

# FY 2021 Annual Report



UTAH DEPARTMENT  
OF COMMERCE

# Our Mission

Promoting **TRUST** in Utah's commercial activities through regulation, enforcement, and education.

## About this report

The state fiscal year runs from July 1 to June 30. The information and data in this report reflects statistics and accomplishments during the fiscal year 2021 which spanned from July 1, 2020 to June 30, 2021.

## Our Vision

Utah's commercial activities operate efficiently and fairly.

## Our Core Values

**Trust**  
**Unity**

## Table of Contents

2 Executive Director Statement

## Division Reports

3 Administration

6 Consumer Protection

10 Corporations and Commercial Code

16 Occupational and Professional Licensing

22 Office of Consumer Services

25 Office of the Property Rights Ombudsman

27 Public Utilities

30 Real Estate

35 Securities

38 Financial Summary

## Message from Governor Spencer J. Cox



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

DEIDRE M. HENDERSON  
LIEUTENANT GOVERNOR

SPENCER J. COX  
GOVERNOR

Friends,

I am honored to introduce the 2021 annual report for the Utah Department of Commerce. This regulation and licensing agency works tirelessly to ensure consumers can engage in Utah's economy with confidence. It's no wonder Utah is routinely seen as one of the fastest growing states for business and entrepreneurship.



It is in that spirit of business that we have asked the Department of Commerce to review licensing requirements to make sure they are relevant and not over-burdening. Employees have already shown that they are mindful of this balance and have suggested changes we are pursuing to make sure every individual with a business dream has a fair opportunity to achieve that dream.

As regulations related to business ventures continue to evolve to meet the demands on Utah's economy, I trust the Department of Commerce to look out for the best interests of all those who engage in one of the best economies in the country.

Sincerely,

Spencer J. Cox  
Governor



# Message from Margaret Busse, Executive Director

Governor Cox , Legislators, and Taxpayers,

2021 has been a year of changes for the Department of Commerce. A new administration has brought a fresh perspective to the work we do at the department. After being appointed and joining the One Utah team, I spent time reviewing the agency transition report prepared by the Cox transition team. This report showed that the Department of Commerce is running well and positively perceived but also made significant recommendations and we have developed plans to put many of those in place.

One of our main tasks in FY21 has been the review of licensure requirements, as ordered in Governor Cox's Executive Order 2020-1. Our division directors conducted a thorough review of licensure requirements in the state, with the goal of removing barriers, while still ensuring a competent professional workforce. One of our major recommendations based on that review is a new Office of Professional Licensure Review. This team would take on an ongoing review of licensure requirements, ensuring that requirements are current, relevant and not creating unnecessary barriers.

This year we have also started an initiative to unite the department, an initiative we call "One Commerce." This includes a change in our mission, vision and values, as well as a change in our division mission statements. Our new mission is to "strengthen trust in Utah's commercial activities through regulation, enforcement and education." As a whole, we're making an effort to be more strategic about the outreach we do. We want to empower Utahns to engage in the economy with confidence and trust.

Here are a few highlights from this year's annual report:

## **Administration**

Developed and implemented a successful return to work program that balances the needs for in-office customer service with the ability for employees to work remotely.

## **Division of Corporations and Commercial Code**

Increased efficiency to customers by enhancing their web services.

## **Division of Public Utilities**

Advocated the public interest in a general rate case filed by Rocky Mountain Power.

## **Division of Real Estate**

Licensed 40,306 Real Estate Professionals. Enhanced outreach by being the first division to start a Facebook page.

## **Office of Property Rights Ombudsman**

Updated administrative rules related to the Land Use Training fund to make the fund more responsive and accessible to the training needs of the land use community.

## **Division of Consumer Protection**

Recovered over \$600,000 in benefits for consumers. Participated in several multi-state cases against companies engaging in deceptive consumer practices.

## **Division of Occupational and Professional Licensing**

Thoroughly reviewed licensing requirements for their over 60 professions to identify ways to reduce barriers as part of Executive Order 2021-1

## **Division of Securities**

Filed eight criminal cases, ordered over \$10 Million in restitution, and continued education efforts on improving the quality of investor disclosures.

## **Office of Consumer Services**

Provided key evidence in a power rate increase. Advocated for residential customers resulting in lower monthly charges for multi-family properties.

For 2022, the Utah Department of Commerce will continue to find ways to help Utah consumers and businesses succeed, so Utah can continue to increase its reputation as the "start-up state." Utah is known for being an innovative state, and we will strive to find ways to meet the future challenges that come with increased economic growth.

Respectfully,



Margaret Busse, Executive Director



# Utah Department of Commerce Administration

## Mission Statement

Supporting our divisions as they enhance trust in Utah's economy.



**Margaret Busse**  
Department of Commerce  
Executive Director

## New Administration

In January 2021, Margaret Busse was appointed as the new executive director of the Department of Commerce. Busse replaced Chris Parker, who continued in his previous position as director of the Division of Public Utilities. This change in administration brought with it a fresh perspective to the work the administration team does and a new approach to the different ways to support all aspects of the department.

## Return to the Office

As the COVID-19 pandemic continued into FY21, Commerce administration looked to support ways for employees to work from home. This effort is one that was developed during the beginning of the pandemic and continued through much of this fiscal year. As case counts decreased and restrictions were lifted, we worked

with each of our divisions to develop a return to work plan. These plans allowed flexibility in working remotely, while still maintaining an in-office presence for walk-in customers.

## Licensure Review

The first major effort by the new administration was the oversight of licensure review, as requested in Governor Cox's Executive Order 2021-1. This review was a collaborative effort across divisions, each looking closely at licensure requirements in all professions in the state. The goal was to find ways to eliminate barriers to licensure, while still maintaining a level of competence and trust in the respective professions. In the response to EO 2021-1, the administration staff recommended several amendments to licensure requirements. The reasons for these changes were primarily due to outdated or poorly tailored education requirements,



unnecessary fees, or having an over-expansive moral character rule.

### New Mission

Another major effort for department administration was the change in mission statement, along with a purposeful rebranding of the department’s message and purpose. The new mission of “strengthening trust in Utah’s commercial activities through regulation, enforcement, and education” conveys the desire to create an empowered marketplace, where customers can engage in trust and know that we are looking out for their best interests.

### Online Efforts

One major focus for the department has been improving its online presence. The pandemic has shown the need to have robust, easily accessible material available online for customers to access services remotely. Redesign efforts for the department’s website (along with each

division website) began to make sites more user-friendly and visually appealing. The department has worked closely with the state’s Department of Technology Services (DTSI) to prioritize technological upgrades to our user interface that will enhance the experience and streamline registration and licensing processes.

In addition, the department has re-focused its efforts on social media, attempting to “meet consumers where they are.” ■

## Social Media Statistics



**Facebook:**  
 Started Dec. 2018  
 2,018 followers



**Twitter:**  
 Started Sept. 2012  
 1,926 followers



**Instagram:**  
 Started Nov. 2020  
 232 followers



**YouTube:**  
 Started Mar. 2021  
 4 followers 74 views

### 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 may be upheld, reversed, modified, or remanded to the Division for further consideration.

DIVISION	Total	DCP	CORP	DOPL	DRE	SEC
Filed	21	1	0	20	0	0
Closed	22	1	1	20	0	0
Affirmed	9	0	0	9	0	0
Remanded	8	0	1	7	0	0
Dismissed	4	1	0	3	0	0
Reverse	1	0	0	1	0	0
Modified	0	0	0	0	0	0



# Division of Consumer Protection

## Mission Statement

Solving consumer protection problems through education, collaboration, and impartial enforcement.

**Daniel O'Bannon**  
Consumer Protection  
Director



## About the Division

The Division of Consumer Protection has a staff of over twenty employees. These employees work together to accomplish the Division's three-part mission.

The Division strives to **educate** businesses and consumers about consumer protection laws and issues impacting consumers.

The Division also **collaborates** with other organizations and agencies on consumer issues.

The Division **enforces** consumer protection laws in two main ways: first, through registering charities and specific types of businesses, and second, through investigating alleged violations of the law.

## Education

In Fiscal Year 2021, in addition to providing consumer information over social media, the Division participated

in a virtual event hosted by the FTC, a tele-town hall hosted by AARP, and a virtual event hosted by a senior community in St. George. The Division also provided training at a convention hosted by the New Car Dealers of Utah.

## Registration

The Division registers or receives filings from the following entities:

- » Charitable Organizations
- » Credit Service Organizations
- » Debt-Management Service Providers
- » Health Spas
- » Immigration Consultants
- » Maintenance Funding Providers
- » 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
- » Consumer Sales Practices Act
- » Credit Services Organizations Act
- » Health Spa Services Protection Act
- » Immigration Consultants Registration Act
- » Maintenance Funding Practices Act (Effective May 2020)
- » 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
- » Ticket Website Sales Act
- » Ticket Transferability Act
- » Transportation Network Company Registration Act
- » Unfair Practices Act
- » Uniform Debt-Management Services Act

## Fiscal Year 2021 Highlights

### Benefits Recovered for Consumers

The Division recovered over \$618,139 in restitution and benefits for consumers during FY2021

### Multistate Cases

The Division participated in a number of multistate investigations, including participating in multistate settlements with McKinsey, Apple, Honda, C. R. Bard, and Boston Scientific.

### Amendments to Laws Enforced

In the 2021 General Legislative Session, the Legislature passed several bills amending laws enforced by the Division, including H.B. 199 Pawnshop and Secondhand Merchandise Transaction Information Act Amendments, H.B. 202 Health Care Consumer Protection Act, H.B. 242 Ticket Reseller Amendments, H.B. 321 Division of Consumer Protection Amendments, H.B. 360 Telephone Solicitation Amendments, and S.B. 86 Amendments to the Price Controls During Emergencies Act.

### Other Updates

The Utah Legislative Auditor General conducted a performance audit of the Utah Division of Consumer Protection. The Division is in the process of implementing recommendations from the audit. ■



## Top Ten Consumer Complaints for Fiscal Year 2021

This is compiled based on the number of complaints received in the following categories *(It is important to note that not all complaints result in action being taken against a business or individual):*

- |   |   |    |  |
|---|---|----|--|
| 1 | <b>Home: Construction/<br/>Remodel/Repair/Appliance</b>                     | 6  | <b>Health Care: Other Products/<br/>Supplies</b>           |
| 2 | <b>Business Opportunities: Real<br/>Estate/e-Commerce/Work at-<br/>home</b> | 7  | <b>Auto: Sales (New &amp; Used)</b>                        |
| 3 | <b>Home: Protection Devices/<br/>Alarms/Cameras</b>                         | 8  | <b>Travel/Vacations</b>                                    |
| 4 | <b>Auto: Parts/Repairs/Warranty</b>   | 9  | <b>Health Care: Dietary<br/>Supplements/Nutraceuticals</b> |
| 5 | <b>Health Care: Other Medical<br/>Treatments</b>                            | 10 | <b>Health Spas</b>   |





## Statistics

	Fiscal Year	2019*	2020*	2021
<b>Complaints</b>				
Complaints Received.....		1,417	2,050	1,321
Complaints Opened.....		1,219	1,804	1,183
Complaints Closed.....		1,187	1,712	1,018
Complaints Referred/Not Assigned.....		190	241	136
<b>Active Registrations</b>				
Business Opportunities.....		5	7	6
Business Opportunity Franchise Exemptions.....		1,420	1,414	1,527
Charitable Organizations.....		5,305	6,274	6,723
Charitable Organizations Exemptions.....		71	120	50
Credit Service Organizations.....		24	26	29
Debt Management Service Providers.....		28	34	34
Health Spas.....		211	188	202
Immigration Consultants.....		32	39	58
Residential Vocational and Life Skills Program.....		2	2	2
Maintenance Funding Providers.....		-	13	20
Pawn Shop Registration.....		123	119	117
Secondhand Merchandise Dealers.....		212	201	189
Postsecondary Proprietary Schools.....		54	73	80
Postsecondary Proprietary Schools Exemptions.....		51	39	41
Professional Fund Raisers.....		86	91	99
Professional Fund Raising Counsel or Consultant.....		152	160	148
State Authorization – Postsecondary Accredited Schools.....		20	43	37
State Authorization – Postsecondary Private Nonprofit Schools.....		4	3	2
State Authorization – Postsecondary Public Nonprofit Schools.....		-	1	-
Telemarketers.....		77	82	69
Transportation Network Companies.....		2	2	3
<b>Total Consumer Benefits Recovered &amp; Fines Collected</b>				
Total Consumer Benefits Recovered.....		\$783,188	\$3,809,627	\$618,139
Total Consumer Fines Collected.....		\$120,843	\$81,295	\$121,603

\* The Division modified its methodology for this year's report, so numbers may differ from prior reports.



# Division of Corporations & Commercial Code

## Mission Statement

Advancing an orderly marketplace in Utah by facilitating corporate and commercial code filings and providing reliable information to the public.



**Leigh Veillette**  
Corporations &  
Commercial Code  
Director

## About the Division

The Division of Corporations and Commercial Code (DCCC) in the Utah Department of Commerce registers all statutory business entities, state trademarks, collection agencies, and article 9 Uniform Commercial Code (UCC) and agricultural Central Filing System (CFS) lien notice 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 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.

### Business Filings

- » **The Governmental Entity Database** — an online directory of contacts 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.

### Help Center

The Help Center answered 87,518 calls in 2021. The five-member Help Center answers questions about all aspects of setting up and reinstating business registrations. With courtesy and understanding, the members of the Help Center educate citizens of Utah on business filings over the phone and in live online chats.

### Service Center

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

Customer service is not something we can achieve with systems and processes alone. The Division's goal is to empower our employees, particularly those on the front line, to make a difference as they are the face of the Division. The Division of Corporations and Commercial Code continues to be committed to adopting new technology for online services that especially help all businesses meet regulatory obligations quickly and efficiently.





## Business Filings

Fiscal Year	2021				2020			
Transaction Type	In-House (Physical Document)	Online	Total	Online filing Rate	In-House (Physical Document)	Online	Total	Online Filing Rate
New Entity & DBA Registrations .	26,181	64,772	90,953	71.21%	90,953	51,860	74,200	69.89%
Amendments .....	4,592	N/A	4,592	N/A	Not reported	N/A	Not reported	N/A
Conversions .....	2,395	N/A	2,395	N/A	Not reported	N/A	Not reported	N/A
Mergers .....	385	N/A	385	N/A	Not reported	N/A	Not reported	N/A
Reinstatements .....	1,872	12,284	14,156	86.78%	2,117	9,549	11,666	81.85%
Renewals .....	8,149	322,343	330,492	97.53%	9,289	298,443	307,732	96.98%
Changes .....	3,419	84,190	87,609	96.10%	3,195	80,412	83,607	96.18%

## Certified Document Orders

Certificates of Existence .....	480	26,514	26,994	98.22%	319	21,857	22,176	98.56%
---------------------------------	-----	--------	--------	--------	-----	--------	--------	--------

## New Filings

Fiscal Year	CORP	% Increase	DBA	% Increase	LLC	% Increase	LP	% Increase	Total	% Increase
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%
2019 .....	7,944	-1.50%	18,235	-3.27%	47,287	-0.17%	285	9.20%	73,751	-1.06%
2020 .....	7,875	-0.87%	17,934	-1.65%	47,928	1.36%	209	-26.67%	73,946	0.26%
2021 .....	9,423	19.66%	20,513	14.38%	60,458	26.14%	311	48.80%	90,705	22.66%



## UCC & CFS Filings

Fiscal Year	2021				2020			
	In-House (Physical Document)	Online	Total	Online Adoption Rate	In-House (Physical Document)	Online	Total	Online Adoption Rate
CFS-1 Effective Financing Statement .....	149	136	285	47.72%	372	Not reported	372	Not reported
CFS-2 Request for Information...	2	7,857	7,859	99.97%	Not reported	N/A	Not reported	N/A
CFS-3 Statement of Amendment, Assignment Continuation or Termination.....	258	330	588	56.12%	531	Not reported	531	N/A
UCC-1 Financing Statement .....	3,170	30,156	33,326	90.49%	8,484	22,579	31,063	72.69%
UCC-1 Financing Statement Amendment.....	2,551	20,105	22,656	88.74%	3,994	11,524	15,518	74.26%
UCC-11 Information Request ....	157	29,729	29,886	99.47%	1,895	Not reported	1,895	94.20%

## Online Business Filings

The Division of Corporations and Commercial code continues to be heavily focused on developing its online service portal. This is the fastest and most effective way for businesses to file. Online filings continue on an upward trend, showing that more and more are seeing the advantage of it.

The Division's premier online application, the OneStop Business Registration (OSBR) program, continues to improve 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.

## Looking to the Future

Understanding our customers' experience with our filing services remains a strong priority. The Division tracks customer feedback and the types of rejected filings to determine areas to improve. That feedback will help the division create a smoother filing experience for customers. ■



# Division of Occupational & Professional Licensing



**Mark Steinagel**  
Occupational &  
Professional Licensing  
Director

## Mission Statement

Strengthening trust in Utah's professions through effective licensing, balanced regulation, and consumer empowerment.

## Notable Achievements

The Division of Occupational and Professional Licensing (DOPL) has continued its focus on striking the right balance between the free flow of commerce and protecting the health and safety of Utah citizens. In particular, DOPL in collaboration with its professional licensing boards, other Commerce divisions, and other state agencies, achieved the following during the 2021 Fiscal Year:

- In accordance with Governor Cox's Executive Order 2021-01, DOPL completed a thorough review and analysis of occupational and professional licensing, which resulted in:
  - » identification of certain rules that should be repealed or amended to better tailor regulation to public need;
- DOPL conducted a thorough review and update of its public Criminal History Guidelines and criminal history FAQs to better provide:
  - » discovery of items for further action or evaluation through a robust review process; and
  - » a proposal to revise Utah's occupational and professional licensing reform structure to provide more routine analysis.
- DOPL conducted a thorough review and update of its public Criminal History Guidelines and criminal history FAQs to better provide:
  - » transparent information to the public;
  - » objective, consistent licensing decisions based on potential harm to the public;
  - » increased individual consideration,



guided by updated statutory guidelines implemented by 2020 S.B. 201; and  
» removal of unnecessary barriers to licensure.

- DOPL continued work on Licensure by Endorsement to allow licensees from jurisdictions with similar scopes of practice to apply for licensure in Utah without completing or repeating unneeded licensure requirements.
- DOPL has continued implementation of its new cutting-edge Utah Health Professionals Program (UPHP) (established by 2020 H.B. 285) to help DOPL better assist certain licensees with substance use disorders while protecting the public.

## Application & Renewal Statistics

2021 Total Licenses .....	266,053
2021 New Applications Submitted .....	53,053*
2021 Renewals: Online .....	106,402
Manual .....	725
<b>Total</b> .....	<b>107,127</b>
<b>2021 Percent Online</b> .....	<b>99.32%</b>

\*The statistics above include the temporary licenses introduced by DOPL to meet emergency needs in response to the COVID-19 pandemic and needs within the healthcare and other industries, as well as the volunteer licenses obtained by former licensees who wanted to help Utah respond to COVID-19 surges.





## Licenses by Profession Fiscal Year 2020 (Including Temporary Licenses)

Profession Name	License Name	Count
<b>Accountancy</b>	C.P.A. Firm .....	724
	Certified Public Accountant .....	5,696
<b>Acupuncture</b>	Licensed Acupuncturist .....	201
<b>Architect</b>	Architect .....	2,934
<b>Athlete Agents</b>	Athlete Agent .....	59
<b>Athletic Trainer</b>	Athletic Trainer .....	646
<b>Building Inspector</b>	Combination Inspector .....	329
	Limited Inspector .....	419
<b>Burglar Alarm</b>	Burglar Alarm Company .....	204
	Burglar Alarm Company Agent .....	6,035
	Temporary Burglar Alarm Company Agent .....	205
<b>C.S. Precursor</b>	Controlled Substance Precursor .....	8
<b>Chiropractic</b>	Chiropractic Physician .....	1,053
	Temporary Chiropractic Physician .....	1
<b>Clinical Mental Health</b>	Assoc. Clinical Mental Health Counselor .....	449
	Associate Clinical Mental Health Counselor Extern .....	15
	Clinical Mental Health Counselor .....	1,768
	Volunteer Clinical Mental Health Counselor .....	1
<b>Commercial Interior Design</b>	Certified Commercial Interior Designer .....	59
<b>Contractor</b>	Contractor With LRF .....	27,646
	Handyman Exemption Registration .....	2,168

Profession Name	License Name	Count
<b>Cosmetology</b>	Barber .....	1,055
	Barber Apprentice .....	69
	Barber Instructor .....	70
	Barber School .....	15
	Cosmetologist / Barber .....	32,658
	Cosmetologist / Barber Apprentice .....	112
	Cosmetologist / Barber Instructor .....	2,144
	Cosmetology / Barber School .....	35
	Electrologist .....	163
	Electrologist Instructor .....	19
	Electrology School .....	1
	Esthetician .....	1,895
	Esthetician Apprentice .....	33
	Esthetician Instructor .....	779
	Esthetics School .....	23
	Hair Design School .....	11
	Hair Designer .....	105
	Hair Designer Apprentice .....	7
	Master Esthetician .....	6,908
	Master Esthetician Apprentice .....	30
	Nail Technician .....	6,930
	Nail Technician Apprentice .....	207
	Nail Technician Instructor .....	295
	Nail Technology School .....	11
<b>Court Reporter</b>	State Certified Court Reporter .....	139
<b>Deception Detection</b>	Deception Detection Exam Administrator .....	11
	Deception Detection Examiner .....	20
	Deception Detection Intern .....	3

Profession Name	License Name	Count
<b>Dental</b>	Dental Hygienist .....	144
	Dental Hygienist with Local Anesthesia .....	3,586
	Dentist – Anesthesia Class A Permit .....	1,071
	Dentist – Anesthesia Class B Permit .....	1,378
	Dentist – Anesthesia Class C Permit .....	809
	Dentist – Anesthesia Class D Permit .....	221
	Dentist - Anesthesia Class E Permit .....	107
	Volunteer Dental Hygienist w/Local Anesthesia ..	1
	Volunteer Dentist Anesthesia Class A .....	5
	Volunteer Dentist Anesthesia Class B .....	3
	Volunteer Dentist Controlled Substance .....	1
<b>Dietitian</b>	Certified Dietitian .....	1,073
<b>Direct-Entry Midwife</b>	Direct-Entry Midwife .....	73
<b>Electrician</b>	Apprentice Electrician .....	7,117
	Journeyman Electrician .....	4,462
	Master Electrician .....	2,387
	Residential Journeyman Electrician .....	315
	Residential Master Electrician .....	214
<b>Elevator Mechanic</b>	Elevator Mechanic .....	140
	Temporary Elevator Mechanic .....	1
<b>Engineer/ Land Surveyor</b>	Professional Engineer .....	9,387
	Professional Land Surveyor .....	693
	Professional Structural Engineer .....	2,075
<b>Environmental Health Scientist</b>	Environmental Health Scientist .....	231
	Environmental Health Scientist - Training .....	17
<b>Factory Built Housing</b>	Factory Built Housing Dealer .....	86
<b>Funeral Service</b>	Funeral Service Director .....	387
	Funeral Service Establishment .....	143
	Funeral Service Intern .....	52
<b>Genetic Counselor</b>	Genetic Counselor .....	388
	Temporary Genetic Counselor .....	3
<b>Geologist</b>	Professional Geologist .....	802
<b>Health Facility Administrator</b>	Health Facility Administrator .....	351
<b>Hearing Instrument</b>	Hearing Instrument Intern .....	22
	Hearing Instrument Specialist .....	121
<b>Hunting Guides/ Outfitters</b>	Hunting Guide .....	634
	Outfitter .....	180
<b>Landscape Architect</b>	Landscape Architect .....	427
<b>Marriage &amp; Family Therapy</b>	Associate MFT Extern .....	2
	Associate Marriage & Family Therapist .....	243
	Marriage & Family Therapist .....	945
<b>Massage</b>	Massage Apprentice .....	48
	Massage Therapist .....	6,561
	Temporary Massage Therapist .....	8
<b>Medical Language Interpreter</b>	Certified Medical Language Interpreter .....	238
<b>Medication Aide – Certified</b>	Medication Aide – Certified .....	25
<b>Music Therapy</b>	State Certified Music Therapist .....	59

Profession Name	License Name	Count
<b>Naturopathic</b>	Naturopath including Surgery & OB .....	1
	Naturopathic Limited CS Testosterone .....	36
	Naturopathic Physician .....	68
	Temporary Naturopathic Physician .....	1
<b>Nurse</b>	APRN .....	3,721
	APRN - Temp .....	1
	APRN Intern .....	2
	APRN without PP .....	17
	APRN – CRNA Controlled Substance .....	387
	APRN – CRNA without PP .....	393
	Certified Nurse Midwife .....	203
	Licensed Practical Nurse .....	2,651
	Registered Nurse .....	38,004
	Temp Controlled Substance .....	1
	Temp Graduate Nurse - LPN .....	36
	Temp Graduate Nurse - RN .....	28
	Temp Licensed Practical Nurse .....	1
	Temp RN Apprentice License .....	268
	Temp Registered Nurse .....	7
<b>Occupational Therapy</b>	Time Limited Registered Nurse .....	16
	Volunteer APRN .....	3
	Volunteer APRN Controlled Substance .....	1
	Volunteer LPN .....	1
	Volunteer RN .....	14
<b>Occupational Therapy</b>	Occupational Therapist .....	1,121
	Occupational Therapist Assistant .....	433
<b>Online Internet Facilitator</b>	Online Internet Facilitator .....	2
<b>Optometrist</b>	CS .....	343
	Optometrist .....	586
	Optometrist (Without Certification) .....	1
	Optometrist Diagnostic Only .....	3
	Volunteer Optometrist .....	1
<b>Osteopathic Physician</b>	Osteopathic Online Prescriber .....	2
	Osteopathic Physician & Surgeon .....	1,477
	Restricted Associate Osteopathic CS .....	1
	Restricted Associate Osteopathic Physician .....	1
<b>Pharmacy</b>	Dispensing Medical Practitioner .....	129
	Dispensing Medical Practitioner Clinic .....	45
	Eligible Charity Pharmacy Registration .....	1
	Lethal Injection Use .....	1
	Online Contract Pharmacy .....	2
	Pharmacist .....	4,153
	Pharmacy – Class A .....	503
	Pharmacy – Class B .....	298
	Pharmacy – Class C .....	1,301
	Pharmacy – Class D .....	776
	Pharmacy – Class E Business .....	679
	Pharmacy Intern .....	629
	Pharmacy Technician .....	6,160
<b>Physical Therapist</b>	Pharmacy Technician Trainee .....	1,168
	Temp Pharmacist .....	51
	Physical Therapist .....	2,609
	Physical Therapist Assistant .....	939
<b>Physician</b>	Temporary Physical Therapist .....	6
	Temporary Physical Therapist Assistant .....	5
<b>Physician</b>	Physician & Surgeon .....	12,155
	Physician Educator CS .....	7
	Physician Educator Type I .....	4
	Physician Educator Type II .....	3
	Physician Online Prescriber .....	3





Profession Name	License Name	Count
<b>Physician (continued)</b>	Temporary Physician/Surgeon CS.....	1
	Temporary Physician & Surgeon .....	1
	Time Limited Physician & Surgeon.....	1
	Volunteer Physician & Surgeon .....	13
	Volunteer Physician/Surgeon CS.....	4
<b>Physician Assistant</b>	Physician Assistant.....	2,125
<b>Plumber</b>	Apprentice Plumber.....	2,800
	Journeyman Plumber .....	1,218
	Master Plumber.....	1,727
	Residential Journeyman Plumber.....	94
	Residential Master Plumber .....	50
<b>Podiatric Physician</b>	Podiatric Physician .....	257
	Voluntter Podiatric Physician.....	1
<b>Preneed</b>	Pre-Need Sales Agent .....	216
<b>Private Probation Provider</b>	Private Probation Provider.....	85
<b>Psychologist</b>	Approval for Psychology Exam .....	1
	Assistant Behavior Analyst.....	40
	Assistant Behavior Specialist.....	5
	Behavior Analyst.....	502
	Behavior Specialist.....	11
	Psychologist .....	1,132
	Psychology Resident .....	38
	Volunteer Psychologist.....	1
<b>Radiology</b>	Radiologic Technologist.....	3,024
	Radiologist Assistant.....	10
	Radiology Practical Technician.....	380
<b>Recreational Therapy</b>	Master Therapeutic Recreation Specialist .....	41
	Temp Theraputic Recreation Specialist.....	1
	Therapeutic Recreation Specialist.....	297
	Therapeutic Recreation Technician .....	253

Profession Name	License Name	Count
<b>Respiratory Care</b>	Respiratory Care Practitioner .....	1,902
<b>Security Companies &amp; Guards</b>	Armed Private Security Officer.....	1,278
	Armored Car Company.....	7
	Armored Car Security Officer .....	302
	Armored Car Training Program Provider.....	4
	Contract Security Company .....	54
	Contract Security Training Program Provider ....	13
	Interim Armed Private Security Officer .....	78
	Interim Armored Car Security Officer .....	16
	Interim Unarmed Private Security Officer .....	574
	Unarmed Private Security Officer .....	3,223
<b>Social Work</b>	Certified Social Worker .....	1,690
	Certified Social Worker Intern.....	46
	Licensed Clinical Social Worker .....	4,765
	Social Service Worker .....	1,790
<b>Speech/Audiology</b>	Audiologist .....	336
	Speech Lang Pathologist & Audiologist .....	11
	Speech Language Pathologist .....	1,200
	Temporary Speech Language Pathologist.....	50
<b>Substance Use Disorder</b>	Certified Advanced SUDC .....	49
	Certified Advanced SUDC Intern.....	2
	Certified SUDC.....	25
	Certified SUDC Intern .....	3
	Licensed Advanced SUDC.....	118
	Licensed SUDC .....	230
<b>Veterinarian</b>	State Certified Veterinary Technician.....	88
	Veterinarian .....	1,023
	Veterinarian Intern .....	26
<b>Vocational Rehab Counselor</b>		
	Licensed Vocational Rehab Counselor .....	178
<b>Total Active Licenses.....</b>		<b>266,478</b>

## Investigations

DOPL is legislatively responsible to investigate allegations of unlawful or unprofessional conduct, including gross negligence, incompetence, and patterns of negligence or incompetence; practices inconsistent with generally recognized standards of conduct; and unlicensed practice in DOPL's regulated professions.

### Complaints

Fiscal Year 2021

Complaints Received.....	5,657
Complaints Assigned.....	5,610
Cases Closed.....	6,110

### Actions

Administrative Filings .....	447
Citations Issued .....	1,214
Criminal Filings .....	62
Letters of Concern .....	202
Referred to UPHP .....	16
Pharmacy Inspections.....	411
Pharmacy Alerts .....	296

## Utah Professionals Health Program (UPHP)

The Utah Professionals Health Program (UPHP) offers a confidential approach and alternative to public discipline for healthcare professionals with substance use disorders. UPHP protects the public from licensees who engage or may engage in misconduct while still allowing the licensee to maintain their license and continue to practice their occupation or profession.

	Fiscal Year	2020	2021
Number of Participants.....		72*	87

\*formerly URAP Diversionees

## Compliance (Public Probation)

If the Division finds that a licensee has engaged in unlawful or unprofessional conduct, the licensee may be subject to a range of disciplinary actions. One possible disciplinary action is public probation. The licensee enters into a probation contract ("Stipulation and Order") with the Division, and agrees to comply with certain terms and conditions of practice for a specified period of time. DOPL's Compliance team carefully monitors the licensee's compliance with their Stipulation and Order and follows up on noncompliance issues.

	Fiscal Year	2020	2021
Number of Probationers.....		354	380



## Prelitigation

Before most Utah medical malpractice actions can be filed in court, each claim must be reviewed by a prelitigation panel, which briefly hears the case and renders an informal, non-binding opinion on the merit of the claim. DOPL's prelitigation program facilitates and manages the required prelitigation panels.

Each prelitigation 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. Panel hearings are confidential and not open to the public, formal court rules of evidence do not apply, there is no right of cross-examination by the parties or their counsel, and the hearing is not recorded. The findings of the panel are also not admissible in evidence in any subsequent court proceeding. After the hearing, the prelitigation program simply issues a certificate of compliance indicating that the petitioner has complied with this prerequisite.

### Actions

Fiscal Year 2021

Cases Opened .....	273
Cases Closed.....	666

### Outcomes

No Merit.....	149
Meritorious .....	29
Stipulated .....	442
Dismissed .....	32
Split Decision .....	14
Jurisdiction .....	0
Other.....	0

## State Construction Registry (SCR)

The SCR acts as an online bulletin board for all required construction lien notices. The SCR is available to property owners, contractors, suppliers, and other interested parties involved in a construction project. The SCR works as a 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. The SCR is designed to prevent surprise liens and ensure all parties receive payment for the project.

	Fiscal Year	2015	2016	2017	2018	2019	2020	2021
Pre-Construction Service .....		485	494	446	775	927	888	1,916
Construction Loan .....		6,717	7,113	7,384	7,611	6,619	6,782	8,983
Building Permits .....		34,311	36,019	36,668	30,676	24,104	31,939	27,947
Commencement .....		878	770	775	761	877	891	788
Preliminary Notice .....		210,551	241,489	272,476	299,457	308,337	330,706	364,746
Intent to Complete .....		138	158	11	185	134	110	136
Remaining to Complete .....		376	270	269	194	220	198	114
Completions .....		7,119	8,684	9,479	10,442	11,493	12,138	12,591
Loan Default .....		0	3	0	2	40	2	0
<b>Total Filings .....</b>		<b>260,575</b>	<b>327,508</b>	<b>327,508</b>	<b>350,103</b>	<b>352,751</b>	<b>383,834</b>	<b>417,223</b>

## Residence Lien Recovery Fund (LRF)

The 1994 Utah Residence Lien Restriction and Lien Recovery Fund Act ("Act") addresses a problem in the residential construction industry when contractors are paid but do not pay their subcontractors or suppliers, and the homeowner is forced to pay the subcontractors and suppliers again to prevent loss of the home due to lien foreclosure. First, the Act prohibits a mechanics' lien or civil judgment against a homeowner for construction expenses if the homeowner paid the original licensed contractor or developer in full under a written contract, and properly occupied the home as a residence. Second, the Residence Lien Recovery Fund (LRF) created by the Act serves as an alternate payment source for the contractors, laborers, or suppliers whose mechanic's liens against the home are voided because the homeowner is protected under the Act.

DOPL administers the Act and LRF by reviewing homeowner applications to determine if the homeowner is protected by the Act, and issuing Certificates of Compliance to homeowners who qualify for protection. Additionally, DOPL reviews and pays qualifying claims against the LRF from the contractors, laborers, and suppliers whose mechanic's liens are voided because a homeowner is protected by the Act.

	Fiscal Year 2021	Since Inception
Number of Claims Filed .....	22	3,000
Amount of Claims .....	\$540,588.33	\$22,258,468.50
Number of Claims Paid .....	22	2,171
Amount of Paid Claims .....	\$417,303.28	\$15,972,769.32
Number of Claims Denied .....	4	576
Number of Claims Dismissed ...	1	253

## Controlled Substance Database

The Utah Controlled Substance Database (CSD) Program tracks and collects data on the dispensing of known addictive drugs by most hospitals and pharmacies, both retail and mail order. The CSD Program is a state-level intervention to improve opioid prescribing, inform clinical practice, and protect patients from harm. CSD has continued to successfully integrate electronic health records (EHR) with more Utah healthcare entities, including some major entities such as the Veterans Administration. Thanks to the hard work of CSD staff, many more Utah providers can now automatically search the CSD for controlled substance medications for patients and analytics on patient risk to assist with clinical decisions.

	Fiscal Year 2021
Total Controlled Substance	
Prescription Records in CSD .....	29,378,408
Total Controlled Substance	
Prescriptions entered in FY2019 .....	6,197,805
Online Queries/Reports .....	3,871,365
In-house Queries/Reports .....	792
Number of Hospital Overdose Reports .....	857
Number of Overdoses Reports Mailed to Practitioners .....	2,219
Number of Court Reports Regarding DUI Convictions .....	614
Number of DUI Reports Mailed to Practitioners .....	725
Number of Doctor Shopper Letters Mailed to Practitioners .....	2,462
Law Enforcement Search Warrants .....	234
Hospital Reports .....	706
Court Reports .....	353
Medical Examiner Reports .....	169

### Registered Users:

Pharmacists .....	3,233
Prescribing Practitioners .....	20,713
Others .....	2,812

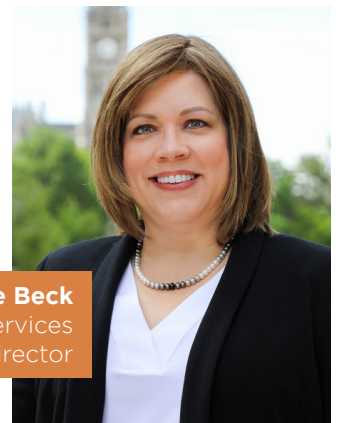




# Office of Consumer Services

## Mission Statement

Advocating for Utah's residential and small commercial customers of public utilities to promote fairness and advance the public interest.



**Michele Beck**  
Consumer Services  
Director

## Introduction

The Office of Consumer Services is Utah's utility consumer advocate, representing residential and small commercial 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 five 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 fiscal year 2021 (FY21) included:



#### » **Rocky Mountain Power General Rate Case:**

Rocky Mountain Power requested an increase to its base rates for the first time in six years, although rates have changed at least annually since several categories of costs are evaluated outside of general rate cases. RMP's original request was for an increase of \$95.8 million (or 4.8% on average), and RMP requested that residential customers receive a much higher than average portion of the increase which represented an increase of 6.7%. The request for higher rates was driven by costs associated with changing resources (paying for retired coal plants and new wind investments), some additional infrastructure investment, and a request for higher profits, specifically to increase the allowed rate of return on equity capital from 9.8% to 10.2%. The OCS presented strong evidence demonstrating that the rate increase was not justified, especially for smaller customers, and that market conditions warranted a lower rate of return. Ultimately, the Public Service Commission approved an increase of only \$31.4 million and a return on equity of 9.65%. One important change, though a small dollar impact, was to create a lower monthly customer charge for multi-family residential customers as compared to single family dwellings to better reflect the actual costs of serving these types of customers. The OCS raised several important issues about grid modernization and evolving into a more advanced rate design appropriate to the changing characteristics of the electric system. This resulted in the creation of a collaborative group of stakeholders who will meet periodically over the next two years to try and reach agreement on pursuing changes that will better meet the needs of customers.

#### » **Export Credit Proceeding :**

This year culminated a multiple-year process in which Utah transitioned from net metering to a new

export credit method for compensating customers with rooftop solar resources. The process included a load study to evaluate the times of day of production and consumption as well as analysis of the associate energy prices and utility infrastructure investments that could be offset by this distributed generation resource. OCS supports the export credit rate that resulted from the proceeding as compensating for all quantifiable benefits provided by these distributed resources and eliminating the embedded rate subsidy previously paid by residential customers. The result is being appealed by other parties to the Utah Supreme Court.

#### » **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. Rocky Mountain Power's 2021 Integrated Resource Plan concluded that significant levels of new renewable resources would be cost effective, concludes that any new fossil fuel plants would be too risky to pursue, and selected two new kinds of resources (an advanced nuclear plant and a non-emitting peaking plant.) These are significant changes to the planning process. OCS and other stakeholders are reviewing the plan which will be ruled on in early 2022. This plan and other analysis will be used to acquire many new resources in the near term, making it essential that OCS and others carefully evaluate the modeling and analysis to ensure Utah's customers continue to receive safe, reliable and affordable power.

#### » **Multi-State Process:**

Since Rocky Mountain Power is part of a system that serves six states, 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 cost allocation agreement has required substantial amendments. 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. After a settlement reached in FY20, negotiations among the states have restarted. The first step will be to reach a common understanding regarding the impact of complex new technical processes with the goal of finding common ground for a new, durable agreement next year to last for many years into the future. This issue will be a top priority for OCS as it will govern a large percentage of the costs paid by Rocky Mountain Power customers as well impacting the utility’s planning and operations.

» **Energy Efficiency:**

The OCS proactively participates in the demand-side management (DSM) advisory groups for Rocky Mountain Power and Dominion Energy Utah. 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.

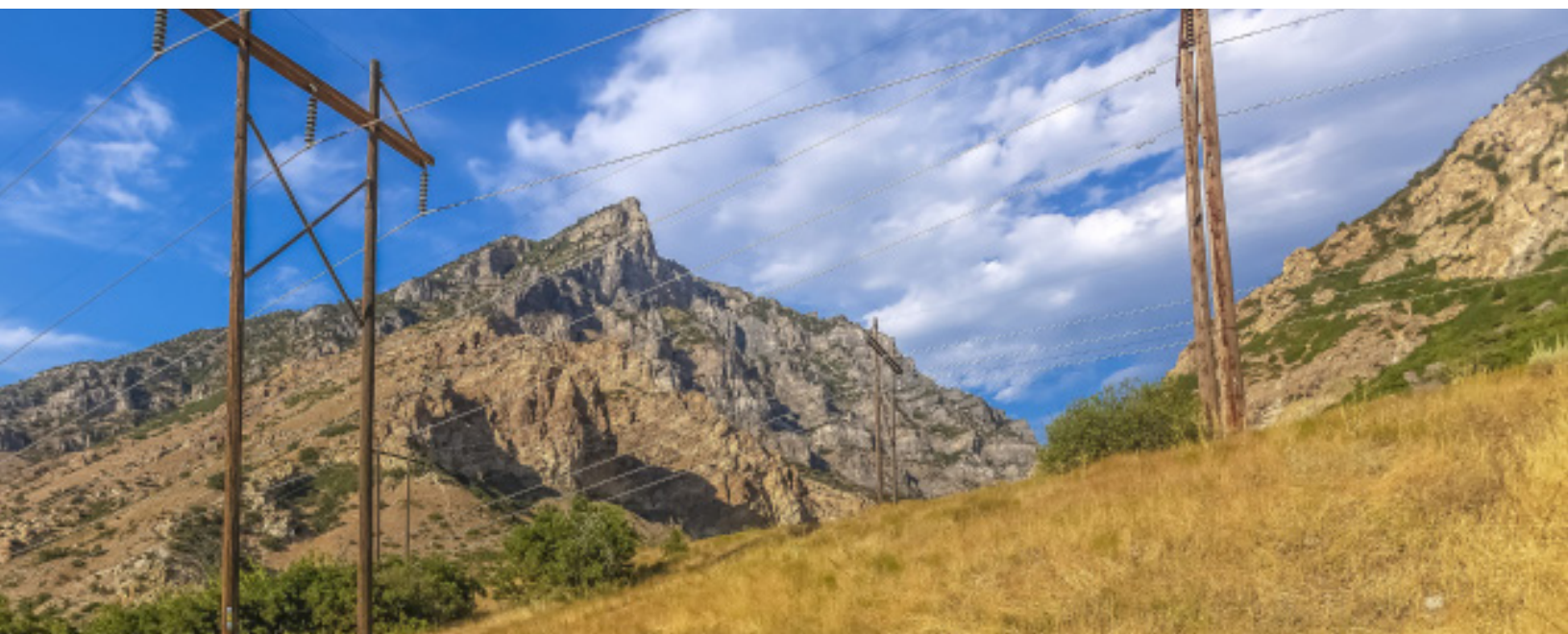
» **Misc. Reports and Utility Filings:**

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. In FY21 some examples of other cases include: Dominion Energy Utah’s request to expand service into certain rural areas, a settlement with Dominion Energy and the DPU to clarify the process to ensure the Infrastructure Tracker Replacement Program receives a comprehensive review for prudent expenditures, and ongoing drafting and review of telecom rules and other filings with the potential to improve service for residential and small commercial customers.

### **Statewide, Regional, and Federal Regulatory Issues and Policy Forums**

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. For example, the OCS monitors the reliability organizations that oversee the western grid, WECC and the reliability coordinators, the regional transmission planning group NorthernGrid and regional markets and resource adequacy programs such as the Western Energy Imbalance Market. The Western Interconnection has recently experienced significant transition within these organizations. For example, this year saw the development of the Western Resource Adequacy Program, a voluntary program with significant utility participation across the West which will go to FERC seeking approval for a binding program next year. The OCS is one of only a few organizations focused on representing customers to participate and submit comments on program design to ensure appropriate benefits for utility customers.







# Office of Property Rights Ombudsman

## Mission Statement

Advocating fairness and balance when private property rights conflict with public needs



**Jordan Cullimore**  
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 and time-consuming litigation.

## Fiscal Year 2020 Highlights

The attorneys in 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 and other entities such as the Utah Department of Transportation, Utah Transit



Authority, Rocky Mountain Power and other agencies to regulate and acquire land in a manner consistent with applicable statutes and constitutional law. This process alone has saved millions of dollars in litigation costs.

The Office provides internship opportunities for law students to provide hands-on legal experience in an effort to help students develop much needed legal skills before and after graduation. Two interns were given the opportunity to work with the attorneys on active cases, and attend mediations.

### **Land Use Training**

» The Office provided 19 formal and informal training sessions on topics within its purview to various organizations such as Utah State Bar, Utah Local Governments Trust, Utah League of Cities and Towns, Salt Lake Community College and Utah Council of Land Surveyors. The majority of land use training was provided to various municipalities and counties including, but not limited to, Weber County, Pleasant View, Orem City, Springville City and several neighborhood groups.

The Office, in conjunction with the Land Use and Eminent Domain Advisory Board and the Department of Commerce, manages the approval and distribution

of funds to assist agencies and associations provide land use training in accordance with associated state statutes and rules. Funds are acquired, per law, and placed in the Land Use Training Funds account, through the 1% surcharge on all building permits in the State of Utah.

The Office has worked this year to update administrative rules related to the Land Use Training fund to make the fund more responsive to the training needs of the land use community.

### **Dispute Resolution in Land Use Cases**

» The Office has issued 16 Advisory Opinions so far this year. Advisory Opinions for this fiscal year primarily addressed the following topics: Interpretation of Ordinances, Compliance with Land Use Ordinance, Vested Rights, Exactions and Temporary Land Use Ordinances in that order.

### **Dispute Resolution in Land Use Cases**

» The Office conducted over 60 mediations. Despite the influx of 107 new cases, the Office closed 164 cases.



# Division of Public Utilities

## Mission Statement

Advocating the public interest in safe, adequate, and reliable public utility service at reasonable rates



**Chris Parker**  
Division of Public Utilities  
Director

Division activities include:

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

- » Coordination and consultation with other state agencies in developing and implementing utility and other state policies;
- » Advising the Governor and Legislature as needed.

## About the Division

The Division's staff of over 30 employees works with the Public Service Commission; 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.





### Five-Year History of Utility Complaints

	Fiscal Year				
	2017	2018	2019	2020	2021
Electric .....	109	86	80	66	127
Natural Gas .....	67	323	72	51	53
Telecommunications: ILEC* & Century Link. ....	94	77	72	61	59
CLEC** .....	18	23	28	14	15
Long Distance.....	0	3	0	1	0
Water/Sewer.....	0	6	9	6	6
<b>Total .....</b>	<b>288</b>	<b>518</b>	<b>261</b>	<b>199</b>	<b>260</b>

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

### Highlights

Rocky Mountain Power asked for a \$72 million rate increase. The Division examined that request and questioned many of the items requested. The Public Service Commission eventually approved an increase of \$31 million. Among other things, the Division argued and the Commission agreed that the utility’s request included too high a return on equity.

The Division continued its advocacy in front of the Public Service Commission concerning electricity rates for rooftop solar customers. Because of the way rates are structured, past compensation to solar customers shifted significant costs to other customer groups. The Division argued, and the Commission agreed, that rates meant to compensate rooftop solar customers should

match the value of the resource to the utility. New rates set in the case significantly reduce the likelihood of cost shifting because they more closely approach the market value of the electricity provided by solar customers.

### Pipeline Safety Inspections

	Fiscal Year 2021
Dominion Energy Regions.....	14
Dominion Energy Regions.....	6
Intrastate Transmission Operators .....	5
Gathering Operators .....	2
Small Gas System Operators (Master Meters) .....	0
Construction.....	15
Incident .....	30



# Division of Real Estate

## Mission Statement

Strengthening trust in the real estate industry through education, licensure, and regulation of real estate, mortgage, and appraisal professionals.



**Jonathan Stewart**  
Division of Real Estate  
Director

---

## 2021 Outreach

During the ongoing pandemic, the Division of Real Estate looked for innovative ways to reach real estate, mortgage, and appraisal licensees.

In late 2020, the Division of Real Estate started a Facebook Page. Here division staff has offered updates to relevant information as well as hosted Facebook Live events where staff has been able to answer questions and offer tips for professionals.

We continue to look for ways to develop relevant content for our Page. The Division regularly posts educational videos for licensees, with the goal of increasing our social media and public presence.

The Division of Real Estate also completed a redesign of its website, [www.realestate.utah.gov](http://www.realestate.utah.gov). The new design and layout is a huge improvement and will help customers easily navigate information on the site. We will continue to look for ways to improve our communication and outreach so that customers can easily and effectively find the information they're looking for.

The Division, Real Estate Commission, and members of the real estate industry completely revamped the trust account and broker supervision administrative rules. We believe the changes will give greater clarity and flexibility to real estate brokers.





### Statutory Changes

Representative Musselman ran H.B. 234 for the Division of Real Estate. This bill reduced regulation and removed barriers in two ways: 1. It allows the Division and Commission to enter into reciprocal licensing agreements with other jurisdictions. 2. It allows a real estate broker to supervise multiple branch locations as long as they exercise active and reasonable supervision.

### 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.

### 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.

An administrative rule was passed in fiscal year 2019 requiring active real estate licensees to have completed a new mandatory 3-hour continuing education course to renew their licenses after January 1, 2020. The division worked with industry representatives and focus groups to prepare course outlines and subsequently approve course providers for three different versions of the mandatory course for licensing specialties in residential, commercial, and property management. The mandatory courses have been enthusiastically accepted and have greatly advanced the level of consistency and overall understanding of essential real estate practices, policies, and procedures.

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	2017	2018	2019	2020	2021
Real Estate						
Pre-Licensing Instructors . . . . .		28	31	30	27	26
Real Estate CE Courses . . . . .		660	790	791	778	735
Real Estate CE Instructors . . . . .		483	477	542	491	
Mortgage Pre-Licensing Instructors .		4	4	5	1	4
Mortgage CE Courses . . . . .		7*	8*	14	11	33
Mortgage CE Instructors . . . . .		7*	10*	14	11	12
Appraisal CE Courses . . . . .		225	236	284	244	246
Appraisal CE Instructors . . . . .		66	69	83	17	15
Appraisal Pre-Licensing Instructors .		47	47	46	3	20

*\*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	2017	2018	2019	2020	2021
Real Estate Agent Exams . . . .		3,872	4,733	4,983	4,235	6,626
Real Estate Broker Exams . . . .		245	320	323	303	416
Mortgage PLM Exams . . . . .		161	235	300	234	359
Appraiser Exams . . . . .		33	39	105	72	100

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

## 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.

### Total Number of Licenses/Registrations

	Fiscal Year	2016	2017	2018	2019	2020	2021
Real Estate . . . . .		24,745	26,035	27,137	28,644	27,655	28,378
Mortgage . . . . .		5,784	6,519	7,083	7,029	6,927	9,856
Appraiser . . . . .		1,415	1,461	1,481	1,515	1,691	1,494
Appraisal Management Companies (AMCs) .		142	139	135	129	177	122
Subdivision/ Timeshare . . . . .		558	550	523	609	547	456
<b>Total</b>		<b>32,646</b>	<b>34,704</b>	<b>36,359</b>	<b>37,926</b>	<b>36,997</b>	<b>40,306</b>

### New Licenses/Registrations Issued

	Fiscal Year	2016	2017	2018	2019	2020	2021
Real Estate . . . . .		2,600	2,640	2,901	3,145	2,357	2,744
Mortgage . . . . .		1,112	1,435	1,501	1,258	1,290	1,577
Appraiser . . . . .		267*	305*	287*	351*	260*	315*
Appraisal Management Companies (AMCs) .		12	9	7	10	10	5
Subdivision/ Timeshare . . . . .		164	190	226	202	129	126
<b>Total</b>		<b>4,154</b>	<b>4,565</b>	<b>4,922</b>	<b>4,966</b>	<b>4,046</b>	<b>4,767</b>

*\*Includes temporary permit and reciprocal licenses.*

### Licenses/Registrations Renewed

	Fiscal Year	2016	2017	2018	2019	2020	2021
Real Estate . . . . .		8,950	8,839	10,585	10,158	8,768	11,936
Mortgage . . . . .		4,915	5,459	5,043	5,612	5,292	6,626
Appraiser . . . . .		603	689	645	721	599	695
Subdivision/ Timeshare . . . . .		130	129	151	131	125	126
<b>Total</b>		<b>14,598</b>	<b>15,116</b>	<b>16,424</b>	<b>16,622</b>	<b>14,784</b>	<b>19,383</b>





## 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, the Division hired another investigator in a time-limited position to assist with investigating the complaints received. The Division successfully closed and reduced the amount of pending cases by 108 in the last fiscal year.

The Division secured contract appraisers to assist with appraisal investigations. This will result in more credible investigative outcomes.

The Division has two Assistant Attorneys General 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 to the Attorney General's Office, which is still pending. 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 2021.

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 \$345,137.50 in fines during fiscal year 2021.

### Enforcement Statistics

	Fiscal Year 2016	2017	2018	2019	2020	2021
<b>Complaints Received</b>						
Real Estate.....	481	352	366	373	240	260
Appraiser.....	38	38	51	32	52	31
Mortgage.....	92	46	69	61	28	36
<b>Cases Opened</b>						
Real Estate.....	253	335	229	221	177	132
Appraiser.....	38	33	45	19	12	22
Mortgage.....	54	61	56	44	19	20
<b>Cases Closed</b>						
Real Estate.....	476	303	253	245	346	439
Appraiser.....	31	42	47	45	58	25
Mortgage.....	92	34	38	44	38	22
<b>Total Open Cases</b>						
<i>as of June 30th</i>						
Real Estate.....	291	393	393	506	427	390
Appraiser.....	43	35	35	22	11	23
Mortgage.....	69	81	87	91	106	119

### Fiscal Year 2021 Sanctions

Sanctions	Appraisal	Real Estate	Mortgage	Total
Remedial Education..	1	20	0	36
Fines .....	3	27	4	65
Probation.....	0	108	11	110
Suspension .....	0	9	1	14
Revocation/Surrender	0	2	0	5
Denial .....	0	8	10	9
Cease and Desist.....	0	1	0	6
Citation.....	0	8	0	25
Criminal Referral .....	0	0	0	0



## Division of Securities

### Mission Statement

Protecting Utah's investors through education, enforcement and fair regulation of Utah's investment industry while fostering opportunities for capital formation.



**Jason Sterzer**  
Division of Securities  
Director

### 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 the quality of disclosure to potential investors. The chart below lists the number of registrations, exemption offerings, and other filings reviewed by the Corporate Finance Section of the Division.





## Securities Licensing

Fiscal Year	2013	2014	2015	2016	2017	2018	2019	2020	2021
Broker-Dealers .....	1,563	1,561	1,558	1,534	1,529	1,531	1,510	1,488	1,590
Broker-Dealer Agents .....	101,709	107,354	112,988	118,769	122,071	126,709	131,569	135,452	145,143
Investment Advisers (I.A.) .....	180	202	206	215	234	236	233	241	254
Federal Covered Advisers .....	905	946	986	1,035	1,055	1,106	1,160	1,266	1,351
I.A. Representatives .....	4,471	4,823	5,072	5,257	5,410	5,559	5,636	5,839	6,281
Certified Broker-Dealers .....	14	18	16	17	17	15	16	13	10
Certified Broker-Dealer Agents .....	91	99	91	88	86	79	87	62	43
Certified Investment Advisers .....	6	6	7	6	7	8	8	8	8
Certified Investor Adviser Representatives .....	33	31	40	67	43	42	42	39	39
Issuer Agents .....	87	85	91	90	109	85	76	80	76
<b>Total .....</b>	<b>109,059</b>	<b>115,125</b>	<b>121,055</b>	<b>127,048</b>	<b>130,561</b>	<b>135,370</b>	<b>140,337</b>	<b>144,488</b>	<b>154,711</b>

## Securities Filings

Fiscal Year	2013	2014	2015	2016	2017	2018	2019	2020	2021
Coordination .....	104	108	97	88	72	62	40	40	46
Qualification .....	—	—	1	2	2	1	1	1	1
Exemption .....	41	40	42	46	34	38	35	29	23
Opinion/No Action Letter .....	—	2	2	1	1	0	2	3	1
Mutual Funds .....	5,865	5,960	6,221	6,225	5,804	5,425	5,498	5,802	4,917
Rule 506 .....	651	794	981	995	1,165	1,330	1,365	1,503	2,192
<b>Total .....</b>	<b>109,059</b>	<b>6,904</b>	<b>7,344</b>	<b>7,357</b>	<b>7,078</b>	<b>6,856</b>	<b>6,941</b>	<b>7,378</b>	<b>7,180</b>

## 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 Enforcement Section of 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.■

### Compliance and Enforcement

Fiscal Year	2013	2014	2015	2016	2017	2018	2019	2020	2021
<b>Activity</b>									
New Investigation/Audits									
Complaints Received.....	164	110	109	91	124	117	197	148	66
Audit Files Opened.....	82	85	86	100	87	97	102	95	74
Investigation Files Opened .....	44	39	51	35	48	54	53	53	52
								73	
<b>Administrative Cases</b>									
New Cases Filed.....	81	47	76	68	53	53	31	59	20
Stipulation & Consent Orders....	31	37	41	31	33	17	19	31	8
Adjudicated Orders .....	19	10	12	2	6	7	1	—	4
Default Orders .....	—	23	33	41	22	29	14	—	3
<b>Criminal Cases</b>									
Criminal Charges Filed .....	10	12	16	11	16	25	15	20	8
Convictions .....	2	7	2	10	13	11	11	8	7
Pleas in Abeyance.....	3	1	—	3	6	1	1	—	4
<b>Fines and Restitution</b>									
Fines Assessed .....	\$5,239,452	\$2,582,376	\$5,645,788	\$5,048,104	\$627,125	\$4,297,456	\$3,533,564	\$2,390,491	\$589,000
Fines Paid.....	\$217,983	\$164,660	\$228,759	\$212,150	\$260,525	\$181,598	\$1,165,472	\$341,380	\$79,385
Restitution Ordered.....	\$15,915,435	\$368,786	\$567,583	\$1,979,566	\$1,175,000	\$19,913,548	\$1,165,472	\$277,794	\$10,750,816



## Commerce Fiscal Year 2021 Expenditures by Division

Division Name	Expenditures
Commerce Administration / IT.....	\$4,974,700
Property Rights Ombudsman.....	\$515,200
Occupational & Professional Licensing .....	\$10,034,700
Securities .....	\$2,180,000
Consumer Protection .....	\$2,253,300
Corporations & Commercial Code .....	\$2,575,100
Real Estate .....	\$2,533,900
Public Utilities .....	\$4,432,400
Consumer Services.....	\$776,400
Building Operations & Maintenance .....	\$314,400
<b>Total .....</b>	<b>\$30,590,100</b>