



Utah Department of Commerce

2016 Annual Report

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. Herber



GARY R. HERBERT
GOVERNOR

STATE OF UTAH
OFFICE OF THE GOVERNOR
SALT LAKE CITY, UTAH
80114-2220

SPENCER J. COX
LIEUTENANT GOVERNOR

Dear Reader,

It is my pleasure to introduce the 2016 annual report for the Utah Department of Commerce. The eight divisions within the Department of Commerce regulate the license services and industries within the state, and play a role in the safety and everyday lives of Utahns. Commerce's dedicated employees contribute much to the growth of businesses in our state by providing user friendly services both in person and online, issuing licenses to professionals across hundreds of industries, and by protecting the rights of consumers.



For three years in a row now, Utah has retained our reputation as Forbes' "Best State to do Business", and for two years running, we've also been named the "Best Pro-Business State", by the Pollina report, thanks in part to the efforts and initiatives of Utah's Department of Commerce.

As Utah's economic climate continues to evolve, I am confident in our Department of Commerce, which continues to look for innovative ways to adapt and meet the needs of our changing population.

Sincerely,

Gary R. Herbert
Governor

Message from Francine A. Giani, Executive Director



GARY R. HERBERT
Governor

SPENCER J. COX
Lieutenant Governor

State of Utah Department of Commerce

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 2016 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 By continuing to replace gasoline only fleet vehicles with Hybrids, Commerce will have a fleet that consists of 80% Hybrid vehicles in support of the Governor's emissions reduction initiatives.

Office of Property Rights Ombudsman conducted 106 formal mediations, arbitrations for property owners.

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 \$1.8 M in benefits for consumers.

Division of Corporations and Commercial Code adopted online system to register DBAs (Doing Business As) to allow existing businesses that use an alternate or assumed name a quick registration process.

Division of Occupational and Professional Licensing staff increased application processing within seven days from under 50% to nearly 70% allowing professionals to quickly enter workforce and serve Utah public.

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 processed 85.04% of incoming applications within five working days to meet Governor Herbert's SUCCESS goals to increase efficiency in state government.

Division of Securities presented 69 investor seminars to over 17,766 attendees statewide to protect Utahns from investment fraud.

Commerce employees look forward to serving the citizens of Utah and building on our accomplishments in 2016. 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

160 East 300 South, 2nd Floor, PO Box 146701, Salt Lake City, UT 84114-6701
telephone (801) 530-6701 • facsimile (801) 530-6446
www.commerce.utah.gov





The cover of the Utah Department of Commerce 2016 Annual Report features a blue background with a photograph of a modern building's corner. The title "UTAH IS FOUR CORNERSTONES STRONG" is prominently displayed in white and yellow. Below the title, four key areas are listed: Education, Energy, Jobs, and Self-Determination, each with a brief description. The Utah State Seal is visible in the lower left. At the bottom, there is a portrait of Governor Herbert, his signature, and the text "OUR VISION: Utah will lead the nation as the best performing economy and be recognized as a premier global business destination." along with the website "governor.utah.gov".

UTAH IS FOUR CORNERSTONES STRONG

EDUCATION
An educated workforce is critical for a prosperous economy.

ENERGY
Innovation plus initiative equals energy independence.

JOBS
Promote public policies which lead to private sector job growth.

SELF DETERMINATION
Continue to find Utah solutions to Utah problems.



OUR VISION:
Utah will lead the nation as the best performing economy and be recognized as a premier global business destination.

  governor.utah.gov

UTAH DEPARTMENT OF COMMERCE
Cornerstones

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 continue to participate in Governor Herbert's Air Pollution Mitigation Plan to bring positive impact on Utah's air quality. In addition, the agency replaced two gasoline only fleet vehicles with Hybrids, giving the Department of Commerce a fleet consisting of 80% Hybrid vehicles in support of the Governor's emissions reduction initiatives.

Jobs: The Department of Commerce aims 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

Self-Determination: The Attorneys at the OPRO continue to work closely with legislators, lobbyists, and other stakeholders to ensure laws passed would protect the property rights of citizens.

Education: The OPRO staff partners with local universities and colleges 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 Office of Property Rights Ombudsman utilizes various public transit systems such as UTA and GREENBike in an effort to conserve energy including participation in various programs such as "Healthy Utah, Idle-free zones, and the Clear the Air Challenge."

Office of Consumer Services

Education: The Office continues to ensure that the interests of small consumers are fully represented in electric, natural gas, and telecommunication matters. This focus also includes the assessment of regulatory actions impacting customer rates, reliability of service, and public policy issues.

Division of Consumer Protection

Jobs: The Division monitors business compliance with the Utah Consumer Sales Practices Act to protect consumers and help ensure a more level playing field for companies that deal fairly with consumers.

Education: The Division regularly presents to the public in various outreach settings to educate consumers and businesses.

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

Division of Corporations

Jobs: The Division's One Stop Business Registration (OSBR) continues to be a premiere online system and Utahns noted for their entrepreneurial spirit continue to start businesses in record numbers. In 2016, the growth of new businesses was so unexpected in volume that the system had to be updated from 7-digit file numbers to 8-digit file numbers well before the anticipated need. Also, keeping up with technology, OSBR moved to pdf image uploads and discontinued the more outdated tiff images — allowing a better response to business filers and those searching the records.

Division of Occupational and Professional Licensing (DOPL)

Education: DOPL and the Uniform Building Code Commission (UBCC) education fund reimbursed \$528K in code training for FY16. One of the most significant of these grant reimbursements was a 36 week-long code training course provided to persons working toward a career as a commercial building inspector. Cities and entities are finding it increasingly difficult to hire qualified inspectors as many existing inspectors reach retirement age. Without building inspectors, construction grinds to a halt. Approximately 30 individuals completed the full training and are now in a position to take the commercial inspector exams. The training was also recorded and remains available as a resource for current and prospective inspectors in the industry.

Jobs: For more than a decade DOPL has provided online services for renewal. During FY 2016 DOPL initiated online applications for initial licensure. Many people comment regularly that Utah's licensing process is much quicker than other states. Online applications should accelerate the process even more. When individuals become licensed quickly, they are put to work at lower cost to companies and consumers.

Self-Determination: Due to increases in efficiencies through Governor Herbert's SUCCESS program, DOPL transitioned one of its employees into an internal quality assurance role. As DOPL has increased process efficiencies, the internal quality assurance role will ensure quality remains robust. The reviews will also ensure compliance with state and federal laws, further supporting state regulation in the federal system.

Division of Real Estate

Education: The Division now has a system in place that allows all applicants the ability to apply for a license online. This new system will make it easier to apply for a license as well as reducing the amount of paper the Division uses.

Jobs and Energy: Division representatives spoke at ten different events in an effort to educate licensees on trends and changes to regulation as well as answer specific questions practitioners have about their respective industries.

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 2016, the Division worked with Rocky Mountain Power and Questar Gas and interested parties on numerous matters to preserve Utah's advantageous utility rates and reliable service. This includes proceedings to properly set rates for net metering customers, negotiations with other states to ensure Utah maintains low rates while preserving its ability to determine its own energy policies. 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 Securities

Education: The Division of Securities has an extensive investor education outreach program reaching Utah investors throughout the state in a wide variety of settings. The goal of these outreach efforts is to improve the financial literacy of all Utahns, teach Utahns of all ages smart habits with saving and investing, and to learn skills for recognizing and avoiding investment frauds. A recent study of the Financial Literacy efforts of all 50 states was conducted by Champlain College's Center for Financial Literacy. Utah was ranked #1 and was the only state to receive a grade of A+.

Jobs: Over the past three years, the Division of Securities has increased the efficiency of its licensing operations by over 50%. With buy-in from the entire staff the Division has been able to identify and address key choke points and interferences to develop a more efficient and robust licensing process that allows the capital raising and invest advice industry in the state to flourish.



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



Francine A. Giani
Executive Director

(801) 530-6431

fgiani@utah.gov



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 2015-2016. Additional cost savings are included in each Division's report.

Budget Highlights FY2016

- By continuing to replace gasoline only fleet vehicles with Hybrids, Commerce will have a fleet that consists of 80% Hybrid vehicles in support of the Governor's emissions reduction initiatives.
- National class action settlements collected through the Division of Consumer Protection exceeded \$1.8 million most of which was made available to the statewide budget.
- General travel expenditures for FY2016 totaled less than .5% of the Commerce Service Budget, due to ongoing heightened scrutiny of travel authorizations.
- Prolonging the useful life of IT equipment and employee workstations contributed to savings of 11% in information technology expenditures.

Agency Award

On September 29, 2016 the Utah Department of Commerce, Division of Securities and Division of Occupational and Professional Licensing were recognized by the Utah Association of State Investigations Unit for exemplary public service by our agency investigators. The Department and its investigators were given the Public Service History award the ongoing coordination with the statewide Securities Task Force as well as the Utah Insurance Fraud Division.

Serving the Public

Commerce Administration oversees the following programs and procedures:

- Office of the Property Rights Ombudsman
- New Automobile Franchise Act
- Powersport Vehicle Franchise Act
- Agency Review of 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 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.

Franchise Cases Adjudicated	FY 2014		FY 2015		FY 2016	
	Filed	Closed	Filed	Closed	Filed	Closed
Motor Vehicle	0	0	3	6*	1	1
Powersport Vehicle	1	0	0	0	1	1

**3 additional closed cases included one FY 2014 case and two were remanded to the Commerce Administrative Hearing Judge in FY 2015 by Third District Court.*

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.

Agency Review Statistics	Total	DCP	CORP	DOPL	DRE	DS
Filed	43	12	0	27	3	1
Closed	43	12	0	26	3	2
Affirmed	23	7	0	13	1	2
Remanded	5	0	0	4	1	0
Dismissed	15	5	0	9	1	0
Reversed	0	0	0	0	0	0
Modified	0	0	0	0	0	0



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.

Declutter Day 2016

On April 29, 2016 the Utah Department of Commerce hosted its fourth annual "Declutter Day" free public event. Commerce employees partnered with Big Brothers Big Sisters of Utah, MeTech electronic recycling, Columbus Secure Shred and Salt Lake Police Department for the daylong community program. The public was invited to drop off documents for secure shredding, recycle old electronics/computers, recycle expired medication, and donate clothing to charitable causes. Declutter Day 2016 resulted in shredding 8.7 tons of



documents, 15.1 tons of electronic waste, 2.1 tons of clothing and 512 pounds of expired medications were collected for safe disposal. This collaborative effort between state and local organizations provided an overwhelming benefit to members of the Utah public who were able to dispose of clutter without the risk of being exposed to fraud or other deceptive practices. At the same time, the citizens were able to turn in prescription drugs and support a "Green" effort to recycle household clutter.



Utah Department of Commerce

OFFICE OF

Consumer Services



Introduction

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. The Director, on behalf of the Office, represents the interests of residential and small commercial consumers in regulatory proceedings. A nine member lay-person committee advises the Office on its regulatory and advocacy work and helps establish policy objectives.

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

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 key issues for FY 2016 included:

- **Multi-State Process:** Since Rocky Mountain Power is part of a six-state system, the utility must have a method for allocating costs among the different state jurisdictions. Over time, most of the involved states have created a "Multi-State Process (MSP)" in order to reach agreement upon a mutually acceptable method. The Office represented Utah's residential and small commercial customers in these negotiations that resulted in a reasonable settlement that protected the interests of Utah's customers. The Office will monitor how the agreement works in principle and continue to play an active role in related negotiations and proceedings
- **STEP Legislation:** In the 2016 session, the Utah legislature passed a significant piece of legislation impacting Rocky Mountain Power's Utah customers called the Sustainable Transportation and Energy Plan (STEP) Act. The Office raised concerns regarding the original legislation, specifically that the costs and risks to customers were potentially higher than what was being portrayed by the supporters of the Act. The Office will continue to work with



other stakeholders as programs implementing this legislation are proposed and designed to try and ensure that residential and small commercial customers receive as much benefit as possible from the new policies.

- **Avoided Cost Calculations:** In recent years, we have seen an increase in the number of Public Utility Regulatory Policies Act (PURPA) Qualifying Facility (QF) power purchase agreements. Since federal law mandates that Rocky Mountain Power purchase this energy at its "avoided cost," the proceedings determining methods and calculations of avoided cost are critically important to the rates consumers pay for this energy. In FY 2016, the Office continued to participate in QF proceedings before the Public Service Commission to ensure QF rates are fair to both the consumer and the developer.
- **Regional Independent System Operator:** During this fiscal year, PacifiCorp (parent company of Rocky Mountain Power) announced an evaluation of joining an expanded version of the CAISO (California Independent System Operator). If PacifiCorp does join, this means the company will hand over the operation of its transmission system to the new ISO. The CAISO currently runs a centralized energy market as well as managing the transmission planning and operations for the majority of the California utilities. An expanded Regional ISO would create a larger footprint for this centralized energy market and carries the promise of potential lower costs due to better optimization but also the risk of higher costs associated with paying for expanded services under new methodologies. Many forums have arisen to discuss and evalu-

Michele Beck
 Director

(801) 530-6674
ocs@utah.gov



ate cost/benefit studies, potential changes to market design, and associated questions. The Office is participating in these ongoing technical and policy forums to ensure that the interests of Utah's residential and small commercial customers are well represented.

- **Wexpro Canyon Creek Settlement:** Questar Gas Company has a unique gas supply arrangement through which a large portion of the supplies to serve its customers are owned by an affiliate and supplied to customers at a cost-based rate rather than at market rates. This arrangement has been in place for over thirty years and is governed by the Wexpro agreement. Although Wexpro has provided significant benefits to customers throughout those years, recently this cost based rate is higher than market costs. The Canyon Creek settlement provided a mechanism that could allow Questar to add a new low-cost gas property to the portfolio of Wexpro assets in exchange for new operating parameters that will lower overall costs to customers. Any interested customer can review this new agreement and all documents governing the Wexpro gas supply on Questar Gas' website.
- **Subscriber Solar Tariff:** Regulated utilities must file tariffs describing the rates and terms for all services they provide. The Office reviews all of these tariffs to ensure that they are fair to the residential and small commercial customers we represent. This year, Rocky Mountain Power introduced a different kind of service by which customers can choose to have a portion of their electricity load served directly from a new solar resource being developed by the utility specifically for this purpose. The Office supported a multi-party settlement agreeing upon the terms for this new service and believes customers will benefit from having this expanded choice available to them.
- **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 fiscal year the Office reviewed an update submitted by PacifiCorp and participated in the first public meetings that launched the next two-year cycle. The Office also reviewed the Questar Gas annual resource plan, in which it identifies future needs and risks. 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.

- **Utah USF Requests:** The Utah Universal Service Fund (USF) 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. Requests for disbursements from this fund continue to rise, and the Office continues to participate in these proceedings to ensure that this public money is being administered appropriately and fairly.
- **Energy Efficiency:** The Office proactively participates in the demand-side management (DSM) advisory groups for Rocky Mountain Power and Questar Gas. Energy efficiency is an important energy resource, especially to lessen the impact of Utah's growing demand for electric resources. The Office supports cost-effective conservation and energy efficiency programs as being in the interest of all customers.
- **Misc. Reports and Utility Filings:** 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. The Office reviews these reports to ensure that the needs of the small customers we represent are being met by the various, ongoing utility initiatives.

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. The Office continues to participate in the Northern Tier Transmission Group to monitor transmission planning for our region and ensure that costs from those efforts are allocated fairly to Utah customers. The Office also continues to monitor the regional electric reliability work taking place at Western Electricity Coordinating Council and Peak Reliability. The Office participates in phone and web conferences on the many national initiatives that affect utility customers in Utah such as the Department of Energy's (DOE) Quadrennial Energy Review, the Federal Energy Regulatory Commission's (FERC) Competitive Transmission and PURPA conferences and the Environmental Protection Agency's (EPA) Clean Power Plan..



Utah Department of Commerce

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.



Daniel O'Bannon
Director

(801) 530-6601
dobannon@utah.gov



About the Division

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

Education:

The Division works with governmental agencies, consumer groups, and others to ensure consumer awareness of deceptive 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.

In Fiscal Year 2016, the Division had over 18 speaking engagements, reaching many 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
- Pawnshops and Secondhand Merchants
- Postsecondary Proprietary Schools
- Professional Fund Raisers
- Sellers of business opportunities
- Telemarketers
- Transportation Network Companies

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
- Transportation Network Company Registration Act
- Unfair Practices Act
- Uniform Debt-Management Services Act



FY 2016 Highlights

Benefits Recovered for Consumers.

The Division recovered over \$1,255,589.25 in benefits for consumers during FY2016.

3rd Charity Seminar

In May, the Division held its third charity seminar to provide education and outreach regarding the requirements of the Charitable Solicitations Act.

Charitable Solicitation Act Amendments

The Division worked with the Utah Legislature on H.B. 267, Charitable Solicitation Act Amendments. The bill amended the statute regulating charities and professional fund raisers, including simplifying when a professional fund raiser's permit expires.

Top Ten Consumer Complaints

The top consumer complaints received by the Division during FY2016 and types of allegations the Division receives in its complaints are as follows:

1. Internet Offer/Sales:

Misrepresentations or other deceptive practices; failure to deliver online purchases and hidden fees.

2. Telemarketing:

Misrepresentations during telemarketing calls; failure to abide by do-not-call provisions; telemarketers not being registered with the Division to conduct telemarketing.

3. Retail Sales:

False advertising and other deceptive practices; defective merchandise problems with coupons; failure to deliver.

4. Alarm Systems:

Aggressive sales tactics and misrepresentations used in door-to-door solicitations; failure to allow cancellations within stated time period.

5. Charitable Solicitations:

Donations being solicited by entities not registered with the division; charitable donations not being used for the stated charitable purpose.



3rd Charity Seminar

In May 2016, the Division of Consumer Protection held its third charity seminar to provide education and outreach regarding the requirements of the Charitable Solicitations Act. Charities and non-profits attended the day long event at the State Office Building. The purpose was to address common questions and problems in applications in an effort to reduce phone calls and assist the Division in increasing operational efficiency as part of Governor Herbert's SUCCESS program.



6. Home Improvement/Repair:

Failure to start or complete job; refusal of job completion until consumer agrees to a higher price than originally agreed upon.

7. Retail Sales/Deposits/Refunds:

Failure to honor stated refund policies.

8. Auto Repair:

Failure to obtain express authorization prior to providing repairs and services; charging a consumer more than authorized by the consumer.

9. Coaching Services:

Misrepresentations regarding the services to be provided and the results of the program; selling "coaching" services for exorbitant fees that usually correlate with the amount that consumers have available on their credit cards. Coaching services are usually for Business Opportunities.

10. Business Opportunities:

Failure to be registered with the division to sell business opportunities; failure to provide consumers with mandatory disclosures, including regarding the risks of the business opportunity; misrepresentations to consumers regarding the services to be provided and the results of the opportunity.

STATISTICS

Fiscal Year	2014	2015	2016
Complaints			
Complaints Received.....	2,912	1,949	1,572
Complaints Opened.....	2,350	1,531	1,319
Complaints Closed.....	1,459	1,844	1,576
Complaints Referred/Not Assigned.....	562	419	433
Active Registrations			
Business Opportunities	4	7	10
Business Opportunity Exemptions	1,133	1,189	1,221
Charitable Organizations.....	3,678	4,248	4,694
Charitable Organizations Exemptions ...	1,397	1,464	1,550
Credit Service Organizations	14	19	20
Debt Management Service Providers....	40	40	36
Health Spas.....	262	236	233
Immigration Consultants.....	26	38	37
Pawn Shop Registration.....	124	116	117
Secondhand Merchandise Dealers	250	291	251
Professional Fund Raisers	308	404	275
Proprietary Schools	70	73	73
Proprietary School Exemptions.....	847	989	1,149
Postsecondary Private Nonprofit Schools	66	87	99
Postsecondary Public Nonprofit Schools	7	49	62
Postsecondary Accredited Schools	143	96	64
Telemarketers.....	79	76	90
Telemarketers Exemptions	123	125	130
Transportation Network Companies.....	—	2*	2

*As of September 2015.

Total Consumer Benefits Recovered & Fines Collected

Fiscal Year	2014	2015	2016
Total Consumer Benefits Recovered	\$852,911.00	\$1,363,175.29	\$1,255,589.25
Total Fines Collected.....	\$195,875.00	\$139,543.50	\$208,046.91



Utah Department of Commerce

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.



Kathy Berg
Director

(801) 530-4849
kberg@utah.gov



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 and monitors principal changes, 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 and 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;
- **OneStop 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 7,000 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. We provide self-declaring women or minority owned businesses and often we are the first face of government for many citizens.

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 about 77,500 calls a year. 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.

Customer service is not something we can achieve with systems and processes alone. 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.

Legislative Update from 2016 General Session

SB 40 Utah Revised Nonprofit Corporation Act — addresses when action may be taken without a meeting and makes some technical changes

HB96 Single Sign On Business Database — requires Dept. of Technology Services to develop a database and single sign-on web portal.

OneStop Business Registration

The OneStop 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.

- 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

The OneStop 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.

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. Currently the Division is seeing an average of 64% online new registrations between the DBA system and OSBR. It was certainly time for these services.

Division of Corporations Outreach

We will host the Sandy Chamber of Commerce Jr. Women in Business participants again this year on 12 October 2016

Also, the Division has worked with Utah Business Licensing Association — the association of all municipal business licensing offices — to coordinate business registry regulations. The Division will present at their annual conference again on 28 October 2016 in St. George, Utah.

OTHER DATA ENTRY

Fiscal Year	Reinstatements	Amendments	Mergers	Conversions	Renewals	Change Forms	Average Entities Gained per Month	Total	Percent Increase
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	9,976	4%
2013.....	1,840	2,974	303	1,146	105,326	3,276	1,106	13,272	34%
2014.....	1,904	2,777	300	1,101	15,199	3,607	935	11,220	-15%
2015.....	1,710	2,906	589	928	11,250	4,210	872	10,464	-7%
2016.....	1,632	3,334	329	1,397	8,569	3,981	946	11,352	8%

NEW FILINGS

Fiscal Year	CORP	% Increase	DBA	% Increase	LLC	% Increase	LP	% Increase	Total	% Increase
2007.....	12,633	0%	6,780	-3%	27,643	19%	744	20%	57,800	7%
2008.....	11,491	-9%	16,793	0%	27,283	-1%	618	-17%	56,185	-3%
2009.....	9,256	-19%	15,659	-7%	24,344	-11%	515	-17%	49,774	-11%
2010.....	8,566	-7%	15,747	1%	24,143	-1%	378	-27%	48,834	-2%
2011.....	8,043	-6%	15,747	1%	24,976	3%	436	15%	48,739	0%
2012.....	8,102	1%	15,667	3%	27,693	11%	622	43%	52,084	7%
2013.....	7,590	-6%	15,531	-1%	33,033	19%	1,058	70%	57,212	10%
2014.....	7,427	-2%	15,994	3%	34,303	4%	467	-56%	58,191	2%
2015.....	7,702	4%	16,150	1%	36,726	7%	374	-20%	60,952	5%
2016.....	8,003	3.91%	17,404	7.76%	39,744	8.22%	237	-36.63%	65,388	7.28%

UNIFORM COMMERCIAL CODES

Fiscal Year	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
UCC-1										
In-house Filings	10,564	8,281	4,391	4,137	6,500	4,380	3,725	4,292	5,103	5,747
Online Filings	14,180	14,834	13,904	11,830	8,867	12,372	14,148	14,565	13,995	17,135
Total	24,744	23,115	18,295	15,967	15,367	16,752	17,873	18,857	19,098	22,882
Adoption Rate	57.31%	64.17%	76.00%	74.09%	57.70%	73.85%	79.16%	77.24%	73.28%	74.88%
Diff from Previous Year	252	654	-930	-2,074	-2,963	3,505	1,776	417	-570	3,140
% Increase	1.81%	4.61%	-6.27%	-14.92%	-25.05%	39.53%	14.35%	2.95%	-3.91%	22.44%

UCC-2

In-house Filings	206	146	164	121	143	112	110	116	78	45
Online Filings	1,159	1,119	949	1,449	1,159	1,281	967	1,163	1,281	1,019
Total	1,365	1,265	1,113	1,570	1,302	1,393	1,077	1,279	1,359	1,064
Adoption Rate	84.91%	88.46%	85.27%	92.29%	89.02%	91.96%	89.79%	90.93%	94.26%	95.77%
Diff from Prev Year	129	-40	-170	500	-290	122	-314	196	118	-262
% Increase	12.52%	-3.45%	-15.19%	52.69%	-20.01%	10.53%	-24.51%	20.27%	10.15%	-20.45%

UCC-3 Terminations/Continuations

In-house Filings	5,687	2,659	1,915	2,208	7,253	1,999	1,665	1,650	2,159	2,996
Online Filings	8,731	11,376	10,603	10,796	6,057	11,501	11,302	10,287	9,636	9,188
Total	14,418	14,035	12,518	13,004	13,310	13,500	12,967	11,937	11,795	12,184
Adoption Rate	60.56%	81.05%	84.70%	83.02%	45.51%	85.19%	87.16%	86.18%	81.70%	75.41%
Diff from Prev Year	1,294	2,645	-773	193	-4,739	5,444	-199	-1,015	-651	-448
% Increase	17.40%	30.29%	-6.80%	1.82%	-43.90%	89.88%	-1.73%	-8.98%	-6.33%	-4.65%

UNIFORM COMMERCIAL CODES

Fiscal Year	UCC-1	UCC-1 Addendum	UCC-2	UCC-3	Addendum UCC-3	CFS-1	CFS-3
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	16,752	4,020	1,393	17,887	1,242	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
2015	19,098	3,641	1,359	18,066	947	370	737
2016	22,882	4,411	1,064	15,609	548	424	537

FILINGS

Fiscal Year											2007
One Stop Business Registration											
In-house Filings	43,052	36,690	30,365	28,736	26,964	23,449	29,561	30,962	30,649	32,771	
Online Filings	14,030	18,751	19,613	20,329	21,994	28,861	27,878	27,421	30,446	32,824	
Total	57,082	55,441	49,978	49,065	48,958	52,310	57,439	58,383	61,095	65,595	
Adoption Rate	24.58%	34.13%	39.24%	41.43%	44.92%	55.17%	48.53%	46.97%	49.83%	50.04%	
Diff from Prev Year	2,430	4,721	862	716	1,665	6,867	-983	-457	3,025	2,378	
% Increase	20.95%	33.65%	4.60%	3.65%	8.19%	31.22%	-3.41%	-1.64%	11.03%	7.81%	

All Online Services											
Total Online Filings	212,497	255,616	332,613	331,080	339,710	411,905	411,974	434,516	445,866	456,196	
Adoption Rate	64.00%	77.00%	81.00%	82.00%	82.00%	84.00%	85.00%	87.00%	89.00%	90.00%	
Diff from Prev Year	128,697	43,119	76,997	-1,533	8,630	72,195	69	22,542	11,350	10,330	
% Increase	153.58%	20.29%	30.12%	-0.46%	2.61%	21.25%	0.02%	5.47%	2.61%	2.32%	

Certificates of Existence											
In-house Certificate	682	678	422	482	492	440	377	395	314	381	
Online Certificate	12,163	11,337	10,530	10,716	12,369	12,152	12,786	14,644	15,525	16,208	
Total	12,845	12,015	10,952	11,198	12,861	12,592	13,163	15,039	15,839	16,589	
Adoption Rate	94.69%	94.36%	96.15%	95.70%	96.17%	96.51%	97.14%	97.37%	98.02%	97.70%	
Diff from Prev Year	2,047	-826	-807	186	1,653	-217	634	1,858	881	683	
% Increase	20.24%	-6.79%	-7.12%	1.77%	15.43%	-1.75%	5.22%	14.53%	6.02%	4.40%	

Annual Business Renewal											
In-house Renewals	35,790	22,111	22,132	19,498	18,360	17,588	14,998	15,355	11,250	8,569	
Online Renewals	113,733	149,447	160,163	166,964	175,246	183,899	188,947	206,262	222,686	235,109	
Total	149,523	171,558	182,295	186,462	193,606	201,487	203,945	221,617	233,936	243,678	
Adoption Rate	76.06%	87.11%	87.86%	89.54%	90.52%	91.27%	92.65%	93.07%	95.19%	96.48%	
Diff from Prev Year	74,425	35,714	10,716	6,801	8,282	8,653	5,048	17,315	16,424	12,423	
% Increase	189.34%	31.40%	7.17%	4.25%	4.96%	4.94%	2.74%	9.16%	7.96%	5.58%	





Utah Department of Commerce

DIVISION OF

Occupational & Professional Licensing

Mission Statement:

The mission of the Division of Occupational and Professional Licensing (DOPL) is to protect the public and to enhance commerce through licensing and regulation.



Mark Steinagel
 Director

(801) 530-6626
msteinagel@utah.gov



DOPL Objectives

- Provide courteous customer service that is responsive, accurate and 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 Licenses

2016 Total Licensees:.....	218,754
2016 New Applications Submitted:.....	35,623
2016 Renewals:	
Online	98,547
Manual	6,414
Total	104,961
2016 Percent Online:.....	93.9%

Licenses by Profession – Fiscal Year 2016

(Including Temporary Licenses)

Profession Name	License Name	Count
Accountancy	CPA Firm	713
	Certified Public Accountant	5,336
Acupuncture	Licensed Acupuncturist	145
Architect	Architect	2,296
Athlete Agents	Athlete Agent	57
Athletic Trainer	Athletic Trainer	524
Building Inspector	Combination Inspector	280
	Limited Inspector	355
Burglar Alarm	Burglar Alarm Company	200
	Burglar Alarm Company Agent	12,054
	Temporary Burglar Alarm Company Agent	79
Chiropractic	Chiropractic Physician	878
	Temporary Chiropractic Physician	3
Clinical	Associate Clinical Mental Health Counselor	462

Profession Name	License Name	Count
Mental Health	Assoc Clinical Mental Health Counselor Extern	53
	Clinical Mental Health Counselor	1,168
	Volunteer Clinical Mental Health Counselor	1
Contractor	Contractor With LRF	16,076
	Contractor Without LRF	686
	Handyman Exemption Registration	1,409
	Instructor for Construction Mechanical	1
	Instructor for Electrical Trades	6
	Instructor for General Building Trades	23
	Instructor for Plumbing Trades	3
Controlled Substance Handler	Controlled Substance Handler Facility	52
	Controlled Substance Handler Individual	24
Cosmetology	Barber	390
	Barber Instructor	19
	Barber School	13
	Cosmetologist / Barber	28,401
	Cosmetologist / Barber Apprentice	2
	Cosmetologist / Barber Instructor	1,776
	Cosmetology / Barber School	41
	Electrologist	135
	Electrologist Instructor	10
	Electrology School	1
	Esthetician	794
	Esthetician Instructor	505
	Esthetics School	20
	Master Esthetician	4,472
	Nail Technician	4,801
	Nail Technician Apprentice	2
	Nail Technician Instructor	191
	Nail Technology School	11
Court Reporter	Certified Court Reporter – Shorthand	111
CS Precursor	Controlled Substance Precursor	9
Deception Detection	Deception Detection Examiner	18
	Deception Detection Intern	2
Dental	Dental Hygienist	149
	Dental Hygienist with Local Anesthesia	2,749
	Dentist – Anesthesia Class I Permit	768
	Dentist – Anesthesia Class II Permit	1,664
	Dentist – Anesthesia Class III Permit	300
	Dentist – Anesthesia Class IV Permit	86
	Dentist Educator	1
	Volunteer Dentist Anesthesia Class I	2
	Volunteer Dentist Anesthesia Class II	4

Profession Name	License Name	Count
Dietitian	Certified Dietitian	842
Direct-Entry Midwife	Direct-Entry Midwife	45
Electrician	Apprentice Electrician	4,722
	Journeyman Electrician	4,193
	Master Electrician	2,088
	Residential Journeyman Electrician	171
	Residential Master Electrician	169
Elevator Mechanic	Elevator Mechanic	142
Engineer/Land Surveyor	Professional Engineer	7,766
	Professional Land Surveyor	741
	Professional Structural Engineer	2,123
Environmental Health Scientist	Environmental Health Scientist	231
	Environmental Health Scientist–Training	13
Factory Built Housing	Factory Built Housing Dealer	38
Funeral Service	Funeral Service Director	334
	Funeral Service Establishment	124
	Funeral Service Intern	38
Genetic Counselor	Genetic Counselor	156
	Temporary Genetic Counselor	5
Geologist	Professional Geologist	877
Health Facility Administrator	Health Facility Administrator	377
Hearing Instrument	Hearing Instrument Intern	39
	Hearing Instrument Specialist	111
Hunting Guides/Outfitters	Hunting Guide	317
	Outfitter	115
Landscape Architect	Landscape Architect	343

Profession Name	License Name	Count
Marriage & Family Therapy	Associate Marriage & Family Therapist	153
	Associate MFT Extern	5
	Marriage & Family Therapist	650
Profession Name	License Name	Count
Massage	Massage Apprentice	45
	Massage Therapist	6,403
Medical Language Interpreter	Certified Medical Language Interpreter	102
Medication Aide – Certified	Temporary Medication Aide – Certified	9
Music Therapy	State Certified Music Therapist	47
Naturopathic	Naturopath including Surgery & OB	1
	Naturopathic Limited CS Testosterone	23
	Naturopathic Physician	38
	Temporary Naturopathic Physician	1
Nurse	APRN	1,949
	APRN Intern	2
	APRN without PP	26
	APRN – CRNA Controlled Substance	263
	APRN – CRNA without PP	267
	Certified Nurse Midwife	155
	Certified Nurse Midwife without PP	1
	Licensed Practical Nurse	2,626
	Registered Nurse	31,408
	Temporary Licensed Practical Nurse	1
	Volunteer APRN	2
Occupational Therapy	Occupational Therapist	827
	Occupational Therapy Assistant	344
Online Internet Facilitator	Online Internet Facilitator	2
Optometrist	CS	357
	Optometrist	497
	Optometrist (Without Certification)	4
	Optometrist Diagnostic Only	7



Profession Name	License Name	Count
Osteopathic Physician	Osteopathic Online Prescriber	2
	Osteopathic Physician & Surgeon	792
	Temporary Osteopathic Physician	1
	Volunteer Osteopathic Physician/Surgeon	2
Pharmacy	Dispensing Medical Practitioner	59
	Dispensing Medical Practitioner Clinic	18
	Lethal Injection Use	1
	Online Contract Pharmacy	4
	Pharmacist	3,571
	Pharmacy – Class A	507
	Pharmacy – Class B	269
	Pharmacy – Class C	848
	Pharmacy – Class D	715
	Pharmacy – Class E Business	486
	Pharmacy Intern	857
	Pharmacy Technician	5,148
	Pharmacy Technician Trainee	1,425
	Temporary Pharmacist	17
Physical Therapist	Physical Therapist	2,092
	Physical Therapist Assistant	721
	Temporary Physical Therapist	13
	Temporary Physical Therapist Assistant	13
Physician	Physician & Surgeon	9,474
	Physician Educator CS	8
	Physician Educator Type I	4
	Physician Educator Type II	5
	Physician Online Prescriber	3
	Temporary Physician & Surgeon	2
	Volunteer Physician & Surgeon	4
	Volunteer Physician/Surgeon CS	2
Physician Assistant	Physician Assistant	1,287
Plumber	Apprentice Plumber	1,669
	Journeyman Plumber	904
	Master Plumber	1,859
	Residential Journeyman Plumber	64
	Residential Master Plumber	44

Profession Name	License Name	Count
Podiatric Physician	Podiatric Physician	227
Preneed	Pre-Need Sales Agent	217
Private Probation Provider	Private Probation Provider	110
Psychologist	Assistant Behavior Analyst	21
	Assistant Behavior Specialist	13
	Behavior Analyst	103
	Behavior Specialist	31
	Psychologist	974
	Psychology Resident	39
Radiology	Radiologic Technologist	2,676
	Radiologist Assistant	12
	Radiology Practical Technician	453
Recreational Therapy	Master Therapeutic Recreation Specialist	35
	Temp – Therapeutic Recreation Specialist	1
	Therapeutic Recreation Specialist	316
	Therapeutic Recreation Technician	302
Respiratory Care	Respiratory Care Practitioner	1,464
Security Companies & Guards	Armed Private Security Officer	1,468
	Armored Car Company	8
	Armored Car Security Officer	406
	Armored Car Training Program Provider	5
	Contract Security Company	62
	Contract Security Training Program Provider	5
	Interim Armed Private Security Officer	3
	Interim Armored Car Security Officer	1
	Interim Unarmed Private Security Officer	31
	Unarmed Private Security Officer	4,442
Social Work	Certified Social Worker	1,410
	Certified Social Worker Intern	16
	Licensed Clinical Social Worker	3,601
	Social Service Worker	2,037
	Volunteer Licensed Clinical Social Worker	1
Speech/Audiology	Audiologist	273
	Speech Lang Pathologist & Audiologist	14
	Speech Language Pathologist	867
	Temp Speech Language Pathologist	34
Substance Use Disorder	Certified Advanced SUDC	10
	Certified Advanced SUDC Intern	1
	Certified SUDC	41
	Licensed Advanced SUDC	136
	Licensed SUDC	242
Veterinarian	Veterinarian	812
	Veterinary Intern	31
Vocational Rehab Counselor	Licensed Vocational Rehab Counselor	211
Total Active Licenses		218,754



State Construction Registry (SCR)

The SCR regulates construction lien rights in Utah by serving as an internet-based registry for property owners, contractors, suppliers, and other interested parties involved in a construction project. The SCR works as an online “bulletin board” and notice center that pinpoints a construction project’s timeline and identifies all of the interested parties participating in the project and providing labor and materials to the project.

	Fiscal Year	2010	2011	2012	2013	2014	2015	2016
PreConstruction Service		—	6	519	219	389	485	494
Construction Loan		—	—	3,939	6,176	6,544	6,717	7,113
Building Permits	43,266	49,976	36,151	37,482	36,778	34,311	36,019	
Commencement	43,435	44,655	5,987	1,006	951	878	770	
Preliminary Notice	108,445	97,873	140,272	183,466	207,966	210,551	241,489	
Intent to Complete	36	41	65	111	108	138	158	
Remaining to Complete	91	395	210	130	449	376	270	
Completions	4,094	3,174	2,955	4,880	6,709	7,119	8,684	
Loan Default	—	—	—	2	3	0	3	
Total Filings	199,367	196,120	190,098	233,472	259,897	260,575	295,000	

Residence Lien Recovery Fund

The Residence Lien Recovery Fund (RLRF) serves as an alternate payment source for contractors, laborers, or suppliers whose liens are voided because the homeowner already paid the original contractor in full and qualifies for protection under Utah’s Residence Lien Restriction and Lien Recovery Fund Act. The RLRF protects Utah homeowners from having to pay twice for construction on their homes, and protects Utah subcontractors, laborers, and suppliers by allowing them to recover for the cost of their services provided, plus interest

	Fiscal Year 2016	Since Inception
Number of Claims Filed	10	2,878
Amount of Claims	\$258,325	\$20,526,684
Number of Claims Paid	14	2,056
Amount of Paid Claims	\$220,723	\$15,417,547
Number of Claims Denied	2	567
Number of Claims Dismissed	7	250

Prelitigation

The Prelitigation Section expedites early evaluation and settlement or other appropriate disposition of malpractice claims. In Utah, before most medical malpractice actions can be filed in court, each claim must be reviewed by a prelitigation panel. Upon proper request by a petitioner, the Prelitigation Section of DOPL will facilitate and manage the appropriate prelitigation hearing panel, consisting of an attorney, a lay member of the community, and a medical professional of the same specialty as the professional facing the claim. The Prelitigation Section then issues the certificate of compliance proving that the petitioner has complied with this prerequisite.

Fiscal Year 2016

Actions

Cases Opened	408
Requests Denied	30
Hearings Scheduled	175
Cases Closed	235

Outcomes

No Merit	120
Meritorious	16
Stipulated	23
Dismissed	57
Dismissed – Arbitration	2
Split Decision	17
Jurisdiction	3
Other	0



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 unprofessional or unlawful conduct; and gross negligence, incompetence, or patterns of negligence or incompetence.

Fiscal Year 2016

Complaints

Received	4,068
Assigned	3,726
Closed	3,955

Actions

Administrative Filings	761
Criminal Filings	49
Citations	1,109
Letters of Concern	373
Referred to URAP	31
Pharmacy Alerts	240
Investigative Outreach	49

Utah Recovery Assistance Program (URAP) and Probation

DOPL 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.

Fiscal Year 2016

Total Number of Active Licensees	218,754
Total Number of Diversionees (URAP)	89
Total Number of Probationers	529

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.

Fiscal Year 2016

Total prescription records as of 06/30/2016	70,188,153
Total prescriptions entered in FY 2016	6,034,546
Online reports FY 2016	1,189,334
In-house reports FY 2016	7,121
Number of hospital overdose reports	993
Number of overdose reports mailed to practitioners	2,610
Number of court reports regarding DUI conviction	337
Number of DUI reports mailed to practitioners	642
Number of doctor shopper letters mailed to practitioners	5,198
Number of doctor shopper letters mailed to law enforcement	179
Registered users: Pharmacists	2,565
Prescribing practitioners	18,025
Others	385





Utah Department of Commerce

OFFICE OF

Property Rights Ombudsman

The Mission of the Office of the
Property Rights Ombudsman 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;



Brent Bateman
 Lead Attorney

(801) 530-6391

bbateman@utah.gov
propertyrights.utah.gov



- 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.

Introduction

The Office of the Property Rights Ombudsman (the “Office”) 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 Office consists of three attorneys who advise both citizens and government entities regarding property rights and land use laws. The Office regularly mediates disputes between citizens and government entities effectively avoiding costly litigation.

Fiscal Year 2016 Highlights

The attorneys at the Office 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 by providing property owners a resource to turn to when their property rights are threatened. The attorneys also work with state and local government agencies to regulate and acquire land in a manner consistent with applicable statutes and constitutional law. The dispute resolution efforts of the Office save citizens and government agencies millions of dollars by avoiding expensive and time-consuming litigation.

Dispute Resolution in Eminent Domain Cases

During the 2016 Fiscal Year, the attorneys at the Office of the Property Rights Ombudsman

- Logged 421 telephone calls from citizens and government agencies where questions were answered or concerns resolved with one or two phone calls;
- Opened 185 cases;
- Closed 168 cases;
- Conducted 106 formal mediations and arbitrations.

Dispute Resolution in Land Use Cases

During the 2016 fiscal year, the attorneys at the Office of the Property Rights Ombudsman

- Issued 16 Advisory Opinions. Advisory Opinions primarily addressed the following topics. Impact Fees, Non-Conforming Uses, Non-Complying Structures and Compliance with Mandatory Land Use Ordinances.
- Updated and republished the booklet “Your Rights to Just Compensation.” A PDF copy of the booklet was made available on the Office webpage, as required by statute.

Other Significant Accomplishments

- The Office provided 39 formal and informal training sessions on topics within its purview to various organizations such as the Utah Association of Counties, Utah League of Cities and Towns, American Planning Association and various County and Planning Commissions.
- The Office provided hands-on legal experience to an intern from the J. Rueben Clark Law School, BYU University.
- The attorneys in the Office participate in various committees and programs such as the New Lawyer Mentoring Program, Utah Land Use Task Force, Utah Land Use Institute, Land Use Academy, Davis County Arts Council, and the Utah State Bar Real Property Section.
- The Office implemented an in-house training program to build upon and improve existing skills to better assist government agencies and property owners.



Utah Department of Commerce

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.



Chris Parker
Director

(801) 530-7622
chrisparker@utah.gov



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 over 30 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

In a Public Service Commission proceeding addressing net metering policies for electricity customers, the Division successfully advocated a cost-of-service analysis designed to determine whether net metering customers are paying enough for their service. Net metering customers are compensated for excess monthly generation at retail rates in future months. Given that a net metering customer's peak demand may not be significantly offset, this approach could leave other customers paying extra as net metering customers' bills do not reflect their cost of service. The Division expects a proposal

to implement new rates based on the cost-of-service approach to be filed in FY2017.

The Division has participated in regional discussions concerning the expansion of the California Independent System Operator to form a new regional electricity market including PacifiCorp, which serves customers in six western states. Preliminary study shows there could be benefits to forming such an entity but costs and governance remain unknown. Among the most pressing considerations is the governance structure. The Division will seek to ensure reasonable governance structures while continuing to study costs and benefits.

The Division agreed with Rocky Mountain Power and the Navajo Tribal Utility Authority (NTUA) on a stipulation transferring Rocky Mountain Power customers and facilities to the NTUA. A decades-old agreement provided for the tribe to take over service. After years of negotiations and resolution of other right-of-way issues, the stipulation allows continued use of rights-of-way and gives the tribe the ability to provide service to its own members and focus on expanding service within its territory.



Telecommunications

The Division participated in various telecommunications cases, advocating the public interest. Particularly important is the Division's work supporting the state's universal service fund. In an important case involving that fund, the Division successfully argued against a telecommunications company's practice of accelerating its depreciation expense. The Public Service Commission's order found that the company's proposal, which would fully depreciate the company's existing assets in approximately five years, was unreasonable. Over time, the Division expects that the Commission's decision will save the fund significant amounts.

The Division advocated for an increase to the contribution rate for the state's universal service fund. The increase is necessary because of increasing fund distributions to support rural telecommunications service and declining revenues for other providers.

FIVE-YEAR HISTORY OF UTILITY COMPLAINTS

Utilities	Fiscal Year				
	2012	2013	2014	2015	2016
Electric.....	169	130	114	109	84
Natural Gas	145	105	110	62	59
Telecomm –					
ILEC* & Century-Link	149	117	131	113	125
CLEC**	51	40	31	32	21
Long Distance	30	16	8	9	3
Water/Sewer	8	7	9	11	0
Total.....	552	415	403	336	292

* 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 2016, 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

Fiscal Year 2016

Questar Gas Company Regions	10
Municipal Gas Distribution Operators.....	5
Intrastate Transmission Operators	7
Gathering Operators.....	3
Small Gas System Operators (Master Meters).....	14
Construction	18
Incident	53





Utah Department of Commerce

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.



Jonathan Stewert
 Director

(801) 530-6751
jstewart@utah.gov



2016 Success Goals

In fiscal year 2016, the Division of Real Estate continued following the Governor's challenge to increase efficiency. Although the number of new license applications increased from fiscal year 2015, Division licensing staff was able to maintain a more efficient processing time than the baseline.

	Baseline	FY 2015	FY 2016
Average Applications received per month	194.4	269.16	288.58
Percentage processed within five days.	74.9%	89.98%	85.04%

2016 Outreach

In fiscal year 2016, 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 2015	Division representative spoke at the Utah Association of Realtors Board of Directors Meeting.
October 2015	Division-sponsored Instructor Development Workshop held in Park City. Speakers included the Division Director, Division enforcement and licensing supervisors, and Deborah Long.
November 2015	Division representatives spoke at the Utah Association of Mortgage Professionals Expo.
November 2015	Division representative spoke to the Utah Chapter of the Appraisal Institute.
January 2016	Division representatives spoke to the National Association of Residential Property Managers.
January 2016	Division representative spoke to the Utah Chapter of the Appraisal Institute.
January 2016	Division representatives spoke to the Utah Association of Mortgage Professionals.

Date	Event
January 2016	Division representative spoke at the Utah Association of Realtors Board of Directors Meeting.
March 2016	Division representatives spoke at the Spring Symposium of the Utah Chapter of the Appraisal Institute.
April – May 2016	Three-hour Division-sponsored continuing education seminars held in Park City, Vernal, Logan, Layton, Provo, Moab, Richfield, Cedar City, and St. George.

Licensing

The Division renews real estate and appraisal licenses on a biennial basis (two years following initial application) and mortgage licenses annually from November 1 through December 31. Licensees are sent an email license renewal reminder notification 45 days, 30 days, and 14 days prior to license expiration and 2 days following expiration. These notices cease following the renewal of a license.

For a number of years Real Estate Brokers, both Principal and Branch, have desired and requested some method of Broker Notification to provide an easy means of tracking licensees that are affiliated with their brokerage. A system has now been introduced that allows the Broker to easily account for those licensees whose licenses will soon be, or that have expired.

Since January of 2016, all Principal and Branch Brokers began receiving a monthly email notification from the Division with timely information regarding all licensees affiliated with their brokerage or branch.

Those affiliated individuals whose licenses are set to expire in the next 45 days, are highlighted in yellow so that the broker will easily be able to see whose licenses will be expiring as well as the current number of Continuing Education hours that the licensees have completed (as of the date of the Division email notification). Brokers are now better able to monitor their licensees and encourage them renew prior to expiration.

If an individual has allowed their license to expire, the expired (now formerly affiliated licensee's) license appears highlighted in red. Brokers should take steps to immediately have this licensee discontinue performing anything that requires a license until they complete the renewal process.

This new notification system better enables Principal and Branch Brokers to be aware of the license status of their licensees and encourage their timely license renewal.

Statutory Changes

Representative Gage Froerer sponsored the Division's 2016 bill. Changes were made to the Utah Residential Mortgage Practices and Licensing Act, Real Estate Licensing and Practices Act, and the Appraisal Management Company Registration and Regulation Act, and the Appraisal Management Company Registration and Regulation Act. Highlights include the following:

For Mortgage:

- Clarified that it is unprofessional conduct to fail to safeguard the interest of the public or fail to conform to acceptable standards.
- Clarified that it is unprofessional conduct to sign or initial a document on behalf of another person except under those circumstances outlined in administrative rule.
- Allow for a lending manager license to be reduced to a loan originator license.
- Added citation authority for specific violations.
- Added ability to enforce a subpoena in court.
- Clarified that a licensee is responsible for acts committed while they were licensed regardless of whether the person is currently licensed.

For Real Estate:

- Clarified power of attorney exemption.
- Updated grounds for disciplinary action in relation to criminal conduct while licensed.
- Added citation authority for specific violations.
- Added ability to enforce a subpoena in court.
- Clarified that a licensee is responsible for acts committed while they were licensed regardless of whether the person is currently licensed.

For Appraisal Management:

- Allowed for rulemaking authority to determine how assignments are offered to appraisers and the removal of an appraiser from a panel.
- Required Appraisal Management Companies to pay appraisers customary and reasonable fees.
- Allowed for rulemaking authority to establish disclosures an appraisal management company must make to appraisers and disclosures appraisers must make in their appraisal report.
- Added that it is prohibited conduct to remove or threaten to remove an appraiser from a panel if they require additional time to complete a credible assignment.
- Added citation authority for specific violations.
- Added ability to enforce a subpoena in court.

For Appraisal:

- Clarified when and how an appraiser may assist with a tax appeal.
- Added citation authority for specific violations.
- Added ability to enforce a subpoena in court.
- Clarified that a licensee is responsible for acts committed while they were licensed regardless of whether the person is currently licensed.

Education

The Division conducts an annual Instructor Development Workshop to assist professional instructors of real estate, mortgage, and appraisal education. The annual workshop helps educators refine and improve their instructional skills. State licensees benefit from having knowledgeable, well trained educators that not only know their subject matter, but also have enhanced delivery skills to heighten the learning experience of prospective and established licensees.

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:



CERTIFICATION ISSUED

Fiscal Year	2013	2014	2015	2016
Educational Programs.....	36	32	31	39
Real Estate Pre-Licensing Instructors	38	35	32	29
Real Estate CE Courses	1,102	1,215	1,007	741
Real Estate CE Instructors	390	426	452	568
Mortgage Pre-Licensing Instructors	8	7	7	5
Mortgage CE Courses	0*	6*	7*	7*
Mortgage CE Instructors	0*	6*	7*	4*
Appraisal CE Courses	455	479	425	448
Appraisal Instructors.....	41	34	63	68
Appraisal Pre-Licensing Instructors	18	53	23	33

*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

Fiscal Year	2011	2012	2013	2014	2015	2016
Real Estate Agent Exams...	1,114	795	1,388	2,673	3,029	3,559
Real Estate Broker Exams ..	233	124	144	272	304	275
Mortgage PLM Exams	278	242	79	179	144	123
Appraiser Exams	186	44	27	46	57	32

Mortgage Loan Originator exams are now scheduled and administered through Nationwide Mortgage Licensing System.

Support Services

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

Fiscal Year	2011	2012	2013	2014	2015	2016
Real Estate	21,559	20,754	18,198	21,739	22,858	24,745
Mortgage	4,308	4,241	4,840	4,358	5,276	5,786
Appraiser	1,457	1,393	1,384	1,396	1,314	1,415
Appraisal Management Companies (AMCs)	133	143	147	140	148	142
Subdivision/ Timeshare ...	400	393	566	657	643	558
Total	27,857	26,924	25,135	28,290	30,239	32,646

NEW LICENSES/REGISTRATIONS ISSUED

Fiscal Year	2011	2012	2013	2014	2015	2016
Real Estate.	1,362	1,401	1,042	2,197	2,479	2,600
Mortgage	853	665	1,113	1,174	949	1,112
Appraiser.....	196*	236*	145*	255*	252*	267*
Appraisal Management Companies (AMCs)	50	26	21	16	12	12
Timeshare	71	115	276	211	220	164
Total	2,532	2,443	2,597	3,853	3,912	4,154

*Includes temporary permit and reciprocal licenses.

LICENSES/REGISTRATIONS RENEWED

Fiscal Year	2011	2012	2013	2014	2015	2016
Real Estate.	8,388	8,475	8,229	8,998	8,060	8,950
Mortgage	3,704	4,137	4,045	5,752	4,603	4,915
Appraiser.....	626	597	651	694	691	603
Timeshare	36	63	194	72	125	130
Total	12,754	13,272	13,119	15,516	13,479	14,598

Enforcement

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

In fiscal year 2016, the Division enforcement staff has continued to implement the SUCCESS initiatives. The Division's SUCCESS goals are to shorten the time frame in which cases are being investigated by implementing steps of the investigative process in a more efficient manner. This process will continue in fiscal year 2017.

In an effort to recognize resource demands, the Division converted an appraisal investigator position to a real estate investigator position. This was done because the demand for real estate investigations has remained high for many years while appraisal complaints have been dropping over the last couple of years.

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 \$ 313,800 in fines during fiscal year 2016.



ENFORCEMENT STATISTICS

Fiscal Year	2011	2012	2013	2014	2015	2016
Complaints Received						
Real Estate.....	645	436	389	423	288	481
Appraiser.....	129	129	78	59	56	38
Mortgage	493	154	139	108	59	92
Cases Opened						
Real Estate.....	254	491	199	221	186	253
Appraiser.....	101	123	60	55	44	38
Mortgage	170	212	83	84	46	54
Cases Closed						
Real Estate.....	172	412	194	141	142	476
Appraiser.....	124	122	62	76	43	31
Mortgage	128	275	61	59	30	92
Total Open Cases <i>as of June 30, 2016</i>						
Real Estate.....	142	208	225	272	296	291
Appraiser.....	68	55	67	32	45	43
Mortgage	85	18	43	79	89	69

FISCAL YEAR 2016 SANCTIONS

Sanctions	Appraisal	Mortgage	Real Estate	Total
Remedial Education.....	2	0	2	4
Fines.....	0	11	34	45
Probation.....	0	29	137	166
Suspension	0	7	5	12
Revocation/Surrender.....	2	1	5	8
Cease and Desist Orders.....	1	0	3	3
Criminal Referrals	0	0	0	0





Utah Department of Commerce

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.



Keith Woodwell
 Director

(801) 530-6600
kwoodwell@utah.gov



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.

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 LICENSING

Fiscal Year	2010	2011	2012	2013	2014	2015	2016
Broker-Dealers.....	1,641	1,621	1,590	1,563	1,561	1,558	1,534
Broker-Dealer Agents	88,947	96,660	99,499	101,709	107,354	112,988	118,769
Investment Advisers (I.A.).....	156	142	145	180	202	206	215
Federal Covered Advisers.....	926	906	925	905	946	986	1,035
I.A. Representatives.....	3,577	3,881	4,156	4,471	4,823	5,072	5,257
Certified Broker-Dealers.....	10	12	16	14	18	16	17
Certified Broker-Dealer Agents	73	74	82	91	99	91	88
Certified Investment Advisers	—	—	4	6	6	7	6
Certified Investment Adviser Representatives	—	—	25	33	31	40	67
Issuer Agents	85	87	84	87	85	91	90
Total	95,418	103,397	106,526	109,059	115,125	121,055	127,048

SECURITIES FILINGS

Fiscal Year	2010	2011	2012	2013	2014	2015	2016
Coordination	92	106	120	104	108	97	88
Qualification	1	—	1	—	—	1	2
Exemptions	31	53	48	41	40	42	46
Opinion/No Action Letter	1	2	2	—	2	2	1
Mutual Funds	5,330	5,589	5,749	5,865	5,960	6,221	6,225
Rule 506	588	690	651	651	794	981	995
Total	6,043	6,440	6,571	6,661	6,904	7,344	7,357

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.

Public Outreach

Investor Education

Fiscal Year	2012	2013	2014	2015	2016
Investor Education Presentations.....	55	74	98	80	69
Total Number of People Attending Investor Education Presentations.....	11,920	9,889	14,453	13,293	17,766

The Stock Market Game

During FY 2016 the Division of Securities oversaw the administration and management of the Stock Market Game™ in Utah, reaching new records for teacher and student involvement in the game. Several thousand Utah students are now participating in the Stock Market Game each year. Students invest a mock portfolio of \$100,000 over

Activity	Fiscal Year	2010	2011	2012	2013	2014	2015	2016
New Investigations/Audits		—	—	—	—	—	—	—
Complaints Received		191	202	226	164	110	109	91
Audit Files Opened		34	45	62	82	85	86	100
Investigation Files Opened		40	83	58	44	39	51	35
Administrative Cases								
New Cases Filed		65	94	87	81	47	76	68
Stipulations & Consent Orders		34	34	35	31	37	41	31
Adjudicated Orders		4	8	—	19	10	12	2
Default Orders		—	—	—	—	23	33	41
Criminal Cases								
Criminal Charges Filed		16	34	18	10	12	19	16
Convictions		18	13	5	2	7	2	10
Pleas in Abeyance		6	7	3	3	1	—	3
Fines & Restitution								
Fines Assessed		\$5,363,698	\$1,822,484	\$5,239,452	\$5,239,452	\$2,582,376	\$5,645,788	\$5,048,104
Fines Paid		\$2,676,796	\$1,176,116	\$550,223	\$217,983	\$164,660	\$228,759	\$212,150
Restitution Ordered		\$21,68,786	\$5,256,191	\$2,435,430	\$15,915,435	\$368,786	\$567,583	\$1,979,566

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



ten weeks and learn valuable lessons on how the economy and capital markets function in our country.

The Stock Market Game™ (SMG) is a ten-week simulation of Wall Street trading that provides a framework for teaching Utah students about the American economic system. The SMG is designed for classroom use to help students understand the stock market, the costs and benefits involved in economic decision making, the sources and uses of capital, and other related economic concepts. The SMG is currently being used as a teaching exercise of economics within many subject areas. It is intended to be a catalyst for further study of and interest in the American free enterprise system in various subject areas through the accompanying curriculum materials. For ten weeks, during the fall and spring school semesters, students invest a hypothetical \$100,000 in common stocks on the New York and American Stock Exchanges and on the NASDAQ market. In a typical classroom setting, students form teams of 3 to 5 players and work interactively to research stock selections. During the ten weeks, teams submit their transactions and receive daily portfolios highlighting their current holdings, brokerage fees, margin interest, and team ranking. At the end of the ten week simulation, the top 3 winning teams in each region are recognized with plaques, prizes and award ceremonies. The winning teams are those that have increased the market value of their portfolio by the greatest amount. This year's awards luncheon commended the students for their hard work in reaching the top three awards for each age group category.



The Stock Market Game™ has been played in Utah for 26 years. Outreach to Utah teachers was implemented which included professional development training seminars and 3 week Stock Market Game Teacher Sessions during the summer. Registrants for the statewide program include educators teaching students in public, private, charter and home schools.



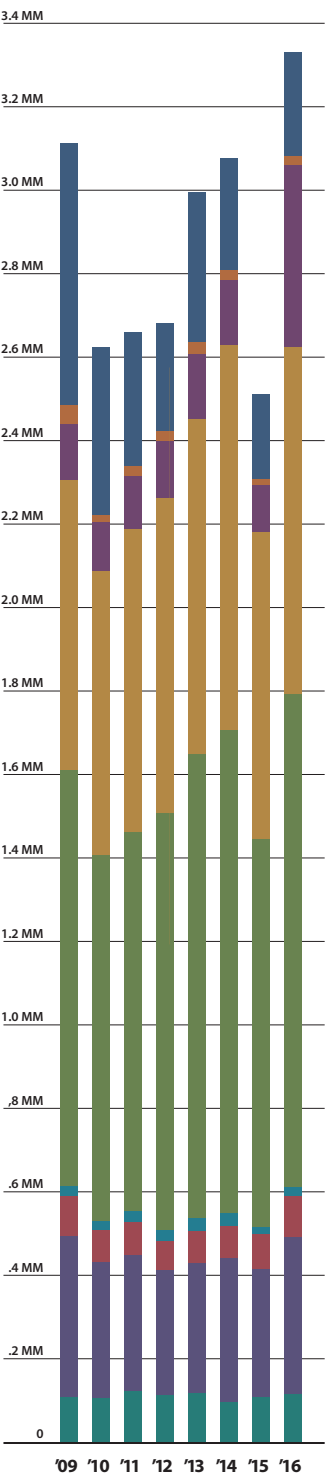
UTAH DEPARTMENT
OF COMMERCE

Web Trends



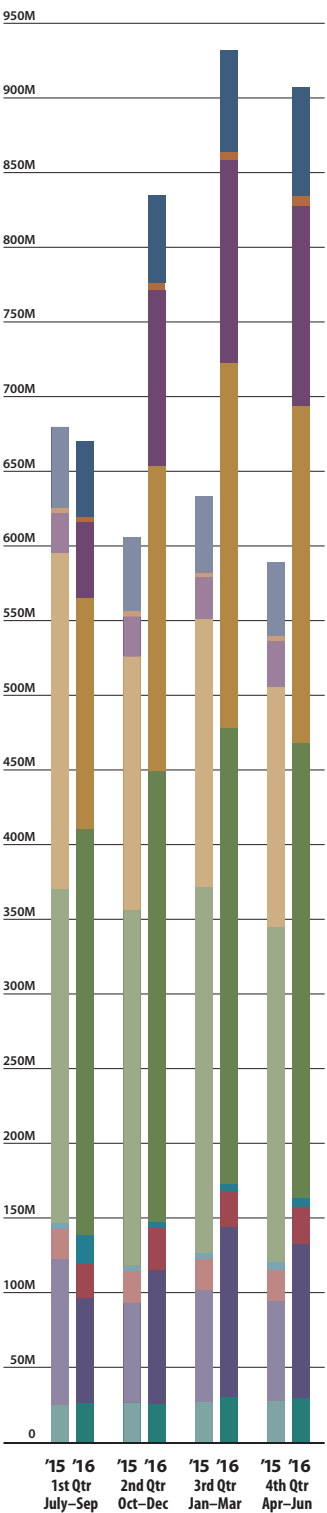
YEARLY WEB TRENDS ACROSS DIVISIONS

Fiscal Year 2009 to Fiscal Year 2016
(visits in millions)



QUARTERLY WEB TRENDS ACROSS DIVISIONS

Fiscal Year 2015 and Fiscal Year 2016
(visits in thousands)



Yearly Web Trends Across Divisions

Fiscal Year 2009 to Fiscal Year 2016

Fiscal Year	2009	2010	2011	2012	2013	2014	2015	2016
Commerce Main Site.....	627,294	402,307	321,037	260,819	359,399	268,623	204,219	250,678
Consumer Services	45,756	16,483	22,428	22,388	27,193	24,202	13,503	20,358
Consumer Protection	132,375	117,695	128,082	137,155	157,603	155,566	112,227	437,225
Corporations.....	692,865	678,386	723,652	752,609	801,947	919,307	733,633	828,303
Occupational & Professional Licensing	997,879	877,960	906,859	999,889	1,108,966	1,157,753	930,210	1,181,968
Property Rights	22,801	21,206	27,513	26,545	31,803	29,491	17,247	19,422
Public Utilities	97,160	76,355	78,143	67,818	76,319	77,563	82,303	100,112
Real Estate	383,382	335,326	325,033	299,359	311,356	345,672	306,447	375,023
Securities	112,325	109,170	126,755	116,256	120,354	98,216	111,716	118,586
Total.....	3,111,837	2,634,888	2,659,502	2,682,838	2,994,940	3,076,393	2,511,505	3,331,675

Quarterly Web Trends Across Divisions

Fiscal Year 2015 and Fiscal Year 2016

	1st Quarter		2nd Quarter		3rd Quarter		4th Quarter	
	Jul-Sep 2014	Jul-Sep 2015	Oct-Dec 2014	Oct-Dec 2015	Jan-Mar 2015	Jan-Mar 2016	Apr-Jun 2015	Apr-Jun 2016
Commerce Main Site	54,452	51,167	49,054	58,657	50,845	67,668	49,868	73,186
Consumer Services	3,483	3,522	3,680	4,868	3,191	5,861	3,149	6,107
Consumer Protection	26,271	50,929	26,936	117,407	28,137	135,303	30,883	133,586
Corporations	225,002	154,047	169,426	204,141	178,678	244,229	160,527	225,886
Occupational & Professional Licensing	223,607	271,392	237,843	301,672	244,674	304,837	224,086	304,067
Property Rights	3,543	19,422	3,896	4,188	4,403	4,747	5,405	6,180
Public Utilities	20,327	22,941	20,772	28,120	20,591	24,462	20,613	24,589
Real Estate	97,611	69,949	66,844	89,148	75,077	113,162	66,915	102,764
Securities	26,340	27,976	28,159	27,240	28,261	31,977	28,956	31,393
Total.....	680,636	671,345	606,610	835,441	633,857	932,246	590,402	907,758

Monthly Web Trends

Fiscal Year 2015 and Fiscal Year 2016

Fiscal Year 2015	Jul '14	Aug '14	Sep '14	Oct '14	Nov '14	Dec '15	Jan '15	Feb '15	Mar '15	Apr '15	May '15	Jun '15
Commerce Main Site.....	18,027	17,245	19,180	18,417	14,772	15,865	16,514	15,888	18,443	18,679	16,109	15,080
Consumer Services	1,064	1,117	1,302	1,433	1,140	1,107	1,085	901	1,205	1,045	1,112	992
Consumer Protection	8,791	8,293	9,187	9,460	8,153	9,323	9,595	8,540	10,002	10,707	9,972	10,204
Corporations	74,473	73,589	76,940	67,440	48,266	53,720	60,112	55,855	62,711	57,760	51,074	51,693
Occupational & Professional Licensing	69,540	72,867	81,200	81,786	73,600	82,457	89,343	73,700	81,631	71,938	76,767	75,381
Property Rights	1,239	996	1,308	1,416	1,326	1,154	1,213	1,484	1,706	1,936	1,737	1,732
Public Utilities	6,939	6,607	6,781	7,042	6,836	6,894	6,915	6,259	7,417	6,666	6,701	7,246
Real Estate	35,286	28,812	33,513	29,379	18,849	18,616	26,791	22,236	26,050	26,352	20,085	20,478
Securities	8,577	8,811	8,952	9,466	9,045	9,648	9,889	8,613	9,759	9,647	9,489	9,820
Total	223,936	218,337	238,363	225,839	181,987	198,784	221,457	193,476	218,924	204,730	193,046	192,626
Fiscal Year 2016	Jul '15	Aug '15	Sep '15	Oct '15	Nov '15	Dec '15	Jan '16	Feb '16	Mar '16	Apr '16	May '16	Jun '16
Commerce Main Site.....	16,014	16,929	18,224	19,998	18,915	19,744	23,377	21,595	22,696	23,804	24,937	24,445
Consumer Services	1,227	1,086	1,209	1,671	1,418	1,779	2,085	1,898	1,878	1,873	2,105	2,129
Consumer Protection	10,566	9,318	31,045	40,773	34,677	41,957	45,256	44,890	45,157	42,737	44,944	45,905
Corporations	50,605	50,060	53,382	69,541	65,966	68,634	78,906	79,712	85,611	77,500	74,009	74,377
Occupational & Professional Licensing	79,689	87,260	104,443	99,789	106,160	95,723	110,348	93,871	100,618	94,483	103,148	106,436
Property Rights	1,377	1,414	1,516	1,488	1,507	1,193	1,367	1,560	1,820	2,060	2,156	1,964
Public Utilities	7,148	7,032	8,761	10,787	9,006	8,327	8,503	7,900	8,059	7,109	8,578	8,902
Real Estate	25,549	21,409	22,991	31,565	28,110	29,473	37,555	33,293	42,314	35,083	34,339	33,342
Securities	9,616	9,553	8,807	9,208	8,263	9,769	10,578	10,541	10,858	9,891	10,381	11,121
Total.....	201,791	204,061	250,378	284,820	274,022	276,599	317,975	295,260	319,011	294,540	304,597	30,8621

Quarterly Web Trends – Individual Divisions

Fiscal Year 2015 and
Fiscal Year 2016

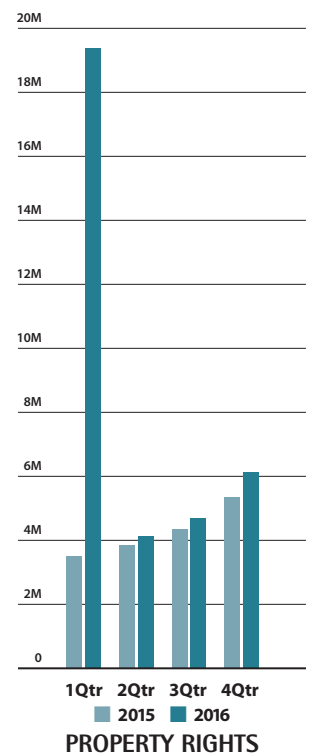
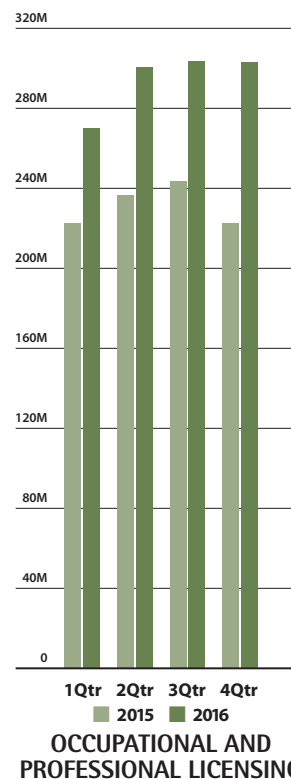
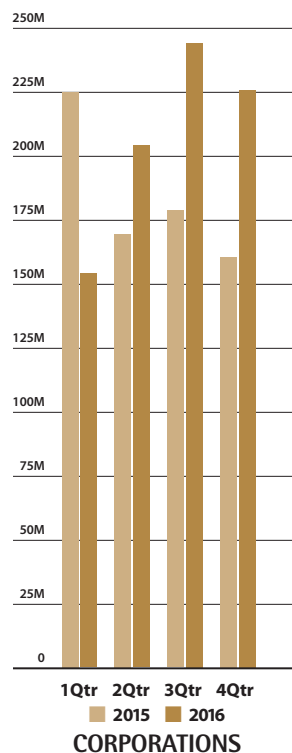
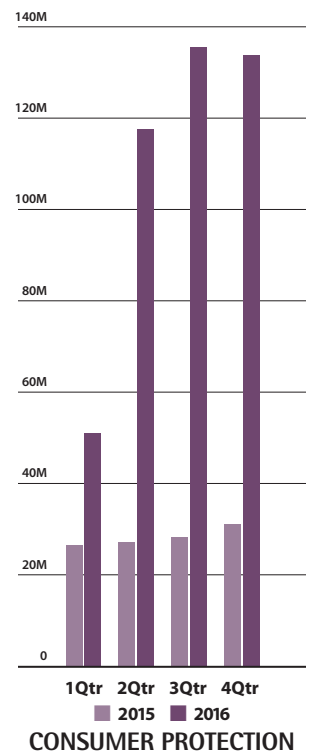
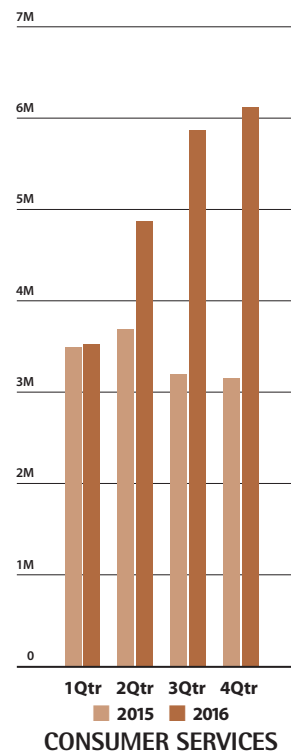
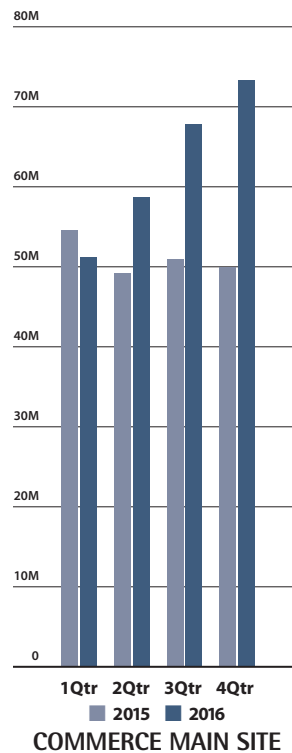
(visits in thousands)

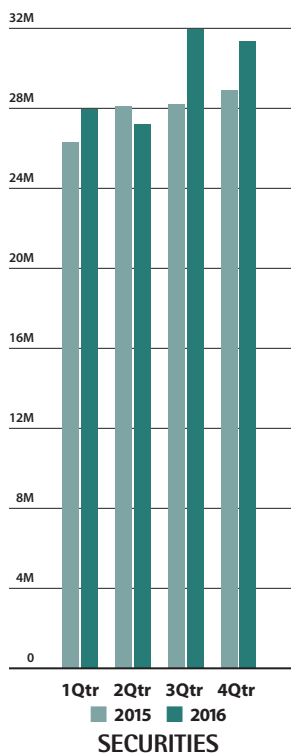
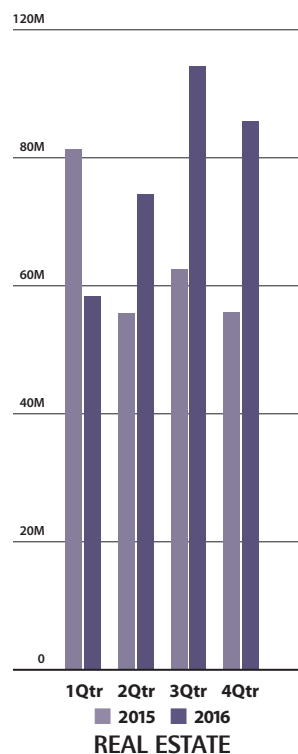
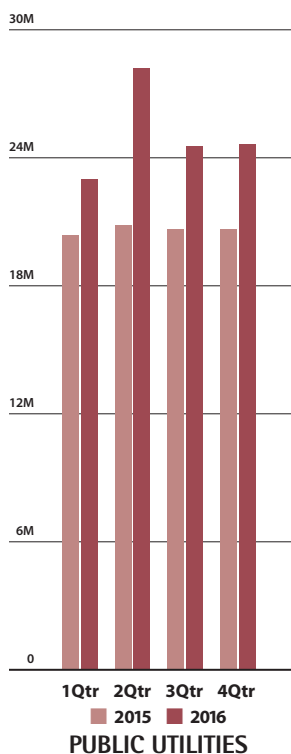
1 Qtr: Jul-Sep

2 Qtr: Oct-Dec

3 Qtr: Jan-Mar

4 Qtr: Apr-Jun





Commerce Fiscal Year 2016 Expenditures by Division

Division Name	Expenditures
Commerce Administration.....	\$4,467,900
Property Rights Ombudsman.....	\$ 504,200
Occupational and Professional Licensing	\$7,934,000
Securities.....	\$2,115,000
Consumer Protection.....	\$1,714,000
Corporations and Commercial Code	\$2,238,000
Real Estate.....	\$1,734,900
Public Utilities	\$3,778,800
Consumer Services	\$ 989,500
Building Operations and Maintenance	\$ 288,000

Utah Department of Commerce

Heber M. Wells Building

160 East 300 South • Salt Lake City, UT 84111

(801) 530-6701

www.commerce.utah.gov

