

# Utah Department of Commerce

## 2018 Annual Report



Administration • Office of Consumer Services • Consumer Protection

Corporations & Commercial Code • Occupational & Professional Licensing

Office of the Property Rights Ombudsman • Public Utilities • Real Estate • Securities



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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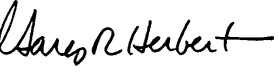


Dear Reader,

It is my pleasure to introduce the 2018 annual report for the Utah Department of Commerce. The regulation and licensing services, provided by the eight divisions within the Department of Commerce, actively seek the best interest of Utahns. By providing users friendly services both in person and online, issuing licenses to professionals across hundreds of industries, and by protecting the rights of consumers, the dedicated employees at the Utah Department of Commerce have earned the trust of our residents by helping to make Utah one of the most trusted states for conducting business in the nation.

Utah remained the #1 Best State for Employment in 2018 by U.S. News and World Report and rose to the #2 spot in Best State for Business by Forbes. The efforts and initiatives of Utah's Department of Commerce help to make Utah a trusted state for conducting business.

As Utah's economic climate continues to evolve, I am confident in our Department of Commerce, which strives 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 2018 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 retrofitted entire Department of Commerce telephone system with Voice Over IP to minimize ongoing phone service costs.

Office of Property Rights Ombudsman conducted 100 formal mediations, arbitrations for property owners.

Office of Consumer Services hosted series of meetings evaluating solar options for low-income customers and spearheaded push to develop website with unbiased information regarding net metering rate changes and rooftop solar resources.

Division of Consumer Protection recovered over \$1,278,841 in benefits for consumers.

Division of Corporations and Commercial Code new business filings increased 22% from 2015 to fiscal year 2018.

Division of Occupational and Professional Licensing Licensing launched redesigned Division website with user friendly layout and added more online services for licensees and public.

Division of Public Utilities helped ensure the safety of Utah's intrastate natural gas infrastructure, including an aggressive replacement program for aging or vulnerable pipelines.

Division of Real Estate 95% of all licensees renewed their real estate license online and received Division email alerts thus cutting down costs.

Division of Securities presented 70 investor seminars to 20,548 attendees to protect Utahns from fraud.

Commerce employees look forward to serving the citizens of Utah and building on our accomplishments in 2018. I invite you to visit our website at [www.commerce.utah.gov](http://www.commerce.utah.gov) to learn more about the Utah Department of Commerce.

Respectfully yours,  
Francine A. Giani, Executive Director

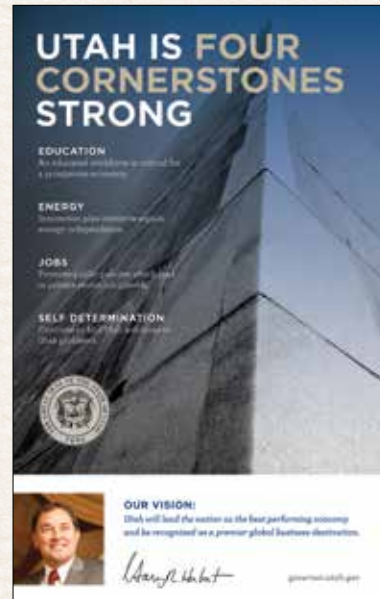
160 East 300 South, 2<sup>nd</sup> Floor, PO Box 146701, Salt Lake City, UT 84114-6701  
telephone (801) 530-6701 • facsimile (801) 530-6446  
[www.commerce.utah.gov](http://www.commerce.utah.gov)





## UTAH DEPARTMENT OF COMMERCE

# Cornerstones 2018



### ADMINISTRATION

**E****ducation:** 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 replaced three fleet fuel midsize vehicles with hybrid vehicles in concert with directives from the Governor's office to improve Utah air quality.

**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 CONSUMER SERVICES 2018

**Energy:** The OCS actively participated in negotiations that resulted in a widely supported settlement of the net metering issues, approved by the Public Service Commission in early FY 2018. As part of this settlement implementation, the OCS hosted a series of meetings evaluating solar options for low-income customers and spearheaded the development of a website designed to provide customers unbiased information about net metering rate changes and resources to evaluate investing in rooftop solar. ([rooftopsolar.utah.gov](http://rooftopsolar.utah.gov))

### DIVISION OF CONSUMER PROTECTION

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

**Education:** As described previously, the Division presents in various settings to educate consumers and businesses. The Division also issues media releases about issues impacting Utah consumers.

**Energy:** The Division uses hybrid vehicles, which supports the Governor's efforts to improve air quality. The Division also administers the new Residential Solar Energy Disclosure Act.

**Self-Determination:** The Division continues to regulate immigration consultants to ensure that immigration consultants lawfully assist consumers.

### DIVISION OF CORPORATIONS

**Jobs:** The Division of Corporations and Commercial Code encourages entrepreneurs, business owners, and commerce by educating the public through accurate, courteous, and timely customer service and through the efficient processing of business filings.

**Education:** The Division's Help Center and Service Center staff work diligently to educate the public by answering questions regarding business registration through fielding thousands of telephone calls, and responding to live online chats as well as assisting walk-in customers.

**Energy:** The Division's electronic filing resources including Online UCC filing, One Stop Business Registration, Online Annual Business Renewal, and Online DBA Registration, reduce the dependence on paper filings by customers and the amount of paper the Division uses.

### DIVISION OF OCCUPATIONAL AND PROFESSIONAL LICENSING (DOPL)

**Education:** With the passage of House Bill 127, DOPL has hired an Academic Detailing Specialist to provide education to opioid prescribers. Education will be offered to all prescribers who have a pattern of prescribing opioids not in accordance with CDC Clinical Guidelines for Prescribing Opioids for Chronic Pain or the Utah Clinical Guidelines on Prescribing Opioids for Treatment of Pain. The education will also be available to all interested controlled substance prescribers.

**Jobs:** Continuing the Governor's charge to empower the private sector by implementing regulation that encourages stability while minimizing interference, the Division has focused on several changes to enhance commerce while promoting the health, safety and welfare of the citizens of Utah.

License portability has been a major focus for the Division over the last year, with major changes being implemented. The Division's existing military resources were expanded to make the transition for the members of our armed forces even more user friendly. In addition to the existing exemption granted to military spouses, the ability for our active duty troops to apply for fee waivers at both initial licensure and renewal was implemented. Division staff has also joined forces with Utah Department of Veterans and Military Affairs to help connect our military families with additional services. Additionally, a change was made to the Division's endorsement requirements that opens additional pathways for residents of the state to obtain licensure when they have been licensed in other recognized jurisdictions. Each of these changes have increased license portability, which helps get Utahns' working faster in their chosen career paths.

DOPL focused on sending out email reminder notices for renewal prior to the 60 day requirement. This has helped all licensees by allowing them to renew and continue to work without worry of the status of their license. It has had a larger impact on some of the medical professions where the employers may require the licensees to be renewed prior to the expiration of their license for scheduling purposes.

**Self-Determination:** The Division has focused on reducing unnecessary regulation where possible. Several licensing regulations were modified to reduce arbitrary requirements:

- » an automatic 5 year ban on nurses with certain criminal offenses was eliminated;
- » mental health intern licenses were modified to allow for an extension when clinical hours could not be completed within the standard three years;
- » requirement that practitioners complete a burdensome and redundant CSD quiz at each renewal was eliminated.

In an effort to enhance our customer's experience, the Division has also focused heavily on its online services. This summer, the Division launched a new website, making our online presence more user friendly. The Division also continued its quest to make many services available online by continuing to add new applications to our web portal, as well as making smaller services such as duplicate license requests available as an online transaction.

### OFFICE OF PROPERTY RIGHTS OMBUDSMAN

**Education:** The attorneys in the Office provide numerous training sessions for various local agencies and associations throughout Utah. One of many is the co-creation and implementation of the Land Use Academy of Utah, which provides internet-accessible training for local government officials in urban and rural areas.

**Energy:** The Office helps ensure that energy and infrastructure costs stay low by providing dispute resolution services to citizens when they have disputes with public

facilities. Entities that provide public services such as UDOT, Rocky Mountain Power, Dominion Energy, and various local and state government departments frequently benefit by avoiding litigation, saving customer dollars.

**Jobs:** The Office assists local governments and developers to manage and encourage thoughtful and healthy growth in our state, helping ensure that economic development throughout Utah remains steady and robust.

**Self-Determination:** The Attorneys at the Office worked closely with legislators, lobbyists, and other stakeholders to ensure laws passed will protect the property rights of citizens.

### 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 2018, 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. The Division continues work to establish better solar generation rates. Furthermore, Division activities helped ensure the safety of Utah's intrastate natural gas infrastructure, including an aggressive replacement program for aging or vulnerable pipelines.

### DIVISION OF REAL ESTATE

**Education:** The Division publishes a quarterly newsletter educating licensees on current issues and trends. In addition, Division representatives spoke at nineteen 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.

**Jobs:** The Division continues to maintain quicker license processing times helping new applicants begin their careers in the real estate, mortgage, and appraisal industries.

**Energy:** The Division accepts new applications online and over 95% of all licensees renew their license online. All license renewal reminders are sent via email. These systems make it easier to apply for and renew a license as well as reduce the amount of paper the Division uses.

### DIVISION OF SECURITIES

**Education:** Division representatives spoke at seventy different events in an effort to educate the public on financial literacy, answer specific questions about financial planning, and how to protect their nest egg from scams.

**Jobs:** The Division of Securities actively seeks to identify 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 and promoting business and job growth in Utah by preventing the loss of investor monies to fraudulent schemes.



UTAH DEPARTMENT OF COMMERCE

# Administration



INTERNAL EFFICIENCIES

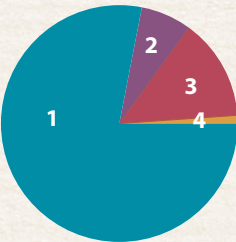
The Department of Commerce is continually looking for ways to increase operating efficiency and has implemented new programs to lower costs. The following are measures taken during the fiscal year 2017-2018. Additional cost savings are included in each Division's report.

UTAH DEPARTMENT OF COMMERCE AGENCY BUDGET HIGHLIGHTS FY 2018

- » Retrofitted the entire department telephony system with Voice Over IP to minimize ongoing phone service expenses.
- » Replaced three fleet fuel midsize vehicles with hybrid vehicles in concert with directives from the governor's office to improve air quality.
- » Through efficiency in success initiative process improvement reached the 59% benchmark during 2018 since its inception.
- » General Travel expenditures for FY 2018 totaled less than .5% of the Commerce Service Budget, due to ongoing heightened scrutiny of travel authorizations.

Annual Operating Expenses by Category 2018

1	Personal Wages/Benefits ...	\$ 18,808,189	79%
2	IT Systems/Support .....	1,620,645	7
3	Office Current Expenses ....	3,232,157	14
4	Travel .....	115,032	>1
Total.....		\$ 23,776,023	100%



SERVING THE PUBLIC

Commerce Administration oversees the following programs and procedures:

- » Office of the Property Rights Ombudsman
- » Powersport Vehicle Franchise Act
- » New Automobile Franchise Act
- » Agency Review of Administrative Actions

NEW AUTOMOBILE FRANCHISE ACT AND POWERSPORT VEHICLE FRANCHISE ACT

Registrations: NAFA: 129 PVFA: 48

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

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)

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 2016		FY 2017		FY 2018	
	Filed	Closed	Filed	Closed	Filed	Closed
Motor Vehicle.....	1	1	1	1	1	1
Powersport Vehicle.....	1	1	0	0	0	0

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.

2018 Agency Review Statistics	Total	DCP	CORP	DOPL	DRE	DS
Filed .....	36	6	0	26	2	2
Closed .....	35	5	0	26	1	3
Affirmed .....	14	2	0	10	0	2
Remanded.....	6	0	0	5	0	1
Dismissed.....	14	2	0	11	1	0
Reversed.....	0	0	0	0	0	0
Modified.....	1	1	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.





UTAH CONSUMER FRAUD AND BUSINESS SYMPOSIUM

The Federal Trade Commission and the Utah Department of Commerce hosted a Utah Consumer Fraud and Business Symposium on September 20, 2018. The partnership conference provided participants with the opportunity to share experiences and challenges, make professional connections, and discuss how groups can better collaborate in protecting consumers against fraud. The Symposium's keynote speaker was Ted Stewart, Senior United States District Court Judge, United States District Court for the District of Utah, who was joined by fellow presenters; Lois Greisman, Associate Director, Division of Marketing Practices, Federal Trade Commission, Todd Weiler, Utah State Senator, James Dunnigan, Utah State Representative and Mike Headrick, KSL TV Anchor/Reporter.

The Symposium included panel discussions highlighting topics such as; Combating Frauds Affecting Utah Consumers and Businesses, Streamlining Government Regulations, and Keeping Utah Safe / Consumer Protection. Panel members included speakers from the Utah Department of Commerce, Federal Trade Commission, Federal Bureau of Investigation, Utah Attorney General's Office, United States Attorney's Office for the District of Utah, Utah Division of Consumer Protection, Utah Division of Occupational and Professional Licensing, Utah Division of Securities, Institute for Justice, and AARP, among others. The free Salt Lake City event saw 400 attendees and provided Continuing Legal Education (CLE) training as well as targeted investigator sessions.



DECLUTTER DAY 2018

On April 27, 2018 the Utah Department of Commerce hosted its fifth annual “Declutter Day” free public event. Commerce employees partnered with Big Brothers Big Sisters of Utah, MeTech electronic recycling, Columbus Secure Shred and the University of Utah 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 2018 resulted in shredding 9.3 tons of documents, 11.5 tons of electronic waste, 1 tons of clothing and 170 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.



QUESTIONS specific to the Department of Commerce Administration may be directed to:



Francine A. Giani, Executive Director  
801.530.6431 • fgiani@utah.gov



# OFFICE OF Consumer Services



## INTRODUCTION

**T**he 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 OCS 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 layperson committee advises the OCS on its regulatory and advocacy work and helps establish policy objectives.

The OCS 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 OCS 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 OCS's key issues for FY 2018 included:

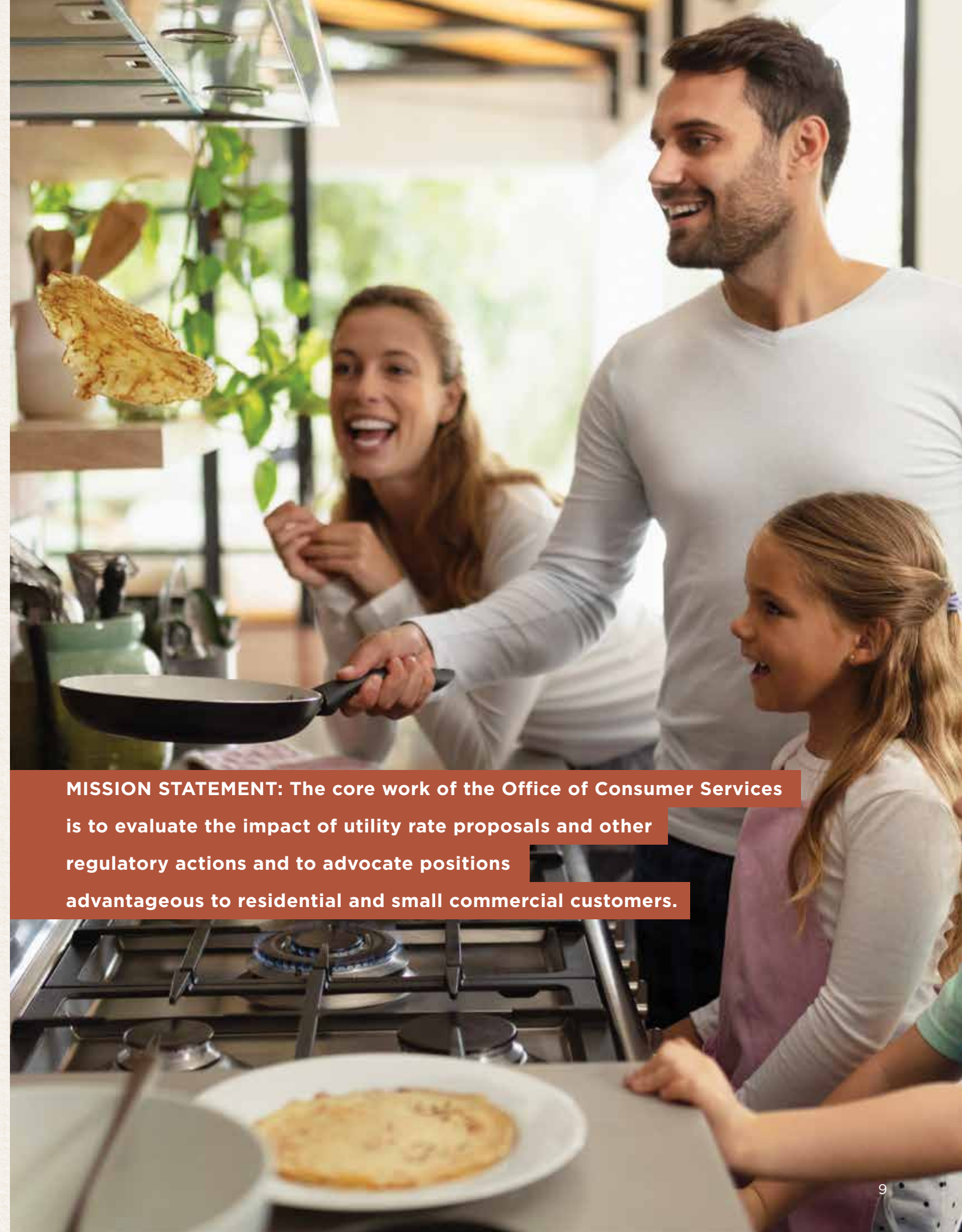
### » Rooftop Solar and Net Energy Metering:

The OCS actively participated in negotiations that resulted in a widely supported settlement of the net metering issues, approved by the Public Service Commission in early FY 2018. As part of this settlement implementation, the OCS hosted a series of meetings evaluating solar options for low-income customers and spearheaded the development of a website designed to provide customers unbiased information about net metering rate changes and resources to evaluate investing in rooftop solar. ([rooftopsolar.utah.gov](http://rooftopsolar.utah.gov))

### » Rocky Mountain Power and Dominion Energy Acquisition of New Resources:

Both Rocky Mountain Power and Dominion Energy proposed investments in significant new resources during FY 2018.

Rocky Mountain Power proposed to repower some of its existing wind plants as well as to build new wind and associated new transmission. While one of the drivers of these proposals was to take advantage of available production tax credits, the OCS and other parties representing customers raised concerns that the proposal did not properly



**MISSION STATEMENT: The core work of the Office of Consumer Services is to evaluate the impact of utility rate proposals and other regulatory actions and to advocate positions advantageous to residential and small commercial customers.**





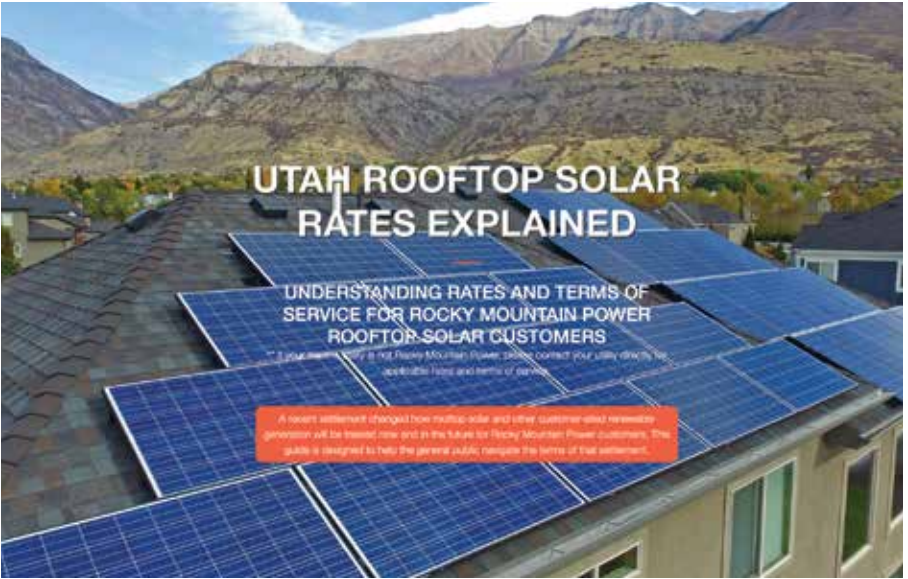
evaluate risks. The Public Service Commission ultimately approved the majority of Rocky Mountain Power’s requests, but also implemented customer protections recommended by the OCS and others.

» **Federal Tax Legislation:**

In December 2017, Congress passed and the President signed into law new legislation (often referred to as the Tax Cuts and Jobs Act of 2017) that, among other things, lowered the federal corporate tax rate. Regulatory best practices dictate that the benefits of lower tax rates should be given to customers. The OCS is working with the utilities, the Division of Public Utilities, and other groups representing industrial customers to try to reach agreement on the best method for ensuring that customers appropriately receive these benefits associated with lower tax rates.

» **Utah Universal Service Fund (UUSF) Changes:**

The UUSF is designed to augment the revenues for telephone providers in order to ensure that all Utahns having access to basic telephone service. In 2017, the Utah Legislature enacted revisions to the UUSF to clarify certain elements of how the fund is collected from customers and used to fund infrastructure. Implementation of these changes continued in FY 2018 and the OCS participated to represent the interests of small customers.



» **Integrated Resource Planning:**

Long-term resource planning is an ongoing activity for Rocky Mountain Power and Dominion Energy and the OCS actively participates in these resource planning processes.

» **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. Because of divergent state energy policies, this agreement must now be revised. The OCS represents Utah’s residential and small commercial customers in these negotiations with the goal of ensuring that costs are allocated fairly and Utah does not have its costs driven up by other states’ policies.

» **Energy Efficiency:**

The OCS 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 electricity. The OCS 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, the OCS reviews many annual and periodic reports to confirm that the various ongoing utility initiatives meet the needs of the small customers we represent.

**FEDERAL AND REGIONAL REGULATORY ISSUES**

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

The OCS participates regularly in the Northern Tier Transmission Group to monitor transmission planning for our region and ensure that costs from those efforts are assigned fairly to Utah customers. In FY 2018, the OCS collaborated with other organizations representing customers in Utah and Wyoming to design and request a specific transmission study to better understand the transmission needs of this region. Results of that study will be available next year.

The Office of Consumer Services and Division of Public Utilities launched the website <https://rooftopsolar.utah.gov> as part of the overall net metering settlement. This website gives unbiased information explaining the rates that will apply for residential solar customers who install rooftop solar. The website also provides links to consumer guides and general suggestions for being a smart shopper in evaluating whether rooftop solar is a good option for an individual customer.

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



Michele Beck, Director  
801.530.6674 • [ocs@utah.gov](mailto:ocs@utah.gov)



DIVISION OF

# Consumer Protection



## ABOUT THE DIVISION

**T**he 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 provide educational materials to the public. The Division also educates businesses on the requirements of state law. In Fiscal Year 2018, the Division presented at 15 speaking engagements and attended seven community fairs in an effort to educate residents of Utah about scams impacting the state. This included the "Financial Fraud Institute," an event held in St. George in November 2017 put on by a collaboration of state and federal agencies.

In May 2018, the Division held a charity conference to assist charitable organizations understand the regulations in the Charitable Solicitations Act. Approximately 220 people attended the conference.

### Registration:

The Division registers the following entities:

- » Charitable Organizations
- » Credit Service Organizations
- » Debt-Management Service Providers
- » Health Spas
- » Immigration Consultants
- » Pawnshops and Secondhand Merchants
- » Postsecondary Proprietary Schools
- » Professional Fund Raisers
- » Residential, Vocational, and Life Skills Programs
- » 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
- » Residential Solar Energy Disclosure Act
- » Residential, Vocational, and Life Skills Program Act
- » Telephone and Facsimile Solicitation Act
- » Telephone Fraud Prevention Act
- » Transportation Network Company Registration Act
- » Unfair Practices Act
- » Uniform Debt-Management Services Act

**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 provide education to consumers and businesses.





FISCAL YEAR 2018 HIGHLIGHTS

Benefits Recovered for Consumers

The Division recovered over \$1,278,841 in benefits for consumers during FY 2018.

Multistate Cases

The Division participated in a number of multistate investigations, including a multistate settlement with GM on issues related to problems with ignition switches.”

Amendments to Laws Enforced

Several bills passed in the 2018 Legislative Session modifying laws enforced by the Division. Additionally, the Division was given responsibility for administering two new laws: the Residential Solar Energy Disclosure Act (Utah Code § 13-52-101 *et seq.*), and the Residential, Vocational and Life Skills Program Act (Utah Code § 13-53-101 *et seq.*).

SUCCESS

Beginning in 2017, the Division implemented a two-phase investigative approach that gives immediate attention to new cases in an effort to resolve cases that can appropriately be resolved in a shorter period of time. Other cases move forward for additional investigation and attention as appropriate, with a focus on the oldest cases first. As a result of these changes, approximately 57 percent of all cases have closed within 90 days, a near 36 percent improvement. The average number of days to close a case has decreased from 293 to 234, an improvement of nearly 20 percent. The median number of days to close a case has decreased from 134 to 63, an improvement of nearly 53 percent.

STATISTICS

	Fiscal Year	2016	2017	2018
<b>Complaints</b>				
Complaints Received.....		1,576	1,615	1,553
Complaints Opened.....		1,322	1,332	1,372
Complaints Closed.....		1,531	1,804	1,359
Complaints Referred/Not Assigned.....		254	283	181
<b>Active Registrations</b>				
Business Opportunities .....		9	8	4
Business Opportunity Franchise Exemptions ....		1,238	1,279	1,320
Charitable Organizations.....		4,625	4,891	5,545
Charitable Organizations Exemptions .....		1,516	1,608	1,651
Credit Service Organizations .....		20	20	28
Debt Management Service Providers.....		37	34	35
Health Spas .....		238	224	217
Immigration Consultants.....		36	43	38
Residential Vocational and Life Skills Program ...		—	—	1*
Utah Music License .....		—	—	1**
Pawn Shop Registration.....		116	115	121
Secondhand Merchandise Dealers .....		250	214	202
Postsecondary Proprietary Schools.....		72	90	87
Postsecondary Proprietary Schools Exemptions		1,131	1,216	1,262
Professional Fund Raisers .....		109	114	99
Professional Fund Raising Counsel or Consultant		169	167	174
State Authorization – Postsecondary Accredited Schools.....		71	56	48
State Authorization – Postsecondary Private Nonprofit Schools .....		98	101	105
State Authorization – Postsecondary Public Nonprofit Schools .....		61	63	64
Telemarketers.....		84	94	82
Telemarketers Exemptions .....		129	134	136
Transportation Network Companies.....		2	2	2
<b>Total Consumer Benefits Recovered &amp; Fines Collected</b>				
Total Consumer Benefits Recovered .....	\$1,255,589	\$1,220,528	\$1,278,841	
Total Fines Collected .....	\$208,047	\$355,717	\$208,640	

\*As of May 2018    \*\*As of April 2018



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



Daniel O'Bannon, Director  
801.530.6601 • dobannon@utah.gov

TOP TEN CONSUMER COMPLAINTS

The top consumer complaints received by the Division during FY 2018 and examples of complaints the Division might receive in each category are as follows:

- 1

**Internet Offer/Sales:**  
Misrepresentations or other deceptive practices; failure to deliver online purchases; hidden fees.
- 2

**Home Improvement/Repair:**  
Failure to start or complete job; refusal of job completion until consumer agrees to a higher price than originally agreed upon.
- 3

**Retail Sales:**  
False advertising and other deceptive practices; defective merchandise problems with coupons; failure to deliver.
- 4

**Charitable Solicitations:**  
Donations being solicited by entities not registered with the division; charitable donations not being used for the stated charitable purpose.
- 5

**Coaching Services:**  
Misrepresentations regarding the services to be provided and the results of the program; selling “coaching” services for exorbitant fees that may correlate with the amount that consumers have available on their credit cards. Coaching services are usually for Business Opportunities.
- 6

**Refunds:**  
Failure to honor stated refund policies.
- 7

**Direct Solicitations:**  
Includes door-to-door sales. Misrepresentations regarding the services to be provided or affiliations that don’t exist. Notices regarding a consumer’s three day right to cancel are deficient or not honored.
- 8

**Auto Repair:**  
Failure to obtain express authorization prior to providing repairs and services; charging a consumer more than authorized by the consumer.
- 9

**Alarm Systems:**  
Aggressive sales tactics and misrepresentations used in door-to-door solicitations; failure to allow cancellations within stated time period.
- 10

**Warranty:**  
Failure to honor stated warranties.





# DIVISION OF Corporations & Commercial Code



**T**he Division functions as Utah's filing office and repository for all corporations, commercial code filings, business registrations, limited partnerships, limited liability companies, limited liability partnerships, collection agencies, and trademarks.

## ABOUT THE DIVISION

The Division of Corporations and Commercial Code in the Utah Department of Commerce registers all statutory business entities, state trademarks, collection agencies, and article 9 (UCC) and agricultural (CFS) lien notice filings. There are other less noticeable, but equally important filings. Those businesses which should register with the Division are: profit and non-profit corporations, limited liability companies, limited partnerships, limited liability partnerships, unincorporated cooperative associations, general partnerships & sole proprietors who have an assumed name, business trusts, real estate investment trusts, tribal businesses, and any other assumed business name. Out-of-state motorist service of process is also filed with the division. Certain bankruptcy filings are sent to the Division for notice only. The Division is charged with a variety of small filings, such as:

- » **Pharmacy Benefit Managers, the Governmental Entity Database** — an online directory of contact for any governmental entity;
- » **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.

Illustrating the strength of Utah's economy, new business filings continue to climb. The Division has seen an increase of over 22% (61,095 to 74,743) in new business entities filed from fiscal year 2015 to fiscal year 2018. Despite that substantial increase, the Division has been able to maintain the same level of service and turnaround time without an increase in staff.



**MISSION STATEMENT: The Division of Corporations & Commercial Code serves business enterprises by providing registration and informational assistance. Additionally, the Division serves the public by facilitating access to all of its records and data.**



The Division 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 75,000 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.

Recently, the Help Center transitioned to a virtual contact center called Genesys, a tool that provides its users with improved call management, and enhanced call routing capabilities, which has facilitated a faster resolution of calls and greater customer service. Giving the Division’s staff the right tools, training, and real-time feedback has been a positive change and has translated into an increase in productivity and better customer experiences.

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.

FILINGS

Fiscal Year	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>One Stop Business Registration</b>										
In-house Filings .....	30,365	28,736	26,964	23,449	29,561	30,962	30,649	32,771	24,068	25,687
Online Filings .....	19,613	20,329	21,994	28,861	27,878	27,421	30,446	32,824	44,319	49,056
Total .....	49,978	49,065	48,958	52,310	57,439	58,383	61,095	65,595	68,387	74,743
Adoption Rate .....	39.24%	41.43%	44.92%	55.17%	48.53%	46.97%	49.83%	50.04%	64.81%	65.63%
Difference from Previous Year ...	862	716	1,665	6,867	-983	-457	3,025	2,378	11,495	4,737
% Increase .....	4.60%	3.65%	8.19%	31.22%	-3.41%	-1.64%	11.03%	7.81%	35.02%	10.69%

<b>All Online Services</b>										
Total Online Filings .....	332,613	331,080	339,710	411,905	411,974	434,516	445,866	456,196	487,388	515,402
Adoption Rate .....	81.00%	82.00%	82.00%	84.00%	85.00%	87.00%	89.00%	90.00%	89.00%	90.00%
Difference from Previous Year ...	76,997	-1,533	8,630	72,195	69	22,542	11,350	21,680	41,522	28,014
% Increase .....	30.12%	-0.46%	2.61%	21.25%	0.02%	5.47%	2.61%	4.86%	9.10%	5.75%

<b>Certificates of Existence</b>										
In-house Certificate .....	422	482	492	440	377	395	314	381	336	575
Online Certificate .....	10,530	10,716	12,369	12,152	12,786	14,644	15,525	16,208	16,417	19,063
Total .....	10,952	11,198	12,861	12,592	13,163	15,039	15,839	16,589	16,753	19,638
Adoption Rate .....	96.15%	95.70%	96.17%	96.51%	97.14%	97.37%	98.02%	97.70%	97.99%	97.07%
Difference from Previous Year ..	-807	186	1,653	-217	634	1,858	881	1,564	892	2,646
% Increase .....	-7.12%	1.77%	15.43%	-1.75%	5.22%	14.53%	6.02%	10.68%	5.75%	16.12%

<b>Annual Business Renewal</b>										
In-house Renewals .....	22,132	19,498	18,360	17,588	14,998	15,355	11,250	8,569	13,182	11,347
Online Renewals .....	160,163	166,964	175,246	183,899	188,947	206,262	222,686	235,109	247,295	260,967
Total .....	182,295	186,462	193,606	201,487	203,945	221,617	233,936	243,678	260,477	272,314
Adoption Rate .....	87.86%	89.54%	90.52%	91.27%	92.65%	93.07%	95.19%	96.48%	94.94%	95.83%
Difference from Previous Year ..	10,716	6,801	8,282	8,653	5,048	17,315	16,424	28,847	24,609	13,672
% Increase .....	7.17%	4.25%	4.96%	4.94%	2.74%	9.16%	7.96%	13.99%	11.05%	5.53%

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.

ONLINE BUSINESS FILINGS

In order to keep up with growth and demand, the Division leans heavily on its online applications. There was more than a half dozen releases over the past year to enhance and update the Division’s various online services and there are many more enhancements in the planning stages for the year(s) to come.

The Division’s premier online application, the One Stop Business Registration program continues to be improved with updates that enhance the user 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.

Understanding our customers experience with our filing services remains a strong priority. The Division tracks customer errors and the types of rejected filings to determine areas to improve. With this information, the Division has updated its website and online forms to provide more relevant information and reduce the amount of filing rejections. These adjustments have fostered a simpler and more smooth filing experience for customers.

House Bill 150 (Single Sign-on Database Amendments) passed and became effective on May 8, 2018. This bill increased the annual report/renewal fee collected by the Division for all business entities (excluding non-profit entities) by \$5.00 in order to create and fund the Single Sign-On Expendable Special Revenue Fund. The fund will pay for the design, creation, operation, and maintenance of the single sign-on web portal and include information related to business registration.



OTHER DATA ENTRY

Fiscal Year	Reinstatements	Amendments	Mergers	Conversions	Renewals	Change Forms	Average Entities Gained per Month	Total	Percent Increase
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	15,326	3,276	1,106	13,272	34%
2014.....	1,904	2,777	300	1,101	15,199	3,607	935	11,220	-15%
2015.....	1710	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%
2017.....	1,711	3,518	286	1,756	13,182	4,407	927	11,124	-2%
2018.....	1,633	3,320	343	1,700	12,286	3,670	1,309	15,708	41%

NEW FILINGS

Fiscal Year	CORP % Increase		DBA % Increase		LLC % Increase		LP % Increase		Total	% Increase
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%
2017.....	7,746	-3.21%	17,843	2.52%	42,361	6.58%	207	-12.66%	68,157	4.23%
2018.....	8,065	4.12%	18,852	5.65%	47,366	11.82%	261	26.09%	74,544	9.37%



Lastly, the Division is currently in the final stages of awarding an outside vendor the contract for a new UCC online filing platform. This important technology will provide a seamless, integrated electronic filing and processing system. Once implemented, the system will limit the amount of required updates and downtime and customers will more conveniently be able to file their UCC documents.

GOMB SUCCESS

The Division strives to process business filings as quickly and efficiently as possible. To increase productivity, the goal to have 60% of the limited liability applications successfully processed within two business days was established. The Division met and exceed that goal. Over the previous year, the Division received 47,366 limited liability applications and processed 32,618 (69%) of them within two business days. This goal was achieved by successfully leveraging the benefits of technology and by the dedicated work of Division staff.

QUESTIONS

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



Jason Sterzer, Director  
801.530.4849 • jsterzer@utah.gov

UNIFORM COMMERCIAL CODES

Fiscal Year	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
<b>UCC-1</b>										
In-house Filings .....	4,391	4,137	6,500	4,380	3,725	4,292	5,103	5,747	6,141	4,953
Online Filings .....	13,904	11,830	8,867	12,372	14,148	14,565	13,995	17,135	19,624	18,410
Total .....	18,295	15,967	15,367	16,752	17,873	18,857	19,098	22,882	25,765	23,363
Adoption Rate .....	76.00%	74.09%	57.70%	73.85%	79.16%	77.24%	73.28%	74.88%	76.17%	78.80%
Difference from Previous Year ....	-930	-2,074	-2,963	3,505	1,776	417	-570	3,140	2,489	-1,214
% Increase .....	-6.27%	-14.92%	-25.05%	39.53%	14.35%	2.95%	-3.91%	22.44%	14.53%	-6.19%

<b>UCC-2</b>										
In-house Filings .....	164	121	143	112	110	116	78	45	43	58
Online Filings .....	949	1,449	1,159	1,281	967	1,163	1,281	1,019	1,394	1,318
Total .....	1,113	1,570	1,302	1,393	1,077	1,279	1,359	1,064	1,437	1,376
Adoption Rate .....	85.27%	92.29%	89.02%	91.96%	89.79%	90.93%	94.26%	95.77%	97.01%	95.78%
Difference from Previous Year ....	-170	500	-290	122	-314	196	118	-262	375	-76
% Increase .....	-15.19%	52.69%	-20.01%	10.53%	-24.51%	20.27%	10.15%	-20.45%	36.80%	-5.45%

<b>UCC-3 Terminations/Continuations</b>										
In-house Filings .....	1,915	2,208	7,253	1,999	1,665	1,650	2,159	2,996	10,911	2,099
Online Filings .....	10,603	10,796	6,057	11,501	11,302	10,287	9,636	9,188	3,503	12,289
Total .....	12,518	13,004	13,310	13,500	12,967	11,937	11,795	12,184	14,414	14,388
Adoption Rate .....	84.70%	83.02%	45.51%	85.19%	87.16%	86.18%	81.70%	75.41%	24.30%	85.41%
Difference from Previous Year ....	-773	193	-4,739	5,444	-199	-1,015	-651	-448	-5,685	1,378
% Increase .....	-6.80%	1.82%	-43.90%	89.88%	-1.73%	-8.98%	-6.33%	-4.65%	-61.87%	12.63%

Fiscal Year	UCC-1	UCC-1 Addendum	UCC-2	UCC-3	Addendum UCC-3	CFS-1	CFS-3
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
2017 .....	25,765	6,963	1,437	17,595	817	349	556
2018 .....	23,363	5,320	1,376	18,477	948	299	532





DIVISION OF

Occupational & Professional Licensing



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**OPL 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.

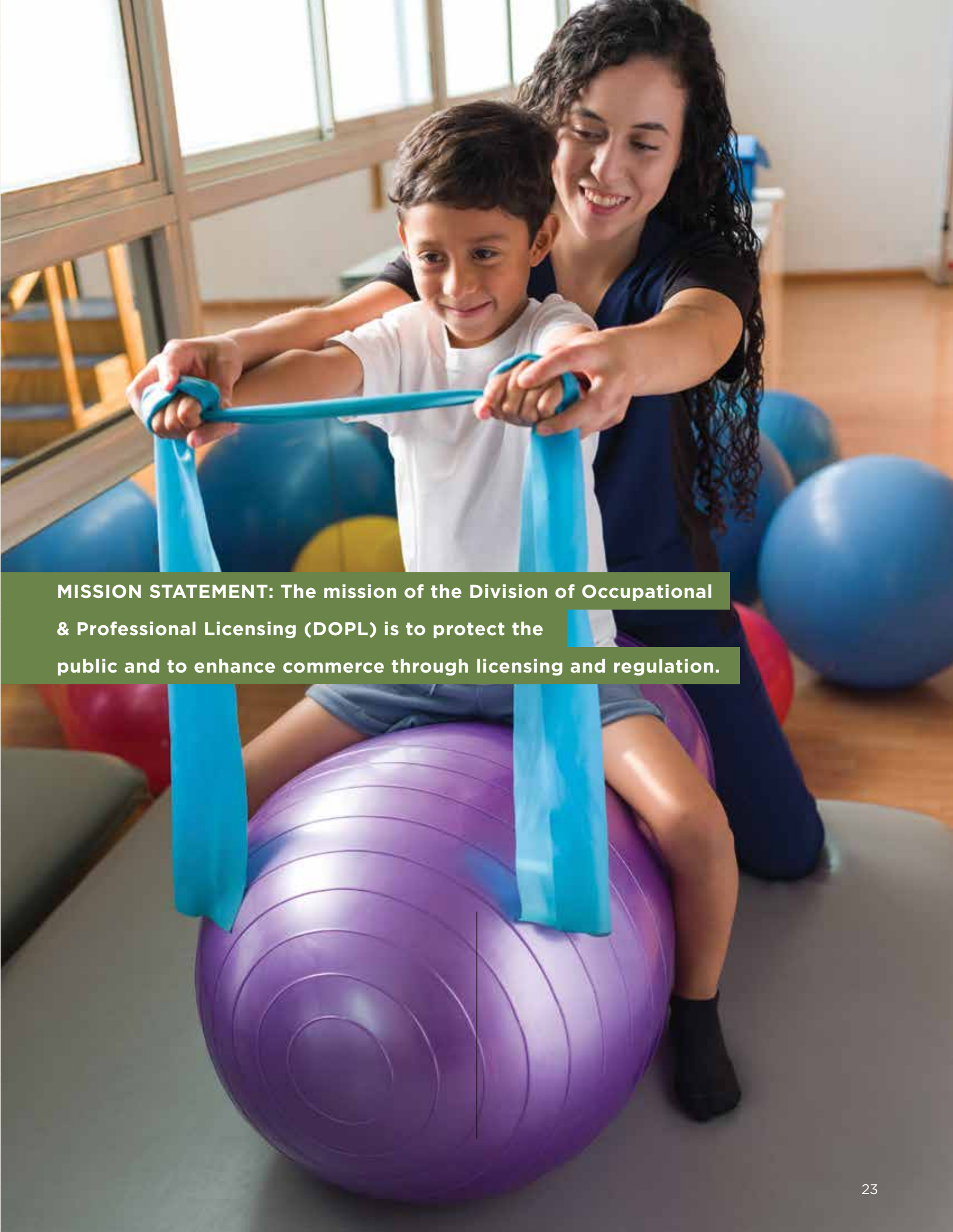
» Promote a positive working environment where employees can participate and develop as teams and individuals.

<b>TOTAL LICENSES</b>		
2018 Total Licensees:		239,898
2018 New Applications Submitted:		49,928
2018 Renewals:	Online	106,838
	Manual	4,670
	<b>Total</b>	111,508
2018 Percent Online:		95.81%

LICENSEES BY PROFESSION — FISCAL YEAR 2018

(Including Temporary Licences)

Profession Name	License Name	Count
Accountancy	CPA Firm	710
	Certified Public Accountant	5,615
Acupuncture	Licensed Acupuncturist	152
Architect	Architect	2,488
Athlete Agents	Athlete Agent	46
Athletic Trainer	Athletic Trainer	626
Building Inspector	Combination Inspector	304
	Limited Inspector	354
Burglar Alarm	Burglar Alarm Company	205
	Burglar Alarm Company Agent	12,819
	Temporary Burglar Alarm Company Agent	158
C.S. Precursor	Controlled Substance Precursor	10
Chiropractic	Chiropractic Physician	898
	Temporary Chiropractic Physician	2



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



Profession Name	License Name	Count
Clinical Mental Health	Associate Clinical Mental Health Counselor.	406
	Assoc Clinical Mental Health Counselor Extern.....	25
	Clinical Mental Health Counselor.....	1,369
	Volunteer Clinical Mental Health Counselor ...	2
Commercial Interior Design	Certified Commercial Interior Designer.....	41
Contractor	Contractor With LRF .....	18,658
	Contractor Without LRF .....	718
	Handyman Exemption Registration .....	1,812
	Instructor for Construction Mechanical.....	1
	Instructor for Electrical Trades.....	6
	Instructor for General Building Trades .....	23
Cosmetology	Instructor for Plumbing Trades.....	3
	Barber .....	628
	Barber Apprentice .....	22
	Barber Instructor .....	40
	Barber School .....	14
	Cosmetologist / Barber .....	29,660
	Cosmetologist / Barber Apprentice.....	71
	Cosmetologist / Barber Instructor.....	1,930
	Cosmetology / Barber School .....	36
	Electrologist.....	147
	Electrologist Instructor.....	13
	Electrology School.....	1
	Esthetician .....	1,141
	Esthetician Apprentice.....	17
	Esthetician Instructor .....	625
	Esthetics School .....	23
	Hair Design School .....	8
	Hair Designer.....	3
	Master Esthetician .....	5,159
	Master Esthetician Apprentice .....	14
Court Reporter	Nail Technician .....	5,334
	Nail Technician Apprentice.....	66
	Nail Technician Instructor .....	215
	Nail Technology School .....	10
Certified Court Reporter – Shorthand .....		114
Deception Detection	Deception Detection Exam Administrator .....	9
	Deception Detection Examiner.....	21
	Deception Detection Intern.....	1
Dental	Dental Hygienist .....	137
	Dental Hygienist with Local Anesthesia ..	3,028
	Dentist – Anesthesia Class I Permit .....	830
	Dentist – Anesthesia Class II Permit. ....	1,720
	Dentist – Anesthesia Class III Permit .....	341
	Dentist – Anesthesia Class IV Permit .....	88
	Volunteer Dentist Anesthesia Class I.....	4
	Volunteer Dentist Anesthesia Class II .....	5
	Volunteer Dentist Controlled Substance.....	1
Dietitian	Certified Dietitian.....	945
Direct-Entry Midwife	Direct-Entry Midwife.....	50
Electrician	Apprentice Electrician .....	6,163
	Journeyman Electrician .....	4,178
	Master Electrician.....	2,132
	Residential Journeyman Electrician .....	216
	Residential Master Electrician .....	178

Profession Name	License Name	Count
Elevator Mechanic	Elevator Mechanic .....	146
Engineer/ Land Surveyor	Professional Engineer .....	8,470
	Professional Land Surveyor .....	732
	Professional Structural Engineer.....	2,132
Environmental Health Scientist	Environmental Health Scientist. ....	246
	Environmental Health Scientist–Training ....	13
Factory Built Housing	Factory Built Housing Dealer.....	51
Funeral Service	Funeral Service Director.....	349
	Funeral Service Establishment .....	132
	Funeral Service Intern.....	41
Genetic Counselor	Genetic Counselor .....	249
	Temporary Genetic Counselor.....	8
Geologist	Professional Geologist .....	855
Health Facility Administrator	Health Facility Administrator .....	341
Hearing Instrument	Hearing Instrument Intern .....	31
	Hearing Instrument Specialist.....	125
Hunting Guides/ Outfitters	Hunting Guide.....	390
	Outfitter.....	132
Landscape Architect	Landscape Architect .....	352
Marriage & Family Therapy	Associate MFT Extern .....	4
	Associate Marriage & Family Therapist.....	161
	Marriage & Family Therapist.....	733
Massage	Massage Apprentice .....	50
	Massage Therapist.....	6,971
Medical Language Interpreter	Certified Medical Language Interpreter ....	204
Medication Aide – Certified	Medication Aide – Certified .....	17
Music Therapy	State Certified Music Therapist.....	58
Naturopathic	Naturopath including Surgery & OB .....	1
	Naturopathic Limited CS Testosterone.....	28
	Naturopathic Physician .....	50
	Temporary Naturopathic Physician.....	1
Nurse	APRN.....	2,357
	APRN Intern .....	2
	APRN without PP .....	24
	APRN – CRNA Controlled Substance.....	311
	APRN – CRNA without PP .....	315
	Certified Nurse Midwife.....	167
	Licensed Practical Nurse .....	2,555
	Registered Nurse .....	34,901
	Temporary Licensed Practical Nurse.....	1
	Volunteer APRN .....	1
Occupational Therapy	Volunteer APRN Controlled Substance .....	1
Occupational Therapy	Occupational Therapist .....	948
	Occupational Therapy Assistant .....	376

Profession Name	License Name	Count
Online Internet Facilitator	Online Internet Facilitator .....	2
Optometrist	CS.....	357
	Optometrist .....	536
	Optometrist (Without Certification) .....	2
	Optometrist Diagnostic Only.....	7
Osteopathic Physician	Osteopathic Online Prescriber .....	2
	Osteopathic Physician & Surgeon .....	1,007
	Volunteer Osteopathic CS.....	1
	Volunteer Osteopathic Physician/Surgeon.....	1
Pharmacy	Dispensing Medical Practitioner.....	68
	Dispensing Medical Practitioner Clinic.....	29
	Lethal Injection Use.....	1
	Online Contract Pharmacy .....	2
	Pharmacist .....	3,806
	Pharmacy – Class A .....	527
	Pharmacy – Class B .....	276
	Pharmacy – Class C .....	1,055
	Pharmacy – Class D .....	717
	Pharmacy – Class E Business .....	556
	Pharmacy Intern .....	812
	Pharmacy Technician .....	5,540
	Pharmacy Technician Trainee.....	1,336
	Temporary Pharmacist .....	23
Physical Therapist	Physical Therapist.....	2,302
	Physical Therapist Assistant .....	833
	Temporary Physical Therapist .....	8
	Temporary Physical Therapist Assistant.....	13
Physician	Physician & Surgeon .....	10,144
	Physician Educator CS .....	8
	Physician Educator Type I .....	3
	Physician Educator Type II.....	6
	Physician Online Prescriber .....	3
	Temporary Physician/Surgeon CS .....	1
	Temporary Physician & Surgeon.....	1
	Volunteer Physician & Surgeon.....	8
	Volunteer Physician/Surgeon CS .....	4
Physician Assistant	Physician Assistant.....	1,548
Plumber	Apprentice Plumber .....	2,335
	Journeyman Plumber.....	967
	Master Plumber.....	1,788
	Residential Journeyman Plumber .....	78
	Residential Master Plumber .....	48
Podiatric Physician	Podiatric Physician.....	241
Preneed	Pre-Need Sales Agent .....	224
Private Probation Provider	Private Probation Provider .....	111
Psychologist	Assistant Behavior Analyst .....	46
	Assistant Behavior Specialist .....	13
	Behavior Analyst .....	223
	Behavior Specialist .....	28
	Psychologist .....	1,038
	Psychology Resident .....	36



Profession Name	License Name	Count
Radiology	Radiologic Technologist.....	2,837
	Radiologist Assistant.....	13
	Radiology Practical Technician .....	439
Recreational Therapy	Master Therapeutic Recreation Specialist....	42
	Therapeutic Recreation Specialist .....	341
	Therapeutic Recreation Technician .....	299
Respiratory Care	Respiratory Care Practitioner.....	1,734
Security Companies & Guards	Armed Private Security Officer .....	1,726
	Armored Car Company .....	8
	Armored Car Security Officer.....	444
	Armored Car Training Program Provider .....	4
	Contract Security Company.....	60
	Contract Security Training Program Provider ..	10
	Interim Armed Private Security Officer .....	13
	Interim Armored Car Security Officer .....	3
	Interim Unarmed Private Security Officer....	53
Social Work	Unarmed Private Security Officer.....	4,816
	Certified Social Worker.....	1,445
	Certified Social Worker Intern .....	23
	Licensed Clinical Social Worker.....	4034
	Social Service Worker .....	2,019
Speech/ Audiology	Volunteer Licensed Clinical Social Worker.....	1
	Audiologist.....	294
	Speech Lang Pathologist & Audiologist.....	15
	Speech Language Pathologist.....	1,015
	Temporary Speech Language Pathologist ...	46
Substance Use Disorder	Certified Advanced SUDC .....	31
	Certified Advanced SUDC Intern .....	2
	Certified SUDC .....	43
	Certified SUDC Intern .....	3
	Licensed Advanced SUDC.....	124
	Licensed SUDC .....	235
Veterinarian	Veterinarian .....	907
	Veterinary Intern.....	27
Vocational Rehab Counselor	Licensed Vocational Rehab Counselor .....	201
Total Active Licenses .....		239,898



STATE CONSTRUCTION REGISTRY (SCR)

	Fiscal Year	2013	2014	2015	2016	2017	2018
PreConstruction Service .....		219	389	485	494	446	775
Construction Loan.....		6,176	6,544	6,717	7,113	7,384	7,611
Building Permits .....		37,482	36,778	34,311	36,019	36,668	30,676
Commencement .....		1,006	951	878	770	775	761
Preliminary Notice.....		183,466	207,966	210,551	241,489	272,476	299,457
Intent to Complete .....		111	108	138	158	11	185
Remaining to Complete .....		130	449	376	270	269	194
Completions .....		4,880	6,709	7,119	8,684	9,479	10,442
Loan Default .....		2	3	0	3	0	2
Total Filings.....		233,472	259,897	260,575	295,000	327,508	350,103

The SCR acts as a repository for all required construction lien notices. The registry is an internet based service available to 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 interested parties participating in a project, including those who provide labor and materials. Its purpose is to prevent liens and the surprise of unknown lien rights before they become a problem for a construction project.

RESIDENCE LIEN RECOVERY FUND

	Fiscal Year 2018	Since Inception
Number of Claims Filed .....	20	2,906
Amount of Claims .....	\$217,393	\$21,183,151
Number of Claims Paid.....	9	2,072
Amount of Paid Claims.....	\$174,603	\$14,778,888
Number of Claims Denied .....	0	568
Number of Claims Dismissed.....	0	250

The Residence Lien Recovery Fund (RLRF) serves as an alternate payment source for contractors, laborers, or suppliers whose liens are voided when the homeowner 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 the cost of their services provided, plus interest.

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, which determines the merit of each claim. Upon proper request by a petitioner, the Prelitigation Section of DOPL will facilitate and manage the appropriate prelitigation hearing panel. Each panel consists of an attorney, a lay member of the community, and a medical professional of the same specialty as the professional facing the claim. After the hearing, The Prelitigation Section issues a certificate of compliance indicating that the petitioner has complied with this prerequisite.

	Fiscal Year 2018
<b>Actions</b>	
Cases Opened .....	994
Requests Denied .....	13
Hearings Scheduled.....	220
Cases Closed.....	101
<b>Outcomes</b>	
No Merit .....	39
Meritorious .....	8
Stipulated.....	9
Dismissed.....	40
Dismissed – Arbitration ...	0
Split Decision:.....	5
Jurisdiction .....	0
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 2018
<b>Complaints</b>	
Received.....	6,295
Assigned.....	6,198
Closed .....	6,359
<b>Actions</b>	
Administrative Filings .....	589
Criminal Filings .....	45
Citations .....	1,157
Letters of Concern .....	334
Referred to URAP .....	19
Pharmacy Alerts .....	350
Administrative Denial Letters....	9

UTAH RECOVERY ASSISTANCE PROGRAM (URAP) AND PROBATION

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

	Fiscal Year 2018
Total Number of Active Licensees .....	239,898
Total Number of Diversionees (URAP) .....	70
Total Number of Probationers .....	365

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 overutilization, misuse, and over-prescribing of controlled substances throughout the state.

	Fiscal Year 2018
Total prescription records as of 06/30/2018.....	29,969,247
Total prescriptions entered in FY 2018.....	5,727,007
Online reports FY 2018.....	1,523,084
In-house reports FY 2018.....	5,272
Number of hospital overdose reports .....	1,176
Number of overdose reports mailed to practitioners.....	3,522
Number of court reports regarding DUI conviction .....	564
Number of DUI reports mailed to practitioners .....	864
Number of doctor shopper lettersmailed to practitioners.....	2,363
Number of doctor shopper lettersmailed to law enforcement .....	222
Registered users:	
Pharmacists.....	2,903
Prescribing practitioners .....	18,787
Others .....	1,150

QUESTIONS

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



Mark Steinagel, Director  
801.530.6626 • msteinagel@utah.gov





OFFICE OF

# Property Rights Ombudsman



## 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 2018 HIGHLIGHTS

The Attorneys at the Office work every day with the citizens of Utah to help them understand and to protect their property rights. 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.

### Dispute Resolution in Eminent Domain Cases

During the 2018 Fiscal Year, the attorneys at the Office of the Property Rights Ombudsman

- » Logged 1076 telephone calls from citizens and government agencies where questions were answered or concerns resolved with one or two phone calls;
- » Opened 160 cases;
- » Closed 171 cases;
- » Conducted 100 formal mediations and arbitrations.

### Dispute Resolution & Legal Opinions Regarding Land Use Cases

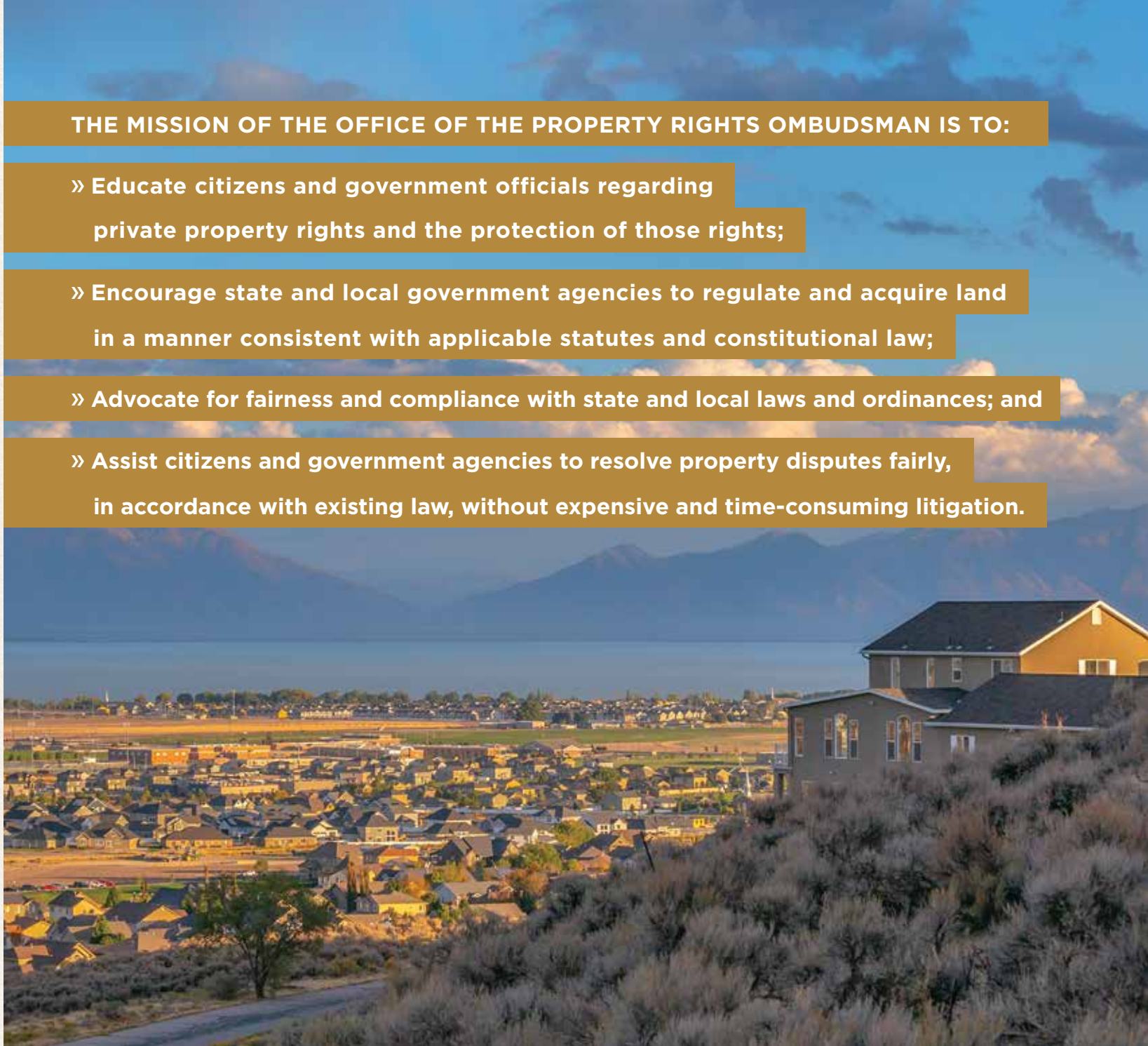
During the 2018 fiscal year, the attorneys at the Office of the Property Rights Ombudsman issued 15 Advisory Opinions. Advisory Opinions primarily addressed the following topics: Impact Fees Act, Compliance with Mandatory Land Use Ordinances, Exactions on Development and Entitlement to Application Approval.

### Other Significant Accomplishments

- » The Office celebrated its 20 year anniversary. The Office has been with the Department of Commerce for 12 of those years.
- » The Office provided 27 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, the Utah State Bar, International Right of Way Association and various County and Planning Commissions.
- » The Office provided hands-on legal experience to an intern from the J. Rueben Clark Law School.

## 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;
- » Advocate for fairness and compliance with state and local laws and ordinances; and
- » Assist citizens and government agencies to resolve property disputes fairly, in accordance with existing law, without expensive and time-consuming litigation.



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



Brent Bateman, Lead Attorney  
801.530.6391 • [bbateman@utah.gov](mailto:bbateman@utah.gov)  
[propertyrights.utah.gov](http://propertyrights.utah.gov)

- » 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, ULCT LUDMA Team and Impact Fees Team, the Canal Easement Drafting Group, and the Utah State Bar Real Property Section.
- » B250 and SB96 both passed during the 2018 Legislative session. HB250 “Building Permit and Impact Fees Amendments” mandates that the Office provide specific training in land use disputes, land use ordinance drafting and the application of these laws and regulations. SB96 “Canal Amendments” allows the Office to get involved if negotiations fail between canal companies and property owners/developers.



# DIVISION OF Public Utilities



## D OPL OBJECTIVES

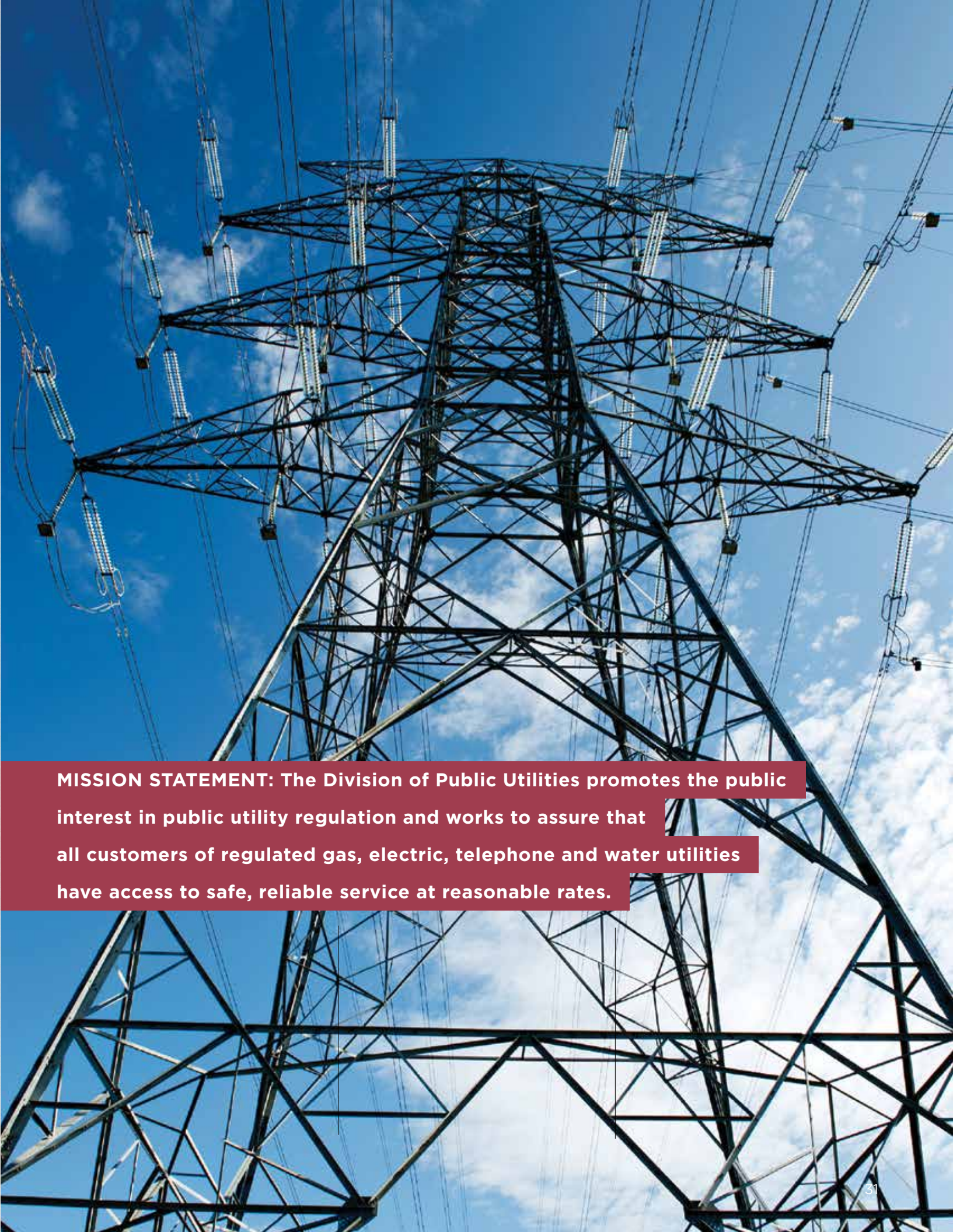
- » Investigating applications for certificates to provide utility service or to build new utility facilities;
- » Auditing, analyzing, and investigating proposed rate increases or changes;
- » Investigating and resolving complaints of utility customers;
- » Monitoring the safety of intrastate natural 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

The Division has been engaged in proceedings across all utility industries to reflect federal tax law changes that occurred in December, 2017 in customer rates. For some utilities, customers have already seen decreases. For others, decreases will offset other pressures on rates and the state's universal service fund for high cost telecommunications companies. As an example, Rocky Mountain Power customers will see an annual decrease of over \$60 million, along with offsets to increased depreciation and other expenses that would otherwise exert upward pressure on rates.



**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.**





ENERGY

The Division participated in the regulatory review of proposals by Rocky Mountain Power to construct over 1,000 MW of wind generation in Wyoming. The projects, when completed, will provide decades of low marginal-cost power for Utah customers. Some of the projects repower existing facilities with newer, more efficient equipment. Other projects are completely new. A large upgrade to transmission facilities was also approved to allow better transfers of the new power.

The Division continues to monitor the acquisition of Questar Gas Company by Dominion Energy. Thus far, the acquisition has provided rate savings to Utah customers. However, some challenges have occurred. A confusing mailer by an affiliate of the gas utility, made with the utility’s knowledge, caused consternation for many customers, suggesting the utility was endorsing a third-party’s product. The Division fielded a hundreds of complaints concerning the mailer, which are noted in the table below. The Public Service Commission has recently ordered changes the Division suggested to the utility’s tariffs and its affiliate relationships.

The Division is participating in multi-state negotiations to determine how Rocky Mountain Power’s costs and revenues will be allocated among its six states. Recent legislative changes in other states suggest the current allocation system is not sustainable in the long run. The Division is seeking risk mitigation provisions to guard against a decreased diversity of supply and future environmental regulation.

FIVE-YEAR HISTORY OF UTILITY COMPLAINTS

Utilities	Fiscal Year	2014	2015	2016	2017	2018
Electric.....		114	109	84	109	86
Natural Gas .....		110	62	59	67	323
Telecomm –						
ILEC* & Century-Link .....		131	113	125	94	77
CLEC** .....		31	32	21	18	23
Long Distance .....		8	9	3	0	3
Water/Sewer .....		9	11	0	0	6
<b>Total.....</b>		<b>403</b>	<b>336</b>	<b>292</b>	<b>288</b>	<b>518</b>

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

TELECOMMUNICATIONS AND WATER

The Division has continued implementing legislative changes to the way telecommunications companies are compensated for providing high-cost service through the state’s universal service fund. The new system requires the Division to review all companies’ annual reports, apply Public Service Commission Rules, and recommend updated support amounts for companies. At the close of the fiscal year, the Division was reviewing these reports and preparing recommendations. Those recommendation suggest the law and rule changes will increase payments from the fund by approximately 50%, which may necessitate increases in fees on telephone customer bills.

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 2018, 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 also makes recommendations to the Attorney General’s office when enforcement actions are necessary. Pipeline Safety initiated enforcement actions against a nonresponsive pipeline operator in the fiscal year. The operator is now working toward settling the action and achieving compliance.

Pipeline Safety Inspections

	Fiscal Year 2018
Questar Gas Company Regions .....	11
Municipal Gas Distribution Operators .....	5
Intrastate Transmission Operators.....	7
Gathering Operators.....	0
Small Gas System Operators (Master Meters) .....	22
Construction .....	3
Incident.....	66



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



Chris Parker, Director  
801.530.7622 • [chrisparker@utah.gov](mailto:chrisparker@utah.gov)



# DIVISION OF Real Estate



2018 SUCCESS GOALS

In fiscal year 2018 the Division of Real Estate maintained efficiency in the Governor’s SUCCESS Program. The average number of applications received per month increased from 278 to 308, but processing times continued to stay higher than our baseline from 2013.

	Baseline	FY 2018
Average applications received per month .....	194	4308
Percentage processed within five days.....	74.9%	796.8%

2018 OUTREACH

In fiscal year 2018, 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

August 2017 –

Division Representatives spoke at the Utah Association of Mortgage Professionals Expo.

September 2017

Division representatives spoke at the Utah Association of Realtors Convention.

October 2017

Division-sponsored Instructor Development Workshop held in Park City. Speakers included Justin Harding, Governor’s Chief of Staff, Division Director, Division enforcement and licensing supervisors, and guest speaker Mark Barker.

November 2017

Division representatives spoke at a Broker Town Hall for the Northern Wasatch Association of Realtors.

November 2017

Division Representative spoke at the National Association of Residential Property Managers Conference.

January 2018 –

Division representatives spoke to the Utah Chapter of the Appraisal Institute.

January 2018

Division representative spoke to Utah Association of Realtors Board of Directors.

March 2018

Division representatives spoke at the Utah Chapter of the Appraisal Institute’s Annual Symposium.

April 2018

Division representatives spoke to the Cache Valley Association of Realtors.

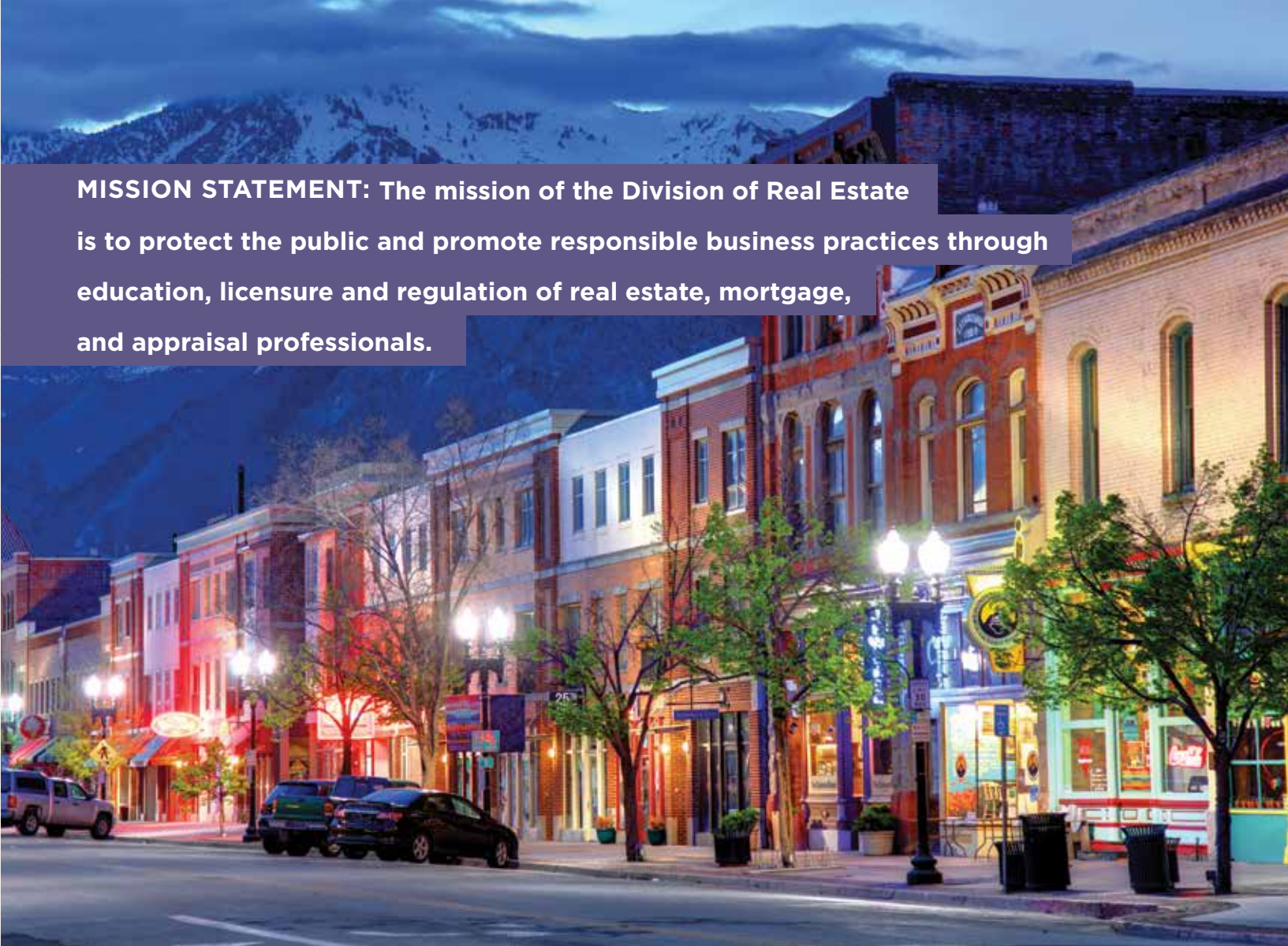
May 2018

Division representative spoke at the Utah Association of Realtors Board of Directors Meeting.

April – May 2018

Three-hour Division-sponsored continuing education seminars held in Park City, Vernal, Logan, Layton, Provo, Moab, Richfield, Cedar City, and St. George.

**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.



STATUTORY CHANGES

Representative Gage Froerer sponsored the Division’s 2018 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, the Real Estate Appraiser Licensing & Certification Act. Highlights of HB243 include the following:

For Real Estate, Mortgage and Appraisal:

- » Clarified when an order is served providing consistency for all industries.

For Mortgage:

- » Prohibited an entity from being licensed unless they operate within the United States; and
- » Clarified that record retention applies to those required to be licensed.

For Real Estate:

- » Clarified existing attorney exemption language.

For Appraisal Management

- » Updated the statute to be consistent with required minimum standards;
- » Exceeded minimum standards by including all residential 1-4 unit dwellings rather than primary residences;
- » Added authority to collect an annual registry fee and transfer collected fees to the Appraisal Subcommittee; and
- » Allowed the Division to approve an appraiser’s initial license on probation.

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. Real Estate 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. Appraiser Licensees are sent an email license renewal reminder notification three months, 45 days, and 14 days prior to license expiration and 2 days following expiration. These notices cease following the renewal of a license.

Real Estate Brokers receive monthly notifications which provide helpful real-time information regarding the licensing status of all affiliated licensees working for their brokerage. This system informs Principal and Branch Brokers whether licensees working for their entity have completed





required continuing education courses in advance of their license renewal. In addition, this tracking system allows supervising brokers to be well informed regarding upcoming license renewal deadlines. This system allows the Broker to easily account for those licensees whose licenses will soon be, or that have expired. This well-functioning process allows brokers to better supervise and monitor the licensing status of individuals working for their brokerage.

The Division implemented a **License Renewal e-mail Notification System** in October of 2013, for all real estate and appraiser licensees and a **Monthly Broker Licensee Notification System** in January of 2016, for all Real Estate licensees.

These reminder notification systems have contributed in a meaningful way to an overall sharp reduction in undesired or unintentional license expirations, unknowing or inadvertent unlicensed real estate and/or appraisal activity, and even a significant decrease in “hurry up” – “last minute rush to complete” continuing education courses in the waning hours just prior to license expiration.

This adds to the convenience and professional conduct of these licensees as well as contributing to the overall protection of and service to the general public.

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 processes, 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.



EDUCATION

The Division conducted its annual Instructor Development Workshop to assist professional instructors of real estate, mortgage, and appraisal education. The annual workshop (which has occurred consecutively now for over 25 years), 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 Division coordinated with and received approval from the Conference of State Bank Supervisors (CSBS) to enable the Division (and Utah Mortgage Licensees) to now have Continuing Education Courses (2-hour Utah Law, and Division CARAVAN courses) receive credit for and be tracked in the National Mortgage Licensing System (NMLS). This will streamline and expedite the Mortgage license renewal process.

The following tables offer 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	2014	2015	2016	2017	2018
Educational Programs . . . . .		32	31	39	26	38
Real Estate Pre-Licensing Instructors . . . . .		35	32	29	28	31
Real Estate CE Courses . . . . .		1,215	1,007	741	660	790
Real Estate CE Instructors . . . . .		426	452	568	483	477
Mortgage Pre-Licensing Instructors . . . . .		7	7	5	4	4
Mortgage CE Courses . . . . .		6*	7*	7*	7*	8*
Mortgage CE Instructors . . . . .		6*	7*	4*	7*	10*
Appraisal CE Courses . . . . .		479	425	448	225	236
Appraisal Instructors . . . . .		34	63	68	66	69
Appraisal Pre-Licensing Instructors . . . . .		53	23	33	47	47

*\*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). This year the Division received approval from the NMLS to have two Division approved CE courses tracked inside of the NMLS database establishing a more seamless license renewal process.*

Pre-licensing Examinations Administered

	Fiscal Year	2014	2015	2016	2017	2018
Real Estate Agent Exams . . . . .		2,673	3,029	3559	3,872	4,733
Real Estate Broker Exams . . . . .		272	304	275	245	320
Mortgage PLM Exams . . . . .		179	144	123	161	235
Appraiser Exams . . . . .		46	57	32	33	39

*Mortgage Loan Originator exams are now scheduled and administered through Nationwide Mortgage Licensing System (NMLS).*

Total Number of Licenses/Registrations

	Fiscal Year	2013	2014	2015	2016	2017	2018
Real Estate . . . . .		18,198	21,739	22,858	24,745	26,035	27,137
Mortgage . . . . .		4,840	4,358	5,276	5,786	6,519	7,083
Appraiser . . . . .		1,384	1,396	1,314	1,415	1,461	1,481
Appraisal Management Companies (AMCs) . . . . .		147	140	148	142	139	135
Subdivision/Timeshare . . . . .		566	657	643	558	550	523
<b>Total . . . . .</b>		<b>25,135</b>	<b>28,290</b>	<b>30,239</b>	<b>32,646</b>	<b>34,704</b>	<b>36,359</b>

New Licenses/Registrations Issued

	Fiscal Year	2013	2014	2015	2016	2017	2018
Real Estate . . . . .		1,042	2,197	2,479	2,600	2,640	2,901
Mortgage . . . . .		1,113	1,174	949	1,112	1,435	1,501
Appraiser . . . . .		145*	255*	252*	267*	302*	287*
Appraisal Management Companies (AMCs) . . . . .		21	16	12	12	9	7
Timeshare . . . . .		276	211	220	164	190	226
<b>Total . . . . .</b>		<b>2,597</b>	<b>3,853</b>	<b>3,912</b>	<b>4,154</b>	<b>4,565</b>	<b>4,922</b>

*\*Includes temporary permit and reciprocal licenses.*

Licenses/Registrations Renewed

	Fiscal Year	2013	2014	2015	2016	2017	2018
Real Estate . . . . .		8,229	8,998	8,060	8,950	8,839	10,585
Mortgage . . . . .		4,045	5,752	4,603	4,915	5,459	5,043
Appraiser . . . . .		651	694	691	603	689	645
Timeshare . . . . .		194	72	125	130	129	151
<b>Total . . . . .</b>		<b>13,119</b>	<b>15,516</b>	<b>13,479</b>	<b>14,598</b>	<b>15,116</b>	<b>16,424</b>

ENFORCEMENT STATISTICS

	Fiscal Year	2013	2014	2015	2016	2017	2018
<b>Complaints Received</b>							
Real Estate . . . . .		389	423	288	481	352	366
Appraiser . . . . .		78	59	56	38	38	51
Mortgage . . . . .		139	108	59	92	46	69

<b>Cases Opened</b>							
Real Estate . . . . .		199	221	186	253	335	229
Appraiser . . . . .		60	55	44	38	33	51
Mortgage . . . . .		83	84	46	54	61	69

<b>Cases Closed</b>							
Real Estate . . . . .		194	141	142	476	303	253
Appraiser . . . . .		62	76	43	31	42	47
Mortgage . . . . .		61	59	30	92	34	38

<b>Total Open Cases as of June 30, 2017</b>							
Real Estate . . . . .		225	272	296	291	393	393
Appraiser . . . . .		67	32	45	43	35	35
Mortgage . . . . .		43	79	89	69	81	87

FISCAL YEAR 2018 SANCTIONS

Sanctions	Appraisal	Mortgage	Real Estate	Total
Remedial Education . . . . .	5	2	36	43
Fines . . . . .	7	12	57	70
Probation . . . . .	0	9	104	113
Suspension . . . . .	1	3	3	7
Revocation/Surrender . . . . .	0	1	3	4
Denial . . . . .	0	3	12	15
Cease and Desists . . . . .	0	1	2	3
Citation . . . . .	0	0	20	20
Criminal referrals . . . . .	0	0	0	0

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 an effort to address the number of complaints the Division receives on an annual basis, another Assistant Attorney General position was assigned to the Division. The Division has three Assistant Attorney General's assisting the Division with drafting stipulated settlements, as well as representing the Division in licensing and enforcement hearings.

The Division referred one real estate case criminally. This case involved two real estate agents and one escrow officer. One of the Defendants pleaded guilty and the other two are facing a jury trial in the spring of 2019.

The Division distributes a quarterly newsletter to all licensees. Two investigators on the enforcement team write articles for the newsletter, addressing hot topics within the three industries.

The Division continues to pursue cases which result in administrative actions as well. The following tables provide data about the type and number of disciplinary sanctions obtained by the Division, either through stipulation or by disciplinary action in an administrative hearing. Through these actions, the Division ordered a total of \$470,478.34 in fines during fiscal year 2018.

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



Jonathan Stewart, Director  
801.530.6751 • jstewart@utah.gov



DIVISION OF  
Securities



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), the Financial Industry Regulatory Authority (FINRA), and securities regulators from other states to streamline the licensing process and 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

Securities Licensing

Fiscal Year	2011	2012	2013	2014	2015	2016	2017	2018
Broker-Dealers.....	1,621	1,590	1,563	1,561	1,558	1,534	1,529	1,531
Broker-Dealer Agents .....	96,660	99,499	101,709	107,354	112,988	118,769	122,071	126,709
Investment Advisers (I.A.).....	142	145	180	202	206	215	234	236
Federal Covered Advisers.....	906	925	905	946	986	1,035	1,055	1,106
I.A. Representatives.....	3,881	4,156	4,471	4,823	5,072	5,257	5,410	5,559
Certified Broker-Dealers.....	12	16	14	18	16	17	17	15
Certified Broker-Dealer Agents.....	74	82	91	99	91	88	86	79
Certified Investment Advisers.....	—	4	6	6	7	6	7	8
Certified Investment Adviser Representatives.....	—	25	33	31	40	67	43	42
Issuer Agents.....	87	84	87	85	91	90	109	85
Total.....	103,397	106,526	109,059	115,125	121,055	127,048	130,561	135,370

Securities Filings

Fiscal Year	2011	2012	2013	2014	2015	2016	2017	2018
Coordination .....	106	120	104	108	97	88	72	62
Qualification.....	—	1	—	—	1	2	2	1
Exemptions.....	53	48	41	40	42	46	34	38
Opinion/No Action Letter .....	2	2	—	2	2	1	1	0
Mutual Funds.....	5,589	5,749	5,865	5,960	6,221	6,225	5,804	5,425
Rule 506 .....	690	651	651	794	981	995	1,165	1,330
Total.....	6,440	6,571	6,661	6,904	7,344	7,357	7,078	6,856



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.





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.

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.

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



Thomas Brady, Director  
801.530.6600 • tbrady@utah.gov

Fiscal Year	2011	2012	2013	2014	2015	2016	2017	2018
<b>Activity</b>								
New Investigations/Audits ...	—	—	—	—	—	—	—	—
Complaints Received .....	202	226	164	110	109	91	124	117
Audit Files Opened .....	45	62	82	85	86	100	87	97
Investigation Files Opened ...	83	58	44	39	51	35	48	54
<b>Administrative Cases</b>								
New Cases Filed .....	94	87	81	47	76	68	53	53
Stipulations & Consent Orders	34	35	31	37	41	31	33	17
Adjudicated Orders .....	8	—	19	10	12	2	6	7
Default Orders .....	—	—	—	23	33	41	22	29
<b>Criminal Cases</b>								
Criminal Charges Filed .....	34	18	10	12	19	16	20	11
Convictions .....	13	5	2	7	2	10	13	15
Pleas in Abeyance .....	7	3	3	1	—	3	6	1
<b>Fines &amp; Restitution</b>								
Fines Assessed .....	\$1,822,484	\$5,239,452	\$5,239,452	\$2,582,376	\$5,645,788	\$5,048,104	\$627,125	\$4,297,456
Fines Paid .....	\$1,176,116	\$550,223	\$217,983	\$164,660	\$228,759	\$212,150	\$260,525	\$181,598
Restitution Ordered .....	\$5,256,191	\$2,435,430	\$15,915,435	\$368,786	\$567,583	\$1,979,566	\$1,175,000	\$19,913,548

PUBLIC OUTREACH

Fiscal Year	2012	2013	2014	2015	2016	2017	2018
<b>Investor Education</b>							
Investor Education Presentations.....	55	74	98	80	69	68	70
Total Number of People Attending Investor Education Presentations .....	11,920	9,889	14,453	13,293	17,766	14,096	20,548



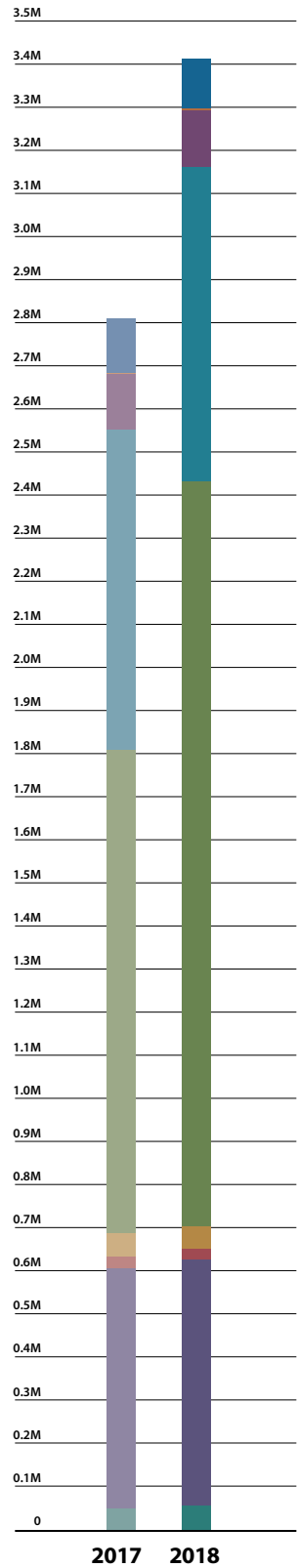


UTAH DEPARTMENT  
OF COMMERCE

# 2017/2018 Web Trends

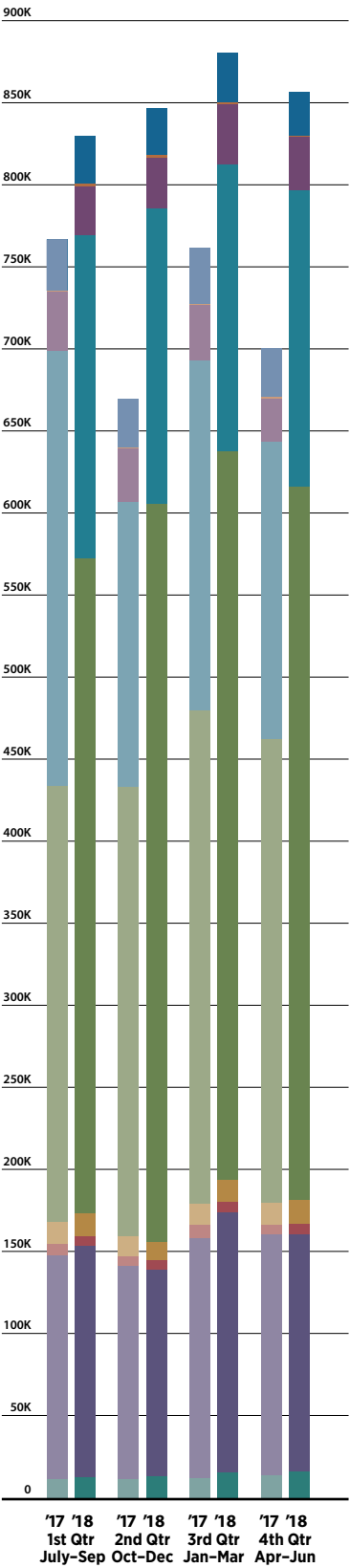
YEARLY  
WEB TRENDS  
ACROSS DIVISIONS

Fiscal Year 2017 and Fiscal Year 2018  
(visits in millions)



QUARTERLY  
WEB TRENDS  
ACROSS DIVISIONS

Fiscal Year 2017 and Fiscal Year 2018  
(visits in thousands)



YEARLY WEB TRENDS ACROSS DIVISIONS  
Fiscal Year 2017 to Fiscal Year 2018

	Fiscal Year	2017	2018
Commerce Main Site .....		125,323	114,939
Consumer Services .....		2,751	4,523
Consumer Protection .....		128,292	130,356
Corporations .....		742,593	729,349
Occupational & Professional Licensing .....		1,119,155	1,723,196
Property Rights .....		52,145	51,938
Public Utilities .....		26,274	25,819
Real Estate .....		558,051	568,547
Securities .....		48,734	56,427
Total .....		2,803,318	3,405,094

QUARTERLY WEB TRENDS ACROSS DIVISIONS  
Fiscal Year 2017 and Fiscal Year 2018

	1st Quarter		2nd Quarter	
	Jul-Sep 2016	Jul-Sep 2017	Oct-Dec 2016	Oct-Dec 2017
Commerce Main Site .....	31,419	29,059	29,628	28,377
Consumer Services .....	519	1,271	768	1,651
Consumer Protection .....	36,130	30,155	32,090	31,143
Corporations .....	176,009	195,840	173,121	179,118
Occupational & Professional Licensing .....	264,594	397,912	273,602	448,884
Property Rights .....	13,458	13,828	11,781	10,774
Public Utilities .....	6,703	6,353	6,009	6,212
Real Estate .....	136,500	140,679	129,348	125,611
Securities .....	11,196	12,326	11,609	12,827
Total .....	676,528	827,423	667,956	844,597

	3rd Quarter		4th Quarter	
	Jan-Mar 2017*	Jan-Mar 2018	Apr-Jun 2017*	Apr-Jun 2018
Commerce Main Site .....	34,063	30,515	30,213	26,988
Consumer Services .....	724	906	740	695
Consumer Protection .....	33,645	36,900	26,427	32,158
Corporations .....	212,653	173,916	180,810	180,475
Occupational & Professional Licensing .....	299,574	443,012	281,385	433,388
Property Rights .....	13,098	12,905	13,808	14,431
Public Utilities .....	8,061	6,722	5,501	6,532
Real Estate .....	145,883	158,281	146,320	143,976
Securities .....	12,023	15,194	13,906	16,080
Total .....	759,724	878,351	699,110	854,723



MONTHLY WEB TRENDS

Fiscal Year 2017 and Fiscal Year 2018

Fiscal Year 2017	Jul '16	Aug '16	Sep '16	Oct '16	Nov '16	Dec '16	Jan '17	Feb '17	Mar '17	Apr '17	May '17	Jun '17	Total
Commerce Main Site	9,768	11,614	10,037	9,972	9,645	10,011	11,668	10,456	11,939	10,021	10,199	9,993	125,323
Consumer Services	173	191	155	149	375	244	246	244	234	289	185	266	2,751
Consumer Protection	10,629	13,157	12,344	10,754	10,571	10,765	11,182	10,014	12,449	10,478	10,551	5,398	128,292
Corporations	55,429	63,784	56,796	58,495	56,879	57,747	70,594	64,938	77,121	62,284	61,072	57,454	742,593
Occupational & Professional Licensing	76,900	93,491	94,203	89,149	98,993	85,460	107,646	90,369	101,559	93,400	102,303	85,682	1,119,155
Property Rights	4,141	5,009	4,308	4,256	4,408	3,117	4,079	4,202	4,817	4,270	4,687	4,851	52,145
Public Utilities	2,206	2,426	2,071	2,016	2,208	1,785	2,161	3,406	2,494	1,951	2,079	1,471	26,274
Real Estate	42,884	46,498	47,118	44,784	41,021	43,543	49,711	43,741	52,431	54,766	47,343	44,211	558,051
Securities	3,155	4,369	3,672	3,596	4,505	3,508	3,601	3,874	4,548	4,958	4,793	4,155	48,734
Total	205,285	240,539	230,704	223,171	228,605	216,180	260,888	231,244	267,592	242,417	243,212	213,481	2,803,318

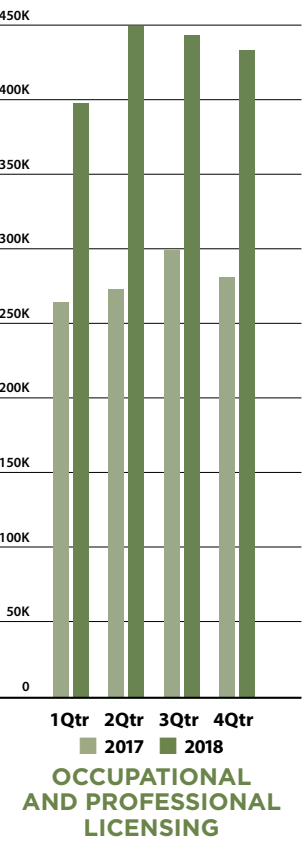
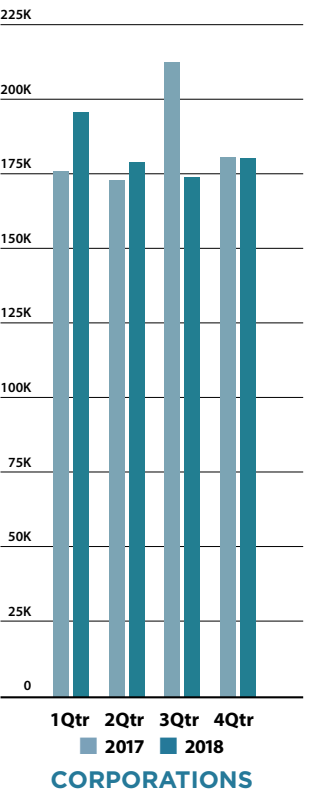
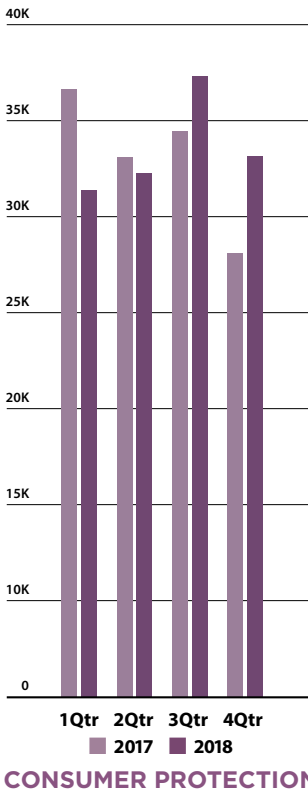
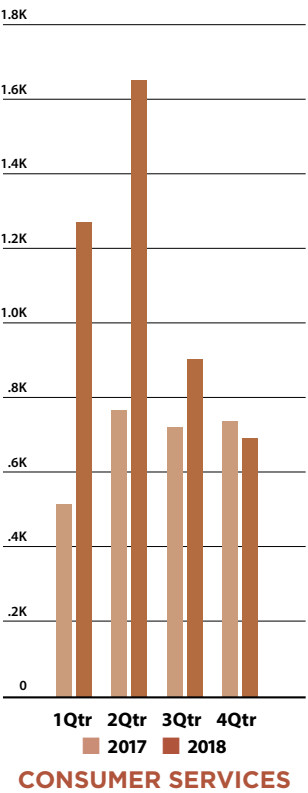
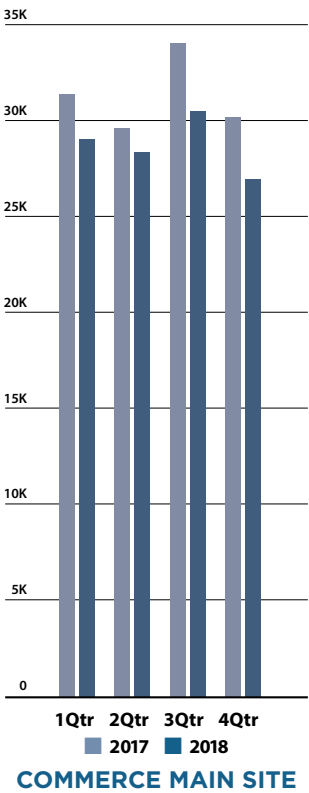
Fiscal Year 2018	Jul '17	Aug '17	Sep '17	Oct '17	Nov '17	Dec '17	Jan '18	Feb '18	Mar '18	Apr '18	May '18	Jun '18	Total
Commerce Main Site	10,021	9,908	9,130	10,533	9,370	8,474	11,307	9,161	10,047	9,179	9,298	8,511	114,939
Consumer Services	324	509	438	578	589	484	417	220	269	251	249	195	4,523
Consumer Protection	9,406	10,760	9,989	11,490	10,011	9,642	13,120	11,221	12,559	10,854	11,075	10,229	130,356
Corporations	65,725	65,264	64,851	58,699	60,638	59,781	54,927	55,546	63,443	63,108	60,660	56,707	729,349
Occupational & Professional Licensing	97,560	119,781	180,571	155,101	168,461	125,322	165,796	131,256	145,960	137,967	156,601	138,820	1,723,196
Property Rights	4,381	5,084	4,363	4,741	3,514	2,519	4,245	3,812	4,848	4,808	4,844	4,779	51,938
Public Utilities	2,005	2,020	2,328	2,058	2,316	1,838	2,059	2,595	2,068	2,094	2,150	2,288	25,819
Real Estate	49,746	46,800	44,133	52,454	39,284	33,873	58,040	43,921	56,320	54,392	46,528	43,056	568,547
Securities	3,111	4,879	4,336	4,765	4,131	3,931	5,516	4,774	4,904	5,287	6,089	4,704	56,427
Total	242,279	265,005	320,139	300,419	298,314	245,864	315,427	262,506	300,418	287,940	297,494	269,289	3,405,094

QUARTERLY WEB TRENDS — INDIVIDUAL DIVISIONS

Fiscal Year 2017 and Fiscal Year 2018

(visits in thousands)

- 1 Qtr: Jul-Sep
- 2 Qtr: Oct-Dec
- 3 Qtr: Jan-Mar
- 4 Qtr: Apr-Jun

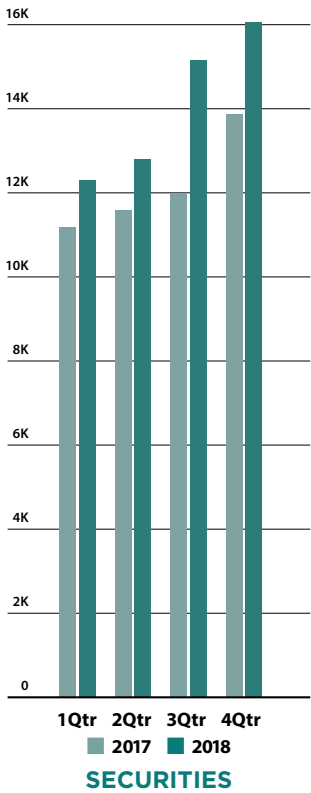
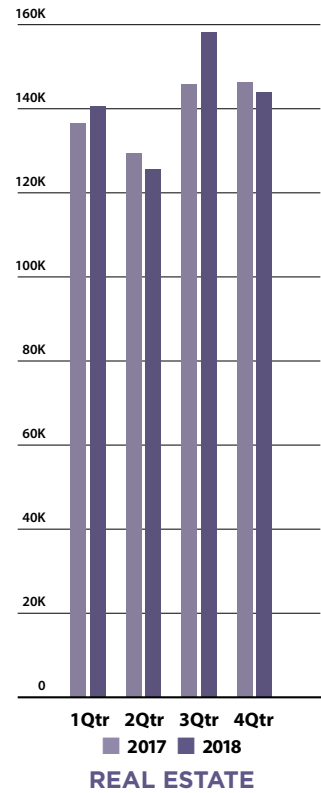
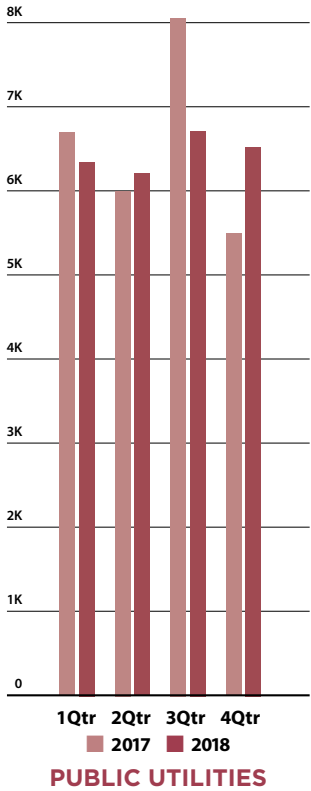
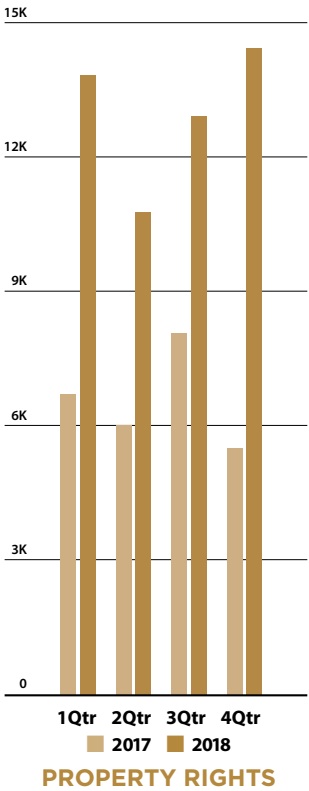




QUARTERLY  
WEB TRENDS —  
INDIVIDUAL DIVISIONS

Fiscal Year 2017 and Fiscal Year 2018  
(visits in thousands)

- 1 Qtr: Jul-Sep
- 2 Qtr: Oct-Dec
- 3 Qtr: Jan-Mar
- 4 Qtr: Apr-Jun



Commerce Fiscal Year 2018  
Expenditures by Division

Division Name	Expenditures
Commerce Administration.....	\$4,662,000
Property Rights Ombudsman.....	\$ 564,000
Occupational & Professional Licensing .....	\$8,735,000
Securities.....	\$2,058,000
Consumer Protection.....	\$2,017,000
Corporations & Commercial Code.....	\$2,383,000
Real Estate.....	\$2,093,000
Public Utilities .....	\$4,666,000
Consumer Services .....	\$ 937,000
Building Operations & 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](http://www.commerce.utah.gov)**

