services. The agency has two customer service counters for walk-in assistance.

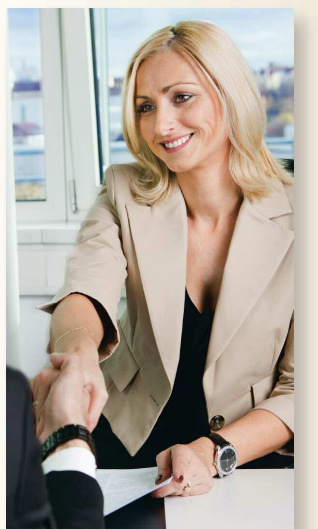
The Division of Corporations and Commercial Code continues to look for innovative ways to give business filers access to services 24 hours a day, 7 days a week.

Help Center

The Help Center answers an average of 1750+ calls a week. The five member Help Center fields questions ranging from “How do I start up a new business?” to “How do I reinstate an old business?”. With courtesy and understanding, the members of the Help Center educate citizens of Utah on business filings over the phone and in live online chats.

Service Center

The Division has two service centers; one in the first floor lobby and one on the second floor with public access computers, which have streamlined the process of filing documents so customers face a minimal wait time. As a result, the Division of Corporations and Commercial Code usually keeps within the 24 to 48 hour turnaround time on all incoming documents.





QUESTIONS
specific to the
Division of Corporatons
and Commercial Code
may be directed to:

Kathy Berg,
Director
(801) 530-4849
kberg@utah.gov

The Division’s goal is to empower our employees, particularly those on the front line, to make a difference as they are the face of the Division. The Division of Corporations and Commercial Code continues to be committed to adopting new technology for online services that especially help all businesses meet regulatory obligations quickly and efficiently.

While continuing to make the regulatory environment easier and more business friendly, the Division recognizes the need to keep business untouched by business identity theft. In that idea, the Division has launched a “Fraud Alert” system. This allows businesses to subscribe with an email address so that when any change happens to the business name, address, principals names or addresses the system send an email alert to the subscribed email. The subscriber can then review the change and ignore it or alert the Division that an unauthorized change has happened.

Legislative Update from 2014 General Session

HB 113 – PHARMACY BENEFIT MANAGER AMENDMENTS
This bill regulates certain reimbursement practices of pharmacy benefit managers. It defines maximum allowable costs; requires certain contract provisions between a pharmacy benefit manager and a pharmacy related to the use of maximum allowable cost and appeal rights; and requires a pharmacy benefit manager to register with the Division of Corporations and Commercial Code within the Department of Commerce.

SB 133 – BENEFIT CORPORATION AMENDMENTS
This bill modifies corporate provisions to enact the Benefit Corporation Act. It enacts the Benefit Corporation Act, including: providing for the application and effect of chapter; defining terms; providing for incorporation as a benefit corporation; providing for election to become a benefit corporation; allowing for termination of benefit corporation status; addressing establishment of corporate purposes; imposing standards of conduct for directors; providing for a benefit director; imposing standards of conduct for officers; providing for a benefit officer; establishing a right of action; requiring an annual benefit report; and addressing availability of an annual benefit report; and makes technical and conforming changes.

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 look at this site as a model of government filing efficiency. The One Stop Business Registration program has even more enhancements.

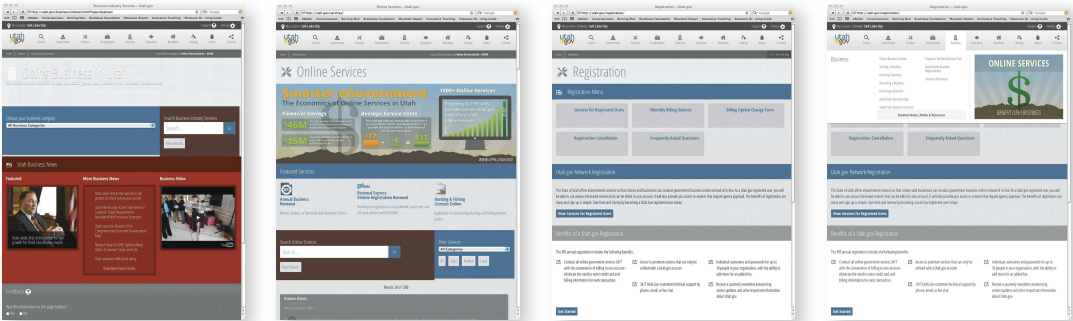
The OSBR Group was able to target problem areas based on customer input and adapt the flow of the application to allow for a more user-friendly experience.

- BETTER USER NAVIGATION
- IMPROVED GLOSSARY AND FAQ
- LIVE HELP
- IMPROVED OWNERS (PRINCIPALS) SECTION
- ABILITY TO PREVIEW ARTICLES
- ABILITY TO UPLOAD CERTIFICATES
- ENHANCED RECEIPTING SYSTEM
- FASTER NAME APPROVAL DURING BUSINESS HOURS

This encouragement of online filings helps the Division manage growth in business without requiring growth of government.

THE FOLLOWING LOCAL PARTNERS OFFER BUSINESS LICENSING SERVICES THROUGH OSBR:
Salt Lake City, Salt Lake County, Sandy City, Provo, Logan, Murray, West Jordan, South Logan, and Springville.

The Division has put a system online to register DBAs (*Doing Business As*). This allows existing businesses that use an alternate or assumed name to conduct business, or small businesses, an opportunity to have a quick and simple registration process. In less than 30 minutes an assumed business name can be registered and available to the business filer. In the first month after launch the Division received over 400 registrations. It was certainly time for this service.



OTHER ENTRIES	REINSTATE-MENTS	AMMEND-MENTS	MERGERS	CONVER-SIONS	RENEWALS	CHANGE FORM	AVERAGE ENTITIES GAINED /MONTH	TOTAL	PERCENT INCREASE
2006	4,504	4,001	413	1,298	15,629	20,590	1,503	18,036	8%
2007	5,009	4,132	296	1,293	13,844	13,578	1,669	20,030	11%
2008	3,232	4,401	499	1,618	22,111	6,288	1,512	18,144	-9%
2009	2,259	4,042	463	1,458	22,132	5,371	494	5,928	-67%
2010	2,665	3,049	352	617	19,498	4,617	516	6,192	4%
2011	2,433	2,828	320	997	17,752	3,895	791	9,492	53%
2012	2,191	2,971	299	1,006	17,041	3,462	823	9,876	4%
2013	1,840	2,974	303	1,146	15,326	3,276	1,106	13,272	34%
2014	1,904	2,777	300	1,101	15,199	3,607	935	11,220	-15%

YEAR	CORP	PERCENT INCREASE	DBA	PERCENT INCREASE	LLC	PERCENT INCREASE	LP	PERCENT INCREASE	TOTAL	PERCENT INCREASE
2005	11,423	5%	"17,325"	-1%	19,018	39%	556	-1%	48,322	13%
2006	41,237	43,052	36,690	30,365	28,736	26,964	23,449	29,561	30,962	30,962
2007	41,237	43,052	36,690	30,365	28,736	26,964	23,449	29,561	30,962	30,962
2008	41,237	43,052	36,690	30,365	28,736	26,964	23,449	29,561	30,962	30,962
2009	41,237	43,052	36,690	30,365	28,736	26,964	23,449	29,561	30,962	30,962
2010	41,237	43,052	36,690	30,365	28,736	26,964	23,449	29,561	30,962	30,962
2011	41,237	43,052	36,690	30,365	28,736	26,964	23,449	29,561	30,962	30,962
2012	41,237	43,052	36,690	30,365	28,736	26,964	23,449	29,561	30,962	30,962
2013	41,237	43,052	36,690	30,365	28,736	26,964	23,449	29,561	30,962	30,962
2014	41,237	43,052	36,690	30,365	28,736	26,964	23,449	29,561	30,962	30,962

	2006	2007	2008	2009	2010	2011	2012	2013	2014
UCC-1									
In-house Filings	10,394	10,564	8,281	4,391	4,137	6,500	4,380	3,725	4,292
Online Filings	13,928	14,180	14,834	13,904	11,830	8,867	12,372	14,148	14,565
Total	24,322	24,744	23,115	18,295	15,967	15,367	16,752	17,873	18,857
Adoption Rate	57.27%	57.31%	64.17%	76.00%	74.09%	57.70%	73.85%	79.16%	77.24%
Diff from Prev Yr	-254	252	654	-930	-2,074	-2,963	3,505	1,776	417
% Increase	-1.79%	1.81%	4.61%	-6.27%	-14.92%	-25.05%	39.53%	14.35%	2.95%
UCC-2									
In-house Filings	115	206	146	164	121	143	112	110	116
Online Filings	1,030	1,159	1,119	949	1,449	1,159	1,281	967	1,163
Total	1,145	1,365	1,265	1,113	1,570	1,302	1,393	1,077	1,279
Adoption Rate	89.96%	84.91%	88.46%	85.27%	92.29%	89.02%	91.96%	89.79%	90.93%
Diff from Prev Yr	-300	129	-40	-170	500	-290	122	-314	196
% Increase	-22.56%	12.52%	-3.45%	-15.19%	52.69%	-20.01%	10.53%	-24.51%	20.27%

UCC-3 Terminations/Continuations									
In-house Filings	6,782	5,687	2,659	1,915	2,208	7,253	1,999	1,665	1,650
Online Filings	7,437	8,731	11,376	10,603	10,796	6,057	11,501	11,302	10,287
Total	14,219	14,418	14,035	12,518	13,004	13,310	13,500	12,967	11,937
Adoption Rate	52.30%	60.56%	81.05%	84.70%	83.02%	45.51%	85.19%	87.16%	86.18%
Diff from Prev Yr	526	1,294	2,645	-773	193	-4,739	5,444	-199	-1,015
% Increase	7.61%	17.40%	30.29%	-6.80%	1.82%	-43.90%	89.88%	-1.73%	-8.98%

FILINGS	2006	2007	2008	2009	2010	2011	2012	2013	2014
OneStop Business Registration									
In-house Filings	41,237	43,052	36,690	30,365	28,736	26,964	23,449	29,561	30,962
Online Filings	11,600	14,030	18,751	19,613"	20,329	21,994	28,861	27,878	27,421
Total	52,837	57,082	55,441	49,978	49,065	48,958	52,310	57,439	58,383
Adoption Rate	21.52%	24.58%	34.13%	39.24%	41.43%	44.92%	55.17%	48.53%	46.97%
Diff from Prev Yr	2,144	2,430	4,721	862	716	1,665	6,867	-983	-457
% Increase	22.67%	20.95%	33.65%	43.00%	3.65%	8.19%	31.22%	-3.41%	-1.64%

All Online Services									
Total Online Filings	83,800	212,497	255,616	332,613	331,080	339,710	411,905	411,974	434,516
Adoption Rate	35%	64%	77%	81%	82%	82%	84%	85%	87%
Diff from Prev Yr	15,573	128,697	43,119	76,997	-1,533	8,630	72,195	69	22,542
% Increase	22.83%	153.58%	20.29%	30.12%	-0.46%	2.61%	21.25%	0.02%	5.47%

Certificates of Existence									
In-house Cert	856	682	678	422	482	492	440	377	395
Online Cert	10,116	12,163	11,337	10,530	10,716	12,369	12,152	12,786	14,644
Total	10,972	12,845	12,015	10,952	11,198	12,861	12,592	13,163	15,039
Adoption Rate	92.20%	94.69%	94.36%	96.15%	95.70%	96.17%	96.51%	97.14%	97.37%
Diff from Prev Yr	1,515	2,047	-826	-807	186	1,653	-217	634	1,858
% Increase	17.61%	20.24%	-6.79%	-7.12%	1.77%	15.43%	-1.75%	5.22%	14.53%

Annual Business Renewal									
In-house Renewals	103,296	35,790	22,111	22,132	19,498	18,360	17,588	14,998	15,355
Online Renewals	39,308	113,733	149,447	160,163	166,964	175,246	183,899	188,947	206,262
Total	142,604	149,523	171,558	182,295	186,462	193,606	201,487	203,945	221,617
Adoption Rate	27.56%	76.06%	87.11%	87.86%	89.54%	90.52%	91.27%	92.65%	93.07%
Diff from Prev Yr	11,561	74,425	35,714	10,716	6,801	8,282	8,653	5,048	17,315
% Increase	41.67%	189.34%	31.40%	7.17%	4.25%	4.96%	4.94%	2.74%	9.16%

YEAR	UCC-1	UCC-1 ADDEND	UCC-2	UCC-3	UCC-3 ADDEND	CFS-1	CFS-1
2006	24,322	9,609	1,145	19,145	1,567	419	724
2007	24,744	10,629	1,365	18,311	2,098	319	612
2008	23,115	7,805	1,265	18,748	3,278	303	668
2009	18,295	4,565	1,113	17,394	1,525	361	537
2010	15,967	4,801	1,570	17,034	2,341	436	613
2011	15,367	6,875	1,302	17,167	905	375	511
2012	15,367	6,875	1,302	17,167	905	367	559
2013	17,873	3,571	1,077	17,344	920	402	500
2014	18,857	4,372	1,279	16,028	1,286	405	682



Division of OCCUPATIONAL & PROFESSIONAL LICENSING

MISSION STATEMENT

The mission of DOPL is to protect the public and to enhance commerce through licensing and regulation.

DOPL Objectives

- Provide courteous customer service that is responsive, accurate & informative
- Collaborate with stakeholders to balance regulation and commerce
- Administer programs and applications efficiently
- Enforce laws effectively and in a timely manner
- Promote a positive working environment where employees can participate and develop as teams and individuals

Total Licensees

2014 TOTAL LICENSEES:	202,160
2014 NEW APPLICATIONS SUBMITTED:	36,631
2014 RENEWALS	
Online	93,691
Manual	7,153
Total	100,844
2014 PERCENT ONLINE	92.9%

Licensees by Profession – Fiscal Year 2014 (including Temporary Licenses)

Accountancy C.P.A. Firm	689	Dental Dental Hygienist	146
Accountancy Certified Public Accountant	4,998	Dental Dental Hygienist with Local Anesthesia	2,449
Acupuncture Licensed Acupuncturist	125	Dental Dentist - Anesthesia Class I Permit	742
Architect	2,091	Dental Dentist - Anesthesia Class II Permit	1,610
Athlete Agents Athlete Agent	51	Dental Dentist - Anesthesia Class III Permit	281
Athletic Trainer Athletic Trainer	444	Dental Dentist - Anesthesia Class IV Permit	84
Building Inspector Combination Inspector	275	Dental Volunteer Dentist Anesthesia Class I	1
Building Inspector Limited Inspector	338	Dental Volunteer Dentist Anesthesia Class II	1
Burglar Alarm Burglar Alarm Company	195	Dietitian Certified Dietitian	742
Burglar Alarm Burglar Alarm Company Agent	12,486	Direct-Entry Midwife Direct-Entry Midwife	31
Burglar Alarm Temporary Burglar Alarm Company Agent	315	Electrician Apprentice Electrician	3,658
Chiropractic Chiropractic Physician	844	Electrician Journeyman Electrician	4,281
Clinical Mental Health Assoc Clinical Mental Health Counselor	469	Electrician Master Electrician	2,080
Clinical Mental Health Assoc Clinical Mental Hlth Cnslor Extern	33	Electrician Residential Journeyman Electrician	134
Clinical Mental Health Clinical Mental Health Counselor	954	Electrician Residential Master Electrician	171
Clinical Mental Health Volunteer Clinical Mental Hlth Counselor	1	Elevator Mechanic Elevator Mechanic	145
Contractor Contractor With LRF	15,528	Engineer/Land Surveyor Professional Engineer	7,217
Contractor Contractor Without LRF	663	Engineer/Land Surveyor Professional Land Surveyor	755
Contractor Handyman Exemption Registration	958	Engineer/Land Surveyor Professional Structural Engineer	2,134
Contractor Instructor for Construction Mechanical	1	Environmental Health Scientist	228
Contractor Instructor for Electrical Trades	6	Environmental Health Scientist -Training	16
Contractor Instructor for General Bldg Trades	23	Factory Built Housing Factory Built Housing Dealer	38
Contractor Instructor for Plumbing Trades	3	Funeral Service Funeral Service Director	310
Controlled Substance Handler Facility	52	Funeral Service Funeral Service Establishment	121
Controlled Substance Handler Individual	24	Funeral Service Funeral Service Intern	45
Cosmetology Barber	243	Genetic Counselor Genetic Counselor	78
Cosmetology Barber Instructor	4	Genetic Counselor Temporary Genetic Counselor	5
Cosmetology Barber School	5	Geologist Professional Geologist	871
Cosmetology Cosmetologist / Barber	26,699	Health Facility Administrator Health Facility Administrator	369
Cosmetology Cosmetologist / Barber Instructor	1,664	Hearing Instrument Hearing Instrument Intern	50
Cosmetology Cosmetology / Barber School	48	Hearing Instrument Hearing Instrument Specialist	94
Cosmetology Electrologist	130	Hunting Guides/Outfitters Hunting Guide	257
Cosmetology Electrologist Instructor	9	Hunting Guides/Outfitters Outfitter	105
Cosmetology Electrology School	1	Landscape Architect Landscape Architect	350
Cosmetology Esthetician	573	Marriage & Family Therapy Associate Marriage & Family Therapist	160
Cosmetology Esthetician Instructor	410	Marriage & Family Therapy Associate MFT Extern	3
Cosmetology Esthetics School	26	Marriage & Family Therapy Marriage & Family Therapist	565
Cosmetology Master Esthetician	3,745	Massage Massage Apprentice	42
Cosmetology Nail Technician	4,402	Massage Massage Therapist	6,053
Cosmetology Nail Technician Instructor	193	Medical Language Interpreter Certified Medical Language Interpreter	36
Cosmetology Nail Technology School	10	Medication Aide - Certified Temporary Medication Aide - Certified	1
Court Reporter Certified Court Reporter - Shorthand	111	Music Therapy Certified Music Therapist	1
CS Precursor Controlled Substance Precursor	8	Naturopathic Naturopath including Surgery & OB	1
Deception Detection Deception Detection Examiner	20	Naturopathic Naturopathic Limited CS Testosterone	17
Deception Detection Deception Detection Intern	5	Naturopathic Naturopathic Physician	30

Naturopathic Temporary Naturopathic Physician	3	Physician Assistant Physician Assistant	1,093
Nurse A.P.R.N.	1,627	Physician Assistant Temporary Physician Assistant	1
Nurse A.P.R.N. Intern	2	Plumber Apprentice Plumber	1,260
Nurse A.P.R.N. without P.P.	33	Plumber Journeyman Plumber	848
Nurse APRN-CRNA Controlled Substance	233	Plumber Master Plumber	2,026
Nurse APRN-CRNA without PP	240	Plumber Residential Journeyman Plumber	64
Nurse Certified Nurse Midwife	141	Plumber Residential Master Plumber	4
Nurse Certified Nurse Midwife without P.P.	1	Podiatric Physician Podiatric Physician	211
Nurse Licensed Practical Nurse	2,644	Preneed Pre-Need Sales Agen	254
Nurse Registered Nurse	29,160	Private Probation Provider Private Probation Provider	102
Nurse Temporary Licensed Practical Nurse	1	Psychologist Psychologist	928
Nurse Volunteer APRN	1	Psychologist Psychology Resident	39
Nurse Volunteer APRN Controlled Substance	1	Radiology Radiologic Technologist	2,482
Occupational Therapy Occupational Therapist	712	Radiology Radiologist Assistant	11
Occupational Therapy Occupational Therapy Assistant	305	Radiology Radiology Practical Technician	493
Online Internet Facilitator Online Internet Facilitator	2	Recreational Therapy Master Therapeutic Recreation Specialist	42
Optometrist CS	347	Recreational Therapy Therapeutic Recreation Specialist	313
Optometrist Optometrist	472	Recreational Therapy Therapeutic Recreation Technician	322
Optometrist Optometrist (Without Certification)	6	Respiratory Care Respiratory Care Practitioner	1,447
Optometrist Optometrist Diagnostic Only	11	Security Companies & Guards Armed Private Security Officer	1,323
Osteopathic Physician Osteopathic Online Prescriber	3	Security Companies & Guards Armored Car Company	8
Osteopathic Physician Osteopathic Physician & Surgeon	619	Security Companies & Guards Armored Car Security Officer	391
Osteopathic Physician Volunteer Osteopathic Physician/Surgeon	1	Security Companies & Guards Armored Car Training Program Provider	8
Pharmacy Dispensing Medical Practitioner	1	Security Companies & Guards Contract Security Company	65
Pharmacy Dispensing Medical Practitioner Clinic	1	Security Companies & Guards Contract Security Training Program Prov	6
Pharmacy Lethal Injection Use	1	Security Companies & Guards Interim Armed Private Security Officer	13
Pharmacy Online Contract Pharmacy	2	Security Companies & Guards Interim Armored Car Security Officer	2
Pharmacy Pharmacist	3,270	Security Companies & Guards Interim Unarmed Private Security Officer	44
Pharmacy Pharmacy - Class A	492	Security Companies & Guards Unarmed Private Security Officer	4,002
Pharmacy Pharmacy - Class B	251	Social Work Certified Social Worker	1,260
Pharmacy Pharmacy - Class C	94	Social Work Certified Social Worker Intern	13
Pharmacy Pharmacy - Class D	574	Social Work LCSW Extern	1
Pharmacy Pharmacy - Class E Business	419	Social Work Licensed Clinical Social Worker	3,239
Pharmacy Pharmacy Intern	833	Social Work Social Service Worker	1,969
Pharmacy Pharmacy Technician	4,835	Speech/Audiology Audiologist	245
Pharmacy Temporary Pharmacist	18	Speech/Audiology Speech Lang Pathologist & Audiologist	13
Physical Therapist Physical Therapist	2,041	Speech/Audiology Speech Language Pathologist	732
Physical Therapist Physical Therapist Assistant	623	Speech/Audiology Temp Speech Language Pathologist	18
Physical Therapist Temporary Physical Therapist	13	Substance Use Disorder Certified Advanced SUDC	1
Physical Therapist Temporary Physical Therapist Assistant	61	Substance Use Disorder Certified Advanced SUDC Intern	1
Physician Physician & Surgeon	8,903	Substance Use Disorder Certified SUDC	74
Physician Physician Educator CS	8	Substance Use Disorder Certified SUDC Intern	2
Physician Physician Educator Type I	1	Substance Use Disorder Licensed Advanced SUDC	141
Physician Physician Educator Type II	7	Substance Use Disorder Licensed SUDC	231
Physician Physician Online Prescriber	3	Veterinarian Veterinarian	740
Physician Temporary Physician & Surgeon	4	Veterinarian Veterinary Intern	15
Physician Volunteer Physician & Surgeon	3	Vocational Rehab Counselor Licensed Vocational Rehab Counselor	221
Physician Volunteer Physician/Surgeon CS	1		
		TOTAL ACTIVE LICENSES	202,160

State Construction Registry (SCR)

As an internet based registry, the SCR regulates construction lien rights within the State of Utah. The SCR allows subcontractors and suppliers to register for lien rights at the beginning of their contribution to an improvement. This information is then available to Owners and helps them to manage payments and exposure to liens. When used effectively, the SCR protects Owners from liens and over-payment and ensures the pay and rights of Subcontractors and Suppliers.

	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
PreConstruction Service	-	6	519	219	389
Construction Loan	-	-	3,939	6,176	6,544
Building Permits	43,266	49,976	36,151	37,482	36,778
Commencement	43,435	44,655	5,987	1,006	951
Preliminary Notice	108,445	97,873	140,272	183,466	207,966
Intent to Complete	36	41	65	111	108
Remaining to Complete	91	395	210	130	449
Completions	4,094	3,174	2,955	4,880	6,709
Loan Default	-	-	-	2	3
TOTAL FILINGS	199,367	196,120	190,098	233,472	259,897

Residence Lien Recovery Fund

The residence lien recovery fund exists to protect homeowners from paying twice for construction on their homes. Additionally, the fund provides a remedy for contractors and suppliers who lose income due to homeowner protection.

	FY 2011	FY 2013
Number of Claims Filed	24	2817
Amount of Claims	\$ 253,458.30	\$ 20,100,328.30
Number of Claims Paid	31	1995
Amount of Paid Claims	\$ 229,716.93	\$ 13,512,679.25
Number of Claims Denied	2	562
Number of Claims Dismissed	0	242





QUESTIONS
specific to the
Division of Occupational
& Professional Licensing
may be directed to:

Mark Steinagel,
Director
(801) 530-6626
msteinagel@utah.gov

Prelitigation:

Prelitigation provides malpractice prelitigation hearing panels when properly requested by a petitioner. A certificate of compliance is required from DOPL before the petitioner may file a medical malpractice complaint in District Court.

FY 2014			
ACTIONS		OUTCOMES	
Cases Opened	248	No Merit	142
Requests Denied	37	Meritorious	16
Hearings Scheduled	184	Stipulated	22
Cases Closed	256	Dismissed	49
		Dismissed- Arbitration:	3
		Split Decision	21
		Jurisdiction	1
		Other	2

Investigations

DOPL is legislatively responsible to investigate acts or practices inconsistent with generally recognized standards of conduct, unlicensed practice in regulated professions or occupations, allegations of gross negligence or incompetence, and patterns of negligence or incompetence.

FY 2014			
COMPLAINTS		ACTIONS	
Cases Received	3644	Felony Filings	30
Cases Assigned	3304	Misdemeanors	12
Cases Closed	3873	Administration Filings	641
		Letters of Concern	432
		Diversion Referrals	12
		Citations	967

Utah Recovery Assistance Program (URAP) and Probation

The Division offers two programs to protect the public from licensees who engage or may engage in misconduct, while still allowing them to practice their occupation or profession. URAP is a confidential approach allowing certain first time offenders diversion rather than disciplinary action. Probation is a public disciplinary approach. Both approaches have terms and conditions that are carefully monitored and further action is taken for noncompliance.

FY 2014	
Total Number of Active Licensees	202,160
Total Number of Diversionees (URAP)	99
Total Number of Probationers	532
Percent of Licensees in Diversion or Probation	31

Controlled Substance Database

The Utah Controlled Substance Database Program tracks and collects data on the dispensing of Schedule II-V drugs by all retail, institutional, and outpatient hospital pharmacies, and in-state/ out-of-state mail order pharmacies. The data is disseminated to medical and law enforcement professionals and used to identify potential cases of drug over-utilization, misuse, and over-prescribing of controlled substances throughout the state.

FY 2014	
Total prescription records in CSDB	58,009,937
Total prescriptions entered	5,988,484
Online reports	828,362
In-house reports	10,519
Number of Hospital Overdose Reports	1,228
Number of Overdose Reports mailed to practitioners	3,389
Number of Court Reports regarding DUI conviction	410
Number of DUI reports mailed to practitioners	776
Number of doctor shopper letters mailed to practitioners	,181
Number of doctor shopper letters mailed to law enforcement	962
Registered Users:	
Law Enforcement	912
Pharmacists	2,009
Prescribing practitioners	15,553
Others	254





Division of PUBLIC UTILITIES

MISSION STATEMENT

*The **Division of Public Utilities** promotes the public interest in public utility regulation and works to assure that all customers of regulated gas, electric, telephone and water utilities have access to safe, reliable service at reasonable rates.*

Division activities include:

- Investigating applications for certificates to provide utility service or to build new utility facilities;
- Auditing, analyzing, and investigating proposed rate increases or changes;
- Investigating and resolving complaints of utility customers;
- Monitoring the safety of intrastate natural gas pipelines;
- Auditing the finances and activities of utilities doing business in Utah;
- Assisting in the monitoring and management of the Universal Service Fund, which provides support for telecommunications customers in high-cost areas;
- Monitoring compliance with Utah law and Public Service Commission (PSC) rules and orders;
- Coordination and consultation with other state agencies in developing and implementing utility and other state policies;
- Advising the Governor and Legislature as requested.

About the Division

The Division's staff of approximately thirty employees works with the PSC, the Office of Consumer Services and other state agencies, regulated telecommunications, electric, natural gas and water utilities, the public, outside experts, attorneys, and other states' utility regulators. Staff members have expertise in accounting, auditing, business, finance, economics, statistics, customer service, and engineering.

Highlights

Energy

GENERAL RATE CASES

In July 2013, Questar Gas Company filed an application for a general rate increase of \$19 million. This case's filing was mandated by an earlier Public Service Commission order. After filing written testimony and negotiations, the Division and other parties negotiated a settlement covering most aspects of the case, including numerous downward adjustments to the company's request.

The stipulation, coupled with the Public Service Commission's resolution of the company's rate of return on equity resulted in a rate increase of only \$7.6 million. This amounts to a 2.6% increase. Among the stipulation's other terms was Division support for an expanded infrastructure replacement program to accelerate replacement of aging natural gas pipeline facilities.

In January 2014, Rocky Mountain Power filed an application for a general rate increase of \$76 million. The Division and other participants filed written testimony addressing the request. Most testimony suggested significant reductions to the request for various items for which the company filed to provide sufficient justification. After negotiations, the parties agreed to a settlement of nearly all issues in the case. The remaining issue, which will not affect the amount of money collected by the company, only the manner of its collection, is the company's proposed \$4.65 per month charge for residential net metering customers. The Division largely supported the company's requested fee because residential net metering customers' reduced energy usage leads to an undercollection of fixed system costs from those customers. The stipulation's terms provide for an increase of \$35 million in September 2014, followed approximately one year later by another \$19 million increase. The second step in the rate increase represents an allowance for the company to recover investment on an expanded transmission line. This second step obviates the need for another general rate case filing in 2015.

WEXPRO II

In FY 2014, the Division recommended and the Public Service Commission approved the inclusion of the first natural gas producing property in the new Wexpro II Agreement. Largely mirroring the Wexpro Agreement of the 1980s, this new agreement entered into between the Division, Questar Gas, and Wexpro in FY 2013, allows Utah ratepayers a no-cost option on future gas-producing properties acquired by Wexpro. The new acquisition, called Trail II and located in southern Wyoming, was recommended for inclusion in the agreement's portfolio after Division analysis and Wexpro concessions concerning total Wexpro gas quantities. This property and the Wexpro concessions should serve ratepayers as a long-term physical hedge against price and supply fluctuations. Gas purchased under the original Wexpro Agreement has saved ratepayers over \$1 billion in the 30 years of its existence.



QUESTIONS
specific to the **Division of
Public Utilities** may be
directed to:

Chris Parker,
Director

(801) 530-7622
chrisparker@utah.gov

Telecommunications

UNIVERSAL SERVICE FUND (USF)

The Division has begun working on creating a more economical process for evaluating telephone companies' eligibility for funds from the state's USF for high-cost telephone service. In the past, companies seeking distributions from the fund have been compelled to file a general rate case for such requests, even when no customer rate increase was sought. The Division is exploring ways to make the process less cumbersome while still allowing effective review by regulators. One test case is underway and the Division is working with industry and the Office of Consumer Services to address concerns with a streamlined process. The Division hopes to suggest proposed rule changes to the Public Service Commission in FY 2015.

Lifeline Changes

CUSTOMER SERVICE SECTION

The Customer Service Section helps to answer utility customer questions and works with customers and utilities to resolve informal complaints. Unresolved disputes are referred to the PSC for formal action. The Division's goal is to try to help resolve customers' issues as seamlessly as possible.

During FY 2014, the Customer Service Section fielded 403 informal complaints from utility customers, a large decrease from the previous year. Most complaints involve billing and service shut off issues.

In all cases, the Division first works with customers and utilities to resolve complaints informally. As shown below, most complaints were resolved by the Division working with the customer and the utility company. The unresolved disputes are referred to the PSC for formal action or hearing.

Five-Year History of Utility Complaints

UTILITIES	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
Electric	209	193	169	130	114
Natural Gas	193	212	145	105	110
Telecomm - ILEC* & Century-Link	204	165	149	117	131
Telecomm - CLEC**	63	47	51	40	31
Telecomm - Long Distance	43	34	30	16	8
Water/Sewer	17	8	8	7	9
TOTAL	729	659	552	415	403

* - Incumbent Local Exchange Carriers, e.g. Century Link, All West, Frontier, Beehive
** - Competitive Local Exchange Carrier, e.g. AT&T, McLeod USA, Integra

PIPELINE SAFETY

The Pipeline Safety Section operates under federal law to investigate safety and other conditions relative to the piping of natural gas within Utah. The section works with local natural gas distribution companies, such as Questar Gas Company, as well as municipal operators, intrastate transmission operators and master meters.

During fiscal year 2014, Pipeline Safety personnel conducted comprehensive inspections of Questar Gas Company operations, municipal gas distribution operators, and intrastate transmission operators. The section also inspected pipeline construction projects and investigated incidents on pipelines. These inspections assure that operator procedures and operations are consistent with federal regulations for safe functioning of natural gas systems.

Pipeline Safety Inspections

FY 2014	
Questar Gas Company Regions	7
Municipal Gas Distribution Operators	6
Intrastate Transmission Operators	7
Gathering Operators	3
Small Gas System Operators (Master Meters)	68
Construction	23
Incident	38





Division of REAL ESTATE

MISSION STATEMENT

*The mission of the **Division of Real Estate** is to protect the public and promote responsible business practices through education, licensure, and regulation of real estate, mortgage, and appraisal professionals.*

2014 SUCCESS Goals

In fiscal year 2014, the Division of Real Estate followed the Governor’s challenge to increase efficiency. Division licensing staff improved the processing time of applications for real estate related industries. In fiscal year 2013, we processed 74.6% of all applications that require some action from division staff within five days. Since the beginning of fiscal year 2014, and with the implementation of SUCCESS goals, Division staff now process, on average, 82% of all applications within five days even though applications have increased by 36%.

2014 Outreach

The Division continues its outreach efforts. In fiscal year 2014, the Division sponsored its annual Instructor Development Workshop and Caravan. In addition, Division staff spoke at several industry sponsored events. The Division continues to meet the needs of industry and the public by speaking about important issues at events around the state. The table below lists the Division’s outreach efforts for the past fiscal year.

DATE	EVENT
October 2013	Division representatives spoke at the Utah Business Licensing Association Conference.
October 2013	Division-sponsored Instructor Development Workshop held in Park City. Speakers included the Division Director, Division enforcement and licensing supervisors, and Len Elder.
November 2013	Division representatives spoke at the Utah Association of Mortgage Professionals Expo.
January 2014	Division representatives spoke for The Utah Apartment Association.
March 2014	Division representatives spoke at the Spring Symposium of the Utah Chapter of the Appraisal Institute.
April – May 2014	Three-hour Division-sponsored continuing education seminars held in Park City, Vernal, Logan, Layton, Provo, Moab, Richfield, Cedar City, and St. George.
May 2014	Division representatives spoke to the Utah Chapter of the National Association of Residential Property Managers.

Licensing

In October 2013, the Division initiated a system of biennial license renewal reminder notifications to real estate and appraiser licensees. Licensees receive up to four consumer friendly email notices informing them of their impending license expiration. Helpful license information is provided in the notice, including the current number of continuing education hours the licensee has completed as of the date of each notice. These sequenced email reminders are sent six weeks, four weeks, and two weeks prior to expiration. Licensees also receive a notice two days after license expiration.



Statutory Changes

Representative Gage Froerer sponsored the Division's 2014 bill. Changes were made to the Utah Residential Mortgage Practices and Licensing Act, Real Estate Licensing and Practices Act, and the Real Estate Appraiser Licensing and Certification Act. Highlights include the following:

FOR MORTGAGE:

- Independent loan underwriters are now required to be licensed.
- Licensees can now voluntarily surrender their license through a written agreement with the Division.
- Complaints investigated by the Division now have a statute of limitations.

FOR REAL ESTATE:

- Inactive licensees no longer need 18 hours of continuing education if renewing up to 30 days late.
- Licenses will now be mailed or emailed to licensees.
- A buyer’s agent may now contact a seller directly with written authorization from listing brokerage.
- A principal broker who allows their license to expire is now required to notify all of their agents on the day of expiration.
- Licensees can now voluntarily surrender their license through a written agreement with the Division.
- Complaints investigated by the Division now have a statute of limitations.

FOR APPRAISAL:

- Educational requirements have been removed from statute and new educational requirements that meet or exceed Appraisal Qualification Board criteria will be placed in administrative rule.
- Applicants are now required to demonstrate general fitness to command the confidence of the community.
- The board can now delegate authority to the Division to make licensing decisions based solely on criminal history.
- New licensees and license upgrades are now required to submit to a criminal background check.
- The requirements for a reciprocal license have been updated to be consistent with federal guidelines.
- Licensees can now voluntarily surrender their license through a written agreement with the Division.
- Complaints investigated by the Division now have a statute of limitations.

Education

The Division of Real Estate hosts an annual Spring Caravan outreach event where staff travel to remote locations outside the Wasatch front to educate licensees and the public on industry questions and concerns.

The following tables give historical data as to the number of certifications issued by the Division, as well as the number of prelicensing examinations that have been administered:

Certifications Issued

	FY 2011	FY 2012	FY 2013	FY 2014
Educational Programs	51	36	36	32
Real Estate Pre-Licensing Instructors	44	40	38	35
Real Estate CE Courses	1,039	1,015	1,102	1,215
Real Estate CE Instructors	169	360	390	426
Mortgage Pre-Licensing Instructors	22	14	8	7
Mortgage CE Courses	32*	0*	0*	6*
Mortgage CE Instructors	67	7	0	6
Appraisal CE Courses	491	491	455	479
Appraisal Instructors	54	49	41	34
Appraisal Pre-Licensing Instructors	24	28	18	53

*Under the licensing program that has been adopted across the country in order to comply with the federal S.A.F.E. Act, continuing education (CE) courses for mortgage professionals are now reviewed and approved at the national level by the Nationwide Mortgage Licensing System (NMLS). In fiscal year 2014, the Division implemented a state-specific CE course that is handled outside of the NMLS.

Pre-licensing Examinations Administered

	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
Real Estate Agent Exams	1,865	1,114	795	1,388	2,673
Real Estate Broker Exams	275	233	124	144	272
Mortgage Originator Exams	713	0*	0*	0*	0*
Mortgage PLM Exams	98	278	242	79	179
Appraiser Exams	202	186	44	27	46

* Exams are now scheduled and administered through NMLS.



Licensure

The Division has well trained and helpful licensing specialists that professionally assist the public and licensees in resolving questions about the licensing or renewal process, rules and regulations, or general industry practices for the real estate, mortgage, and appraisal professions.

Communication by phone call, easily accessible website information, and live chat conversations are conducted by accommodating, service oriented experts.

Total Number of Licenses/Registrations

	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
Real Estate	26,425	23,655	21,559	20,754	18,198	21,739
Mortgage	10,416	8,385	4,308	4,241	4,840	4,358
Appraiser	2,094	2,021	1,457	1,393	1,384	1,396
Appraisal Management Companies (AMCs)	—	88	133	143	147	140
Subdivision/Timeshare	571	352	400	393	566	657
TOTAL	39,506	34,501	27,857	26,924	25,135	28,290

New Licenses/Registrations Issued

	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
Real Estate	2,209	2,050	1,362	1,401	1,042	2,197
Mortgage	1,028	1,113	853	665	1,113	1,174
Appraiser	307*	347*	196*	236*	145*	255*
Appraisal Management Companies (AMCs)	—	88	50	26	21	16
Timeshare	173	115	71	115	276	211
TOTAL	3,717	3,713	2,532	2,443	2,597	3,853

Licenses/Registrations Renewed

	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2014
Real Estate	9,550	9,049	8,388	8,475	8,229	8,998
Mortgage	3,086	1,283	3,704	4,137	4,045	5,752
Appraiser	586	511	626	597	651	694
Timeshare	140	88	36	63	194	72
TOTAL	13,362	10,931	12,754	13,272	13,119	15,516

Enforcement

The Division's enforcement staff receives complaints regarding licensees in the real estate, mortgage, and appraisal industries. Complaints range from advertising complaints, allegations of fraud in the sale and purchase of homes to unlicensed activity.

The Division enforcement staff has noticed an interesting trend over the last year. As the real estate market seems to continue to rise, complaints about the misconduct of real estate licensees is also on the rise. On the other hand, complaints, in general, seem to be lower for the mortgage and appraisal industries.

The Division continues to pursue cases which result in administrative actions as well. The following tables provide data about the type and number of disciplinary sanctions obtained by the Division, either through stipulation or by disciplinary action in an administrative hearing. Through these actions, the Division ordered a total of \$138,100 in fines during fiscal year 2014.

Enforcement Statistics

	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
Complaints Received						
Real Estate	440	539	645	436	389	423
Appraiser	145	146	129	129	78	59
Mortgage	278	319	493	154	139	108
Cases Opened						
Real Estate	189	127	254	491	199	221
Appraiser	118	93	101	123	60	55
Mortgage	53	93	170	212	83	84
Cases Closed						
Real Estate	153	170	172	412	194	141
Appraiser	12	93	124	122	62	76
Mortgage	71	98	128	275	61	59
Total Open Cases as of June 30, 2014						
Real Estate	112	69	142	208	225	272
Appraiser	91	91	68	55	67	32
Mortgage	49	44	85	18	43	79

FY 2014 Sanctions

	APPRAISAL	MORTGAGE	REAL ESTATE	TOTAL
Remedial Education	2	0	6	8
Fines	3	6	32	41
Probation	1	28	134	163
Suspension	0	10	9	19
Revocation/Surrender	0	1	1	2
Cease and Desist Orders	1	0	0	1
Criminal referrals	0	0	2	0



QUESTIONS specific to the **Division of Real Estate** may be directed to:

Jonathon Stewart,
Director
(801) 530-6751
jstewart@utah.gov



Division of SECURITIES

MISSION STATEMENT

*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 fostering opportunities for capital formation.*

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 Division works closely with the U.S. Securities and Exchange Commission (SEC) and securities regulators from other states to streamline the licensing process and to ensure consistency.

Securities Licensing

FISCAL YEAR	2009	2010	2011	2012	2013	2014
Broker-Dealers	1,775	1,641	1,621	1,590	1,563	1,561
Broker-Dealer Agents	100,677	88,947	96,660	99,499	101,709	107,354
Investment Advisers	183	156	142	145	180	202
Federal Covered Advisers	985	926	906	925	905	946
I.A. Representatives	4,189	3,577	3,881	4,156	4,471	4,823
Certified Broker- Dealers	15	10	12	16	14	18
Certified Broker- Dealer Agents	63	73	74	82	91	99
Certified Investment Advisers	—	—	—	4	6	6
Certified Investment Adviser Representatives	—	—	—	25	33	31
Issuer Agents	102	85	87	84	87	85
Total	107,993	95,418	103,397	106,526	109,059	115,125

Corporate Finance/Securities Registration

Another key component of the Division’s efforts to promote legitimate capital markets is to register securities offerings that are qualified to be sold in this state and review the adequacy of disclosures to potential investors by companies offering certain types of securities. In addition, Division employees meet 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	2009	2010	2011	2012	2013	2014
Coordination	102	92	106	120	104	108
Qualification	0	1	0	1	0	0
Exemptions	27	31	53	48	41	40
Opinion/No Action Letter	4	1	2	2	0	2
Mutual Funds	5,541	5,330	5,589	5,749	5,865	794
Rule 506	712	588	690	651	651	794
Total	6,386	6,043	6,440	6,571	6,661	6,904

Compliance and Enforcement

The Compliance Section of the Division of Securities conducts routine and “for cause” examinations pertaining to the operations of licensed broker-dealers, investment advisers, and their agents. If misconduct is found, the Division will work with the licensed individual or firm to bring them into compliance with the applicable laws or initiate disciplinary proceedings against the licensee depending upon the nature of the violation or misconduct.

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 integrity of the markets.

FISCAL YEAR	2009	2010	2011	2012	2013	2014
Activity						
New Investigations/Audits	—	—	—	—	—	—
Complaints Received	283	191	202	226	164	110
Audit Files Opened	41	34	45	62	82	85
Investigation Files Opened	66	40	83	58	44	39
Administrative Cases						
New Cases Filed	78	65	94	87	81	47
Stipulations & Consent Orders	—	34	34	35	31	37
Adjudicated Orders	—	4	8	0	19	10
Default Orders	—	—	—	—	—	23
Criminal Cases						
Criminal Charges Filed	31	16	34	18	10	12
Convictions	19	18	13	5	2	7
Pleas in Abeyance	2	6	7	3	3	1
Fines & Restitution						
Fines Assessed	\$1,736,378	\$5,363,698	\$1,822,484	\$5,239,452	\$5,239,452	\$2,582,376
Fines Paid	\$56,460	\$2,676,796	\$1,176,116	\$550,223	\$217,983	\$164,660
Restitution Ordered	\$31,906,009	\$21,68,786	\$5,256,191	\$2,435,430	\$15,915,435	\$368,786

*Disclaimer: In 2010, the Utah Division of Securities adopted a new database “progress” to track enforcement, licensing and statistics

Investor Education

EDUCATION

The Division of Securities continued to expand its nationally-recognized investor education program by partnering with non-profit groups and other government agencies to reach savers and investors in every corner of the state. The Division’s investor education programs and on-line resources provide Utahans with the tools they need to thoroughly research and vet investment promoters and opportunities and make financial decisions with confidence.

JOBS

The Division of Securities has partnered with community organizations to provide mentoring and support to entrepreneurs and small businesses in Utah who are seeking to raise capital and expand their businesses, creating home-grown new jobs in the process.

	FY 2011	FY 2012	FY 2013	FY 2014
Investor Education Presentations	44	55	74	98
Total Number of People Attending Investor Education Presentations	8,290	11,920	9,889	14,453

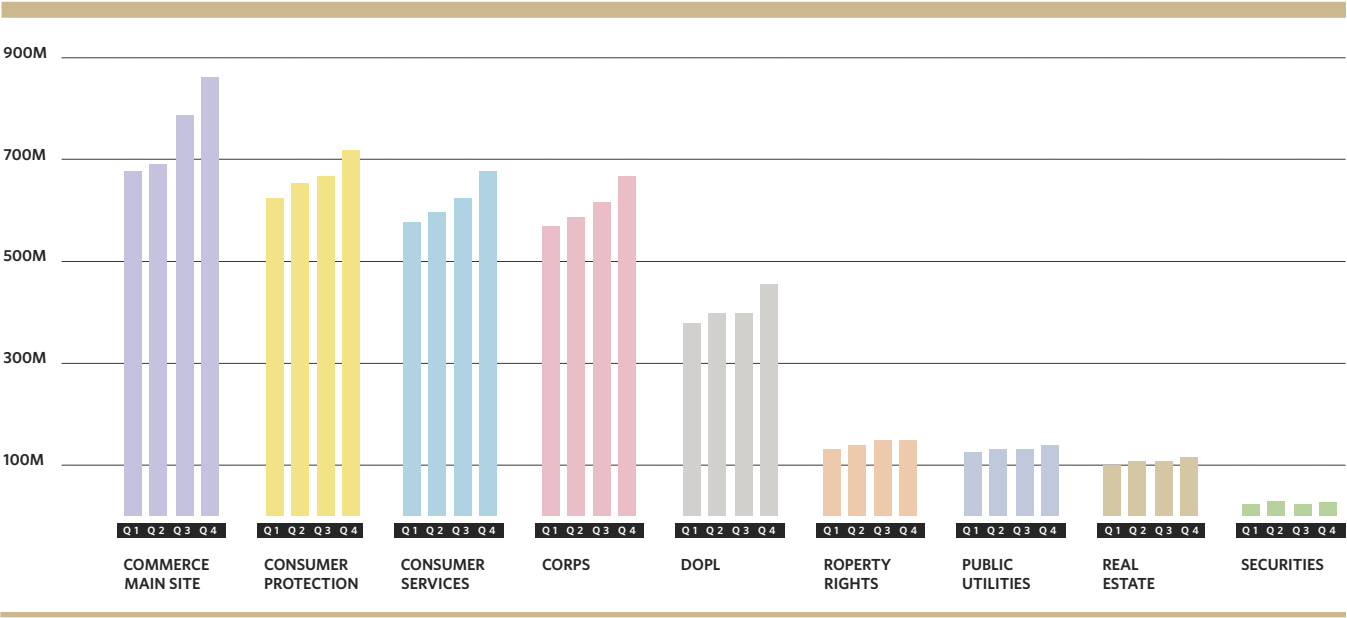


QUESTIONS specific to the Division of Securities may be directed to:

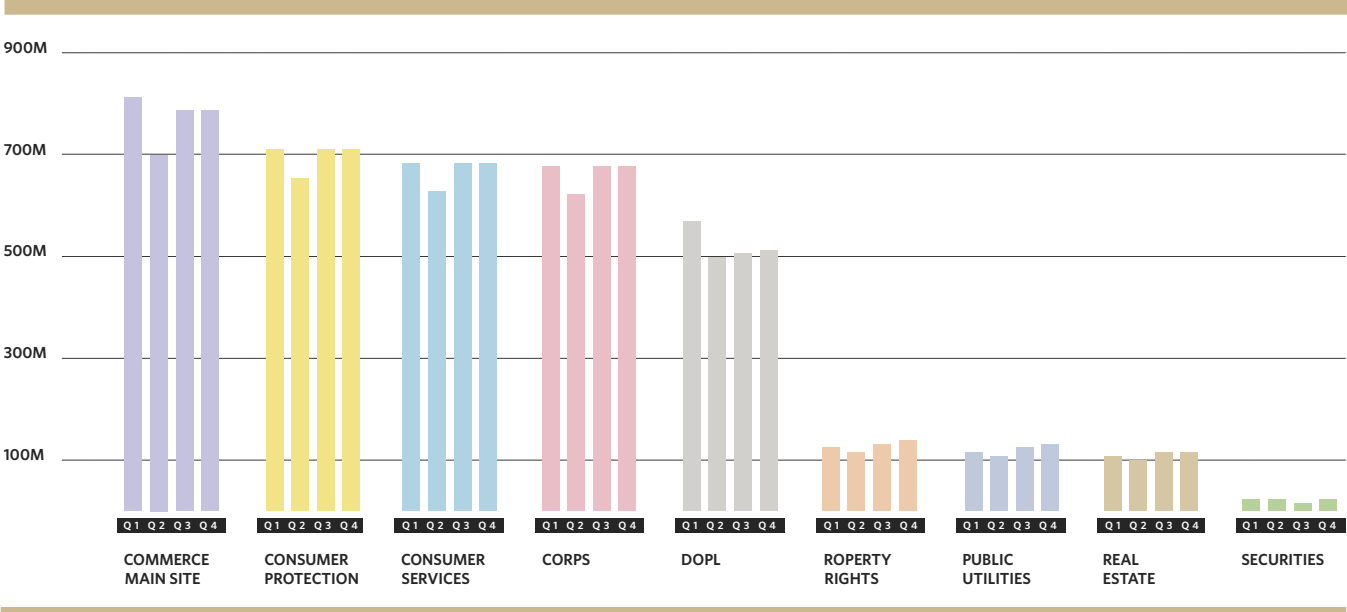
Keith Woodwell, Director
(801) 530-6600
kwoodwell@utah.gov



Fiscal Year Web Trends across Divisions - Quarters 2013



Fiscal Year Web Trends across Divisions - Quarters 2014



Fiscal Year Web Trends across Divisions - Quarters 2013 & 2014

	JUL - SEP 2013	JUL - SEP 2014	OCT - DEC 2013	OCT - DEC 2014	JAN - MAR 2013	JAN - MAR 2014	APR - JUN 2013	APR - JUN 2014
Commerce Main Site	58,837	98,835	57,858	52,253	114,146	59,030	128,558	58,505
Consumer Services	5,976	6,058	7,906	6,191	6,948	6,255	6,363	5,698
Consumer Protection	39,157	41,048	37,164	33,878	39,640	39,078	41,642	41,562
Corpotations	192,049	197,776	190,705	206,483	208,978	263,445	210,215	251,603
DOPL	248,363	337,993	261,570	277,329	273,954	270,729	325,079	271,70
Property Rights	6,576	6,871	7,932	6,882	10,765	7,807	6,530	7,931
Public Utilities	18,084	18,117	18,777	18,161	18,496	"19,650"	20,962	21,635
Real Estate	70,947	82,709	75,567	79,477	77,486	90,825	87,356	92,661
Securities	28,828	27,286	32,733	22,532	27,707	23,089	30,371	25,309

Commerce FY 2014 Expenditures by Division

DIVISION NAME	EXPENDITURES
Commerce Administration	\$3,953,000
Consumer Services	\$1,101,000
Consumer Protection	\$1,606,000
Corporations & Commercial Code	\$2,075,000
Occupational & Professional Liscensing	\$7,482,000
Public Utilities	\$3,638,000
Real Estate	\$1,596,000
Securities	\$1,872,000
Property Rights Ombudsman	\$462,000
Building Operations & Maintenance	\$288,000



For more information, visit www.commerce.utah.gov.