



Utah Department of  
**COMMERCE**

# 2024

ANNUAL REPORT



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# Executive Summary

Dear Valued Stakeholders,

I am delighted to share that this year has marked a remarkable chapter for the Utah Department of Commerce as we take the lead in exemplary regulatory practices, both within our beautiful state and across the nation. It fills me with pride to recognize the unwavering commitment of all ten divisions, which play a vital role in fostering trust within Utah's commercial ecosystem, as highlighted in this report.

In the latter months of Fiscal Year 2024, we proudly launched the Office of Artificial Intelligence Policy and Learning Lab (OAIP). This forward-thinking initiative places Utah at the forefront of AI policy, enabling us to address swift technological advancements with relevant regulations that not only protect the public but also nurture innovation.

With the steadfast support of Governor Spencer J. Cox and the Utah Attorney General's Office, the Division of Consumer Protection is actively pursuing legal action against social media companies to safeguard our youth's mental health. This proactive effort sends a clear message that Utah is deeply committed to the well-being of our children.

In response to pressing mental health challenges, our Office of Professional Licensure Review and the Division of Professional Licensing have made impressive strides by introducing a new license type that enhances access to behavioral healthcare services.

Additionally, we have welcomed Señor Protector, a Spanish-speaking representative, to our "Knights of Scamalog" roundtable, allowing us to effectively communicate crucial fraud prevention messages to the Spanish-speaking community.

Amid the challenges of this transformative year, our dedicated department continues to excel in serving Utah. I am genuinely proud of our accomplishments and the incredible individuals who bring our mission to strengthen trust in Utah's commercial activities to life.

Margaret W. Busse,  
*Executive Director*



# Introduction



The Utah Department of Commerce is the licensing and registration agency for Utah's professional and business community. We provide oversight of business registrations, trademarks, Uniform Commercial Code filings, professional licensing, consumer protection, public utilities, securities, real estate and residential mortgage lending. We respond to and investigate consumer complaints within these areas of jurisdiction, taking appropriate action when necessary.

## Our Mission

It is the mission of the Utah Department of Commerce to strengthen trust in Utah's commercial activities through regulation, enforcement, and education.

## Our Vision

Utah's commercial activities operate efficiently and fairly.

## Our Core Values

- Trust
- Unity

## About This Report

The state fiscal year runs from July 1 to June 30. The information in this report reflects data and accomplishments completed during the state's 2024 fiscal year, which spanned from July 1, 2023 to June 30, 2024.



# Critical Success Factors

The Department of Commerce, though a small agency in terms of structure, has a wide and far-reaching purview. Through our statutory purview, we can address many areas where Utah's social capital is at the most risk. The work we do within the Department affects every Utah citizen daily, whether that be through their ability to heat and power their homes, receive healthcare, or operate or visit a business.

We aim to help Utahns navigate their business and consumer-related needs, ensuring they reach their goals without unnecessary barriers or delays. Instead, we strive to be present in the space we are needed with just the right amount of oversight to promote efficient and fair economic conditions that help grow Utah.

Our efforts to achieve this balance center around three primary areas, referred to as our Critical Success Factors (CSF):

1. Ensure regulation, enforcement, and education activities are effective, efficient, and relevant in a constantly changing and growing economy.
2. Ensure management and system infrastructure are up-to-date and prepared to meet the challenges of continued economic growth.
3. Strengthen and manage employee communication and Department culture.

These CSF act as the pillars of our strategic plan guiding our teams to align their efforts effectively and create meaningful action areas, ensuring we achieve our strategic objectives and successfully fulfill our mission. By ensuring our work is moving the needle on one of these three factors, we are confident that we will positively impact Utah's commercial activities, bringing us closer to achieving our vision of an efficient and fair marketplace for Utah's commercial activities.



## Fiscal Year 2024 In Review

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In recent legislative sessions, Utah has made significant strides in critical areas that impact Utah's commercial activities, exemplifying its commitment to improving the lives of its residents. The establishment of the Office of Artificial Intelligence Policy and Learning Lab positions the state as a leader in shaping innovative AI regulations. Concurrently, monumental reforms in behavioral healthcare aim to enhance access for those in need. Utah is also taking a stand against social media giants like Meta and TikTok to protect the mental well-being of its youth.

Education and outreach initiatives such as the Knights of Scamalog campaign and the Social Harms campaign further reflect the state's dedication to safeguarding its communities from scams and online dangers. Additionally, the implementation of the HB104 Performance Plan underscores a commitment to fostering a supportive and accountable work environment for employees.



## 2024 Legislative Session and Its Impact

The 2024 Legislative Session in Utah resulted in significant bills affecting the Utah Department of Commerce, focusing on enhancing public safety and accessibility in various sectors. The Behavioral Health Licensing Amendments (SB 26) aim to bolster Utah's behavioral health workforce, while the Charitable Solicitations Act Amendments (HB 43) simplify charity registration processes. Additionally, the International Licensing Amendments (HB 58) expand licensing opportunities for individuals with alternative credentials.

The Artificial Intelligence Amendments (SB 149) introduce regulations for generative AI, requiring disclosure when AI is used in communications and establishing a regulatory lab for oversight. Finally, the revamped Social Media Regulation Act, now known as the Minor Protection in Social Media Act, enhances online safety for minors through stringent privacy measures and parental controls. Collectively, these bills will significantly influence the department's operations, enhancing consumer protection and promoting ethical practices within emerging technologies.

## Utah Launches Landmark AI Policy Office

The 2024 Legislative session established the Office of Artificial Intelligence Policy and Learning Lab (OAIP) via SB 149. This office opened in May 2024 and is the first of its kind nationwide. It is representative of Utah's commitment to being at the forefront of AI policy and collaborative regulation.

## Behavioral Health Review

In a significant effort to support Utahns facing mental health challenges, our Office of Professional Licensure Review and Division of Professional Licensing made monumental changes in the behavioral healthcare field this past legislative session. This included introducing a new license type, which should help increase access to behavioral healthcare services for thousands across the state.

## Social Media Litigation

With the invaluable support of Governor Spencer J. Cox and in partnership with the Utah Attorney General's Office, the Division of Consumer Protection took legal action against both Meta and TikTok to hold them accountable for business practices and product features that harm our youth and their mental health.

## Scamlot Campaign

Expanding upon the success of the Scamlot campaign in FY 2023, the Department introduced a Spanish-speaking Knight to the roundtable: Senor Protector! He is dedicated to empowering the Spanish-speaking community with essential information to "Protect Thyself" from fraud and scams. Additionally, Commerce was recognized by the Utah Public Relations Society of America (PSRA) with a Golden Spike Award for Best Public Service Campaign.

## Social Harms Campaign

The Department, together with the Governor's Office of Families and the Utah Department of Health and Human Services, launched a proactive public service initiative designed to keep minors safe online, known as the "Social Harms Campaign." Utah PSRA also recognized it with a Golden Spike Award for the Best External Video.

## HB104 Performance Plan Implementation

Successfully developed and implemented the HB104 Performance Plan process, reflecting our Department's commitment to investing in the growth of each employee. This approach not only provides clear guidance on expectations and metrics but also establishes a framework for rewarding those who consistently exceed expectations.

# Service Statistics

In Fiscal Year 2024, the Utah Department of Commerce achieved significant milestones in enhancing customer service, guided by insights from Qualtrics feedback from both website users and callers across our 10 divisions and offices. We successfully implemented a ticketing system to streamline the process for handling requests for additional assistance, ensuring that each inquiry is promptly assigned to a qualified employee.

Our call feedback was exemplary, with an impressive average rating of 4.7 out of 5, highlighting our team's friendliness, knowledge, and understanding.

However, we recognized the need for improvement in our web interactions, as 49% of survey respondents reported difficulty in completing their tasks online. This feedback has led us to establish a new FY25 strategic initiative to develop and deploy user experience plans for each division and office, aimed at identifying and addressing the challenges our customers face when engaging with us.

Rating for Commerce's Customer Service Representatives in:

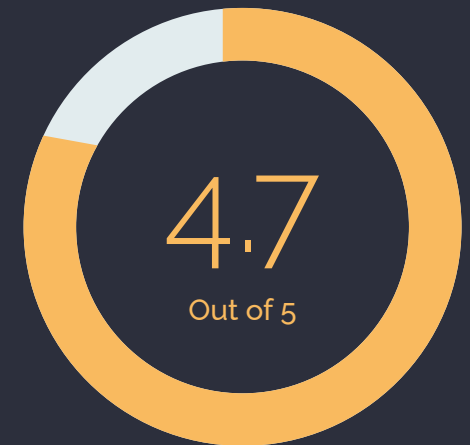
Friendliness, Knowledgeability, and Understanding.

Number of Customer Feedback Responses

12,524

Number of Requests for Support

1,810





# Employee Engagement Survey Results

In a recent Employee Engagement Survey conducted by the state's Division of Human Resources, we saw an impressive participation rate, with 243 of about 330 employees contributing their feedback. This indicates a strongly positive work environment, with approximately 85% of employees feeling that their work provides a sense of meaning and enjoyment. Furthermore, around 90% understand how their contributions align with our agency's success, and 91% have received feedback on their progress in the past six months, reflecting a notable increase due to

the implementation of our Pay for Performance (P4P) system.

However, the survey also identified areas for improvement. While 75% of employees reported having opportunities for professional growth, this represents a decrease from the previous year. Communication regarding work-related changes was also highlighted, with 40% of respondents expressing dissatisfaction. Due to this feedback and other factors, the Department is making considerable efforts to improve internal communication through goals outlined in its FY 2025 Strategic Plan.

Despite recent salary increases totaling an average of 13% for state employees, concerns about compensation persist, driven by inflation's impact.

Overall, these insights will guide our ongoing efforts to enhance our workplace and support our mission of "Strengthening Trust in Utah's Commercial Activities." We appreciate the valuable feedback from our employees as we strive to foster an even better work environment.

Number of Employees  
Who Took Survey

## 243

A 30% increase in participation.

Employees Who Feel Their Work  
Aligns With Commerce's Success

## 90%

Employees Who Reported  
Opportunities for Growth

## 75%

> 1% lower than state cumulative average.

Employees Who Feel Their Work  
Provides a Sense of Meaning & Enjoyment

## 85%

Employees Who Have Received Feedback  
on Their Progress in Past 6 Months

## 91%

Employees Who Expressed Satisfaction  
with Work-Related Communication

## 60%

## Division and Office Highlights

### Division of Consumer Protection



Katie Hass, Director

The Division of Consumer Protection (DCP) is responsible for protecting consumers in the state through education and impartial enforcement. DCP administers more than 25 Utah State Laws, including those related to business opportunities, charities, consumer sales practices, credit services, health spas, telephone fraud, and most recently social media and data privacy laws, among others. DCP works to stop deceptive and fraudulent business practices by investigating consumer complaints and where warranted, bringing enforcement actions. DCP also strives to educate consumers and businesses about the laws regulated by the division, and licensing or registering regulated entities.

Utah's Largest Historical  
Consumer Settlement

**\$16.7m**

Value Recovered from Nudge, LLC

Value of Consumer  
Benefits Recovered

**\$2.5m**

#### DCP Holds Solar Company Responsible for Deceptive Practices

The Division of Consumer Protection (DCP) took decisive legal action against Colarusso Ventures, LLC, operating as Elan Solar, and its owner for deceptive practices that violated the Utah Consumer Sales Practices Act. DCP sought damages and penalties in response to over 30 complaints regarding non-functional solar systems and misleading sales tactics. As DCP continues to receive an increasing number of complaints regarding solar in Utah, this proactive response highlights the Division's unwavering commitment to holding deceptive companies accountable.

#### Refunds Secured for Victims of Real Estate Investment Scheme

In a remarkable effort, DCP successfully secured over \$10 million in refunds for consumers who were misled by Nudge, LLC, also known as Response Marketing Group, a deceptive real estate investment training scheme. DCP's thorough investigative efforts and collaborative partnerships played a crucial role in holding Response Marketing and its affiliates accountable, resulting in a settlement that not only reimbursed affected consumers but also imposed a permanent ban on the sale of "wealth creation" products by the companies involved.

## Top Ten Consumer Complaints

1. Home Repair/ Remodel
2. Roof Top Solar
3. Auto Purchases
4. Home: Appliances/Supplies/Other Services
5. Travel/Vacations
6. Business Opportunities
7. Home: Warranty Plans and Services
8. Home: Furnishings
9. Auto: Warranty Plans and Services
10. Home: Protection Devices/Alarms/Cameras

## DCP Sues Insulin Manufacturers for Artificially Increasing Insulin Prices

In a landmark legal initiative, DCP filed a lawsuit against insulin manufacturers, alleging that they artificially inflated the price of insulin, adversely affecting hundreds of thousands of Utah diabetics and their families. Named in the lawsuit are Eli Lilly, Novo Nordisk, Sanofi, and pharmacy benefits managers CVS Caremark, Express Scripts, and OptumRx for their involvement in the alleged insulin pricing scheme. By challenging these manufacturers and pharmacy benefits managers, the lawsuit aims to tackle the unjustly inflated prices of this life-saving medication, underscoring the state's commitment to protecting consumers from exorbitant healthcare costs and ensuring access to affordable insulin for Utahns in need.

## DCP Community Outreach Initiatives

DCP made significant strides in enhancing community well-being through a number of outreach events. The successful promotion of Declutter Day in Salt Lake City, in collaboration with local media, helped over 800 Utahns safely dispose of substantial amounts of paper and e-waste.

Additionally, to protect Utah's seniors from scams, DCP participated in Senior Expo events across Layton, Sandy, and St. George, providing essential education on fraud prevention. Expanding its educational outreach efforts, DCP engaged with numerous educational and community groups, including high schools and senior centers, to empower Utahns with the knowledge needed to protect themselves against scams and fraud.

Consumer  
Complaints Received

2,564

Cases Opened

1,969

Cases Closed

1,768

Registration Filings - All Types

9,436

*DCP manages several types of required registrations, primarily focusing on businesses and organizations that aim to engage with consumers. These registrations include those for various businesses, professional services, and specific entities that must adhere to consumer protection laws. Notably, as of May 1, 2024, charities will no longer be required to register with the division, simplifying the process for charitable organizations operating in the state.*

## Division of Corporations



Adam Watson, Director

The Division of Corporations and Commercial Code (DCCC) is responsible for registering all statutory business entities, state trademarks, and Article 9 lien notice filings. In addition, DCCC records certain service of process and bankruptcy filings, as well as other less noticeable, but equally important filings.

Businesses that register with DCCC include for-profit and non-profit corporations, limited liability companies, limited partnerships, and more. DCCC also files Uniform Commercial Code filings relative to Revised Article 9 and agricultural liens under the Cental Filing System guidelines. Although DCCC provides many services, it is not an investigative nor enforcement agency and will not compel anyone to make statutorily required filings.

### First-in-the-Nation DAO Registrations

In January 2024, the Division of Corporations and Commercial Code (DCCC) began accepting Decentralized Autonomous Organization (DAO) registrations, making Utah the first state to do so. This groundbreaking initiative provided legal recognition and limited liability for DAOs in Utah. To foster awareness of this new registration option, DCCC launched an active campaign aimed at educating and informing qualifying Utah businesses.

### Groundwork for New Business Registration System

Furthermore, DCCC has been diligently working towards developing and rolling out a new business registration system, which was made public in the early fall of 2024 (FY25). This innovative system is designed to simplify the process for Utah entrepreneurs and business owners, enabling them to check business name availability, reserve their business name, and complete registration more efficiently.

Total New  
Business Registrations

97,221

Total Business  
Renewal Registrations

382,251



## Division of Professional Licensing



Mark Steinagel, Director

The Division of Professional Licensing (DOPL) is responsible for administering and enforcing laws related to the licensing and regulation of various professions. They issue licenses in about 60 categories, each with multiple classifications. DOPL processes an average of 47,000 new applications and 127,000 renewal applications annually. The organization is divided into licensing and investigations, with several independent programs under its jurisdiction.

Total Number of Active Professional Licenses - All Types

347,404

Increase Over Prior Year

17.5%

### Largest License Types

Registered Nurse

46,321

Cosmetologist/Barber

32,412

Contractors

31,569

### Addressing Contractor Fraud

In its ongoing efforts to combat contractor fraud, DOPL revoked Elan Solar's contractor license following a thorough investigation with the Division of Consumer Protection. The investigation revealed serious misconduct and financial losses for consumers. This case is part of a notable increase in contractor-related complaints, largely including instances of contractors taking payments for unfinished work. The actions taken against Elan Solar highlight DOPL's commitment to combatting contractor fraud and protecting consumers.

### Behavioral Health Licensing Amendments

DOPL led in implementing the Behavioral Health Licensing Amendments from the 2024 legislative session through Senate Bill 26. This included establishing a new Behavioral Health Board and associated

advisory committees and creating administrative rules for mental health and psychologist practices. DOPL also developed new applications for the newly established licenses, streamlining the licensing process to enhance access to vital mental health services.

### Board Training Initiatives

In FY 2024, DOPL held two virtual training sessions for more than 300 board members. The November 2023 session covered Utah's Open and Public Meeting Act, ensuring board members understood how to comply with state regulations. In January, the Internationally Trained Applicant Credentialing (ITAC) team introduced board members to their process for evaluating international standards for trained professionals and creating reasonable pathways for those professionals to attain licensure in Utah.

## Internationally Trained Applicant Credentialing

Internationally Trained Applicant Credentialing (ITAC) made significant strides in licensure for internationally trained professionals. Key achievements included developing a standardized rubric for evaluating foreign qualifications for electricians, licensing three Associate Clinical Mental Health Counselors, and granting approvals for 28 internationally trained nurses to sit for the NCLEX exam, leading to five licenses. Additionally, at least 30 cosmetology licenses were issued, and a group of dental professionals is working on new licensure pathways expected in early 2025. ITAC also engaged with hundreds of potential applicants through 14 outreach initiatives and responded to more than 1,000 inquiries.

## Market Research

DOPL launched market research to assess public awareness of its various resources, programs, and functions. The findings revealed a generally positive perception of DOPL, with the public recognizing the Division as trustworthy and helpful. However, respondents highlighted opportunities for improvement regarding the Division's online presence.

Encouragingly, those surveyed expressed a strong interest in utilizing DOPL's services once they became aware of them.

## Record Year for EHR Integration

Utah's Controlled Substance Database Program (CSD), housed within DOPL, assists medical practitioners, pharmacists, and others in providing efficient care for patients regarding controlled substances. In FY 2024, CSD reached a million queries in a month for the first time, with 1,032,485 searches in May (32% direct searches and 68% through integrated Electronic Health Record (EHR) system). The program also established a record number of EHR connections with 41 new integrations, surpassing all previous years.

## UPHP FY 2024 Achievements

The Utah Professionals Health Program (UPHP) has achieved significant milestones in its mission to support healthcare professionals facing substance use challenges. Key achievements include the establishment of comprehensive policies, alignment with national standards through the Federation of State Physician Health Programs, and building partnerships within the healthcare community, as is outlined in [UPHP's FY 2024 Annual Report](#).



DOPL Senior Expo

Complaints Received\*

5,534

Cases Opened

4,733

Cases Closed

4,623

\*Includes information-only

## Division of Public Utilities



Chris Parker, Director

The Division of Public Utilities (DPU) ensures safe and reliable utility service at reasonable prices. It handles consumer utility complaints, monitors compliance with regulations, and is divided into five sections: Energy, Telecommunications, Water, Pipeline Safety, and Customer Service. Regulated utilities include electric power, natural gas, water, and sewer, as well as intrastate natural gas pipelines. Unregulated utilities include wireless phone services, cable and wireless internet, and fuel oil, propane, or gasoline.

### Congressional Testimony on Proposed EPA Rule

The Division of Public Utilities (DPU) played a critical role in advocating for consumer interests amid proposed changes from the federal Environmental Protection Agency (EPA) regarding greenhouse gas regulations for power plants. In November, DPU Director Chris Parker provided testimony before the House Environment, Manufacturing, and Critical Minerals Subcommittee, emphasizing the unrealistic timelines and high compliance costs associated with the proposed rules. Director Parker highlighted that the accelerated retirement of power plants dictated by the regulations could jeopardize the reliability of the nation's electrical system.

### DPU Advocates for Consumers Amid Rocky Mountain Power Proposed Rate Hikes

DPU also focused its advocacy on addressing wildfire-related costs linked to Rocky Mountain Power's (RMP) proposed rate hikes. RMP was found to have acted recklessly concerning wildfires in Oregon, resulting in substantial financial liabilities. In response, DPU initiated a thorough evaluation of the reasonableness of cost allocations for insurance and wildfire-related expenses, ensuring that no costs arising from company misconduct were passed on to consumers. This initiative remains ongoing, particularly in connection with RMP's request for a significant rate increase in FY2025.

### Enbridge Acquires Questar Gas

In a significant development, DPU supported Enbridge's acquisition of Questar Gas, which involved purchasing Questar and its related assets from Dominion Energy. This acquisition is expected to bolster local management capabilities. Additionally, in June 2024, the Division backed Enbridge's request for the Public Service Commission to reduce natural gas rates by nearly 30%.





Utility Assistance Program Performance

\$11.3m

Total Appropriated Amount: \$12.2m

Number of Utility Assistance  
Customers Served

61,025

Enbridge and RMP Customers



Director Parker testifying to the House Environment, Manufacturing, and Critical Minerals Subcommittee on proposed EPA rule.

## Division of Real Estate



Leigh Veillette, Director

The Division of Real Estate (DRE) plays a vital role in ensuring that Utah's real estate industry operates ethically and efficiently. With a mission to safeguard the public and promote responsible business practices through education, licensure, and regulation of real estate, mortgage, and appraisal professionals, the DRE is an essential component of Utah's real estate industry.

### Instructor Development Workshop

In October 2023, the Division of Real Estate (DRE) hosted its annual Instructor Development Workshop, welcoming over 80 licensees to participate. DRE emphasized its commitment to ongoing education by providing updates on recent legislation, administrative rules, and essential topics such as bias and fair housing concerns within the real estate and appraisal industries. To support licensees in maintaining compliance, DRE offered recommendations and advanced preventative measures to avoid disciplinary actions. The workshop featured national real estate technology expert Betsy Sabatini Coyne, alongside DRE leadership, who introduced a range

of technological tools designed to elevate instructors' presentations.

### Licensing System Upgrade

Additionally, DRE has made significant strides in improving its licensing processes through the successful transition to the new "My License One" (ML1) system. This upgrade aims to streamline license management for both current and new licensees, allowing them to access a majority of their filings with DRE in one convenient location.

Total Fines Assessed

**\$179,000**

### Real Estate Caravan

Lastly, DRE hosted its annual training caravan with nine stops throughout the state, enabling 500 licensees to earn continuing education credits while receiving vital updates on statutory changes and enforcement statistics impacting the real estate, mortgage, and appraisal industries.



### Appraisal Licensees

1,673

Includes Pre-License Schools, CE Providers, and AMCs

### Mortgage Licensees

8,868

Includes Companies, BOs, and Pre-License Schools

### Real Estate

31,599

Includes RE Companies, BOs, PM, Pre-License Schools, and CE Providers

### Complaints Received\*

23

### Cases Opened

22

### Cases Closed

17

### Complaints Received\*

34

### Cases Opened

27

### Cases Closed

34

### Complaints Received\*

375

### Cases Opened

302

### Cases Closed

177

## Division of Securities



Jason Sterzer, Director

The Division of Securities (Securities) is responsible for regulating the investment industry and enforcing securities laws in the state. Through the issuance of licenses to broker-dealers and investment advisers, the Division aims to ensure a level playing field and minimum standards of competence, training, and fair dealing among all agents and representatives doing business in Utah. Additionally, the Division seeks to educate and protect investors by providing information, resources, and tools to help them make informed decisions about investments, identify common scams, and research investment opportunities and sellers.

### Nearly \$75 Million Uncovered

Throughout the 2024 fiscal year, Securities achieved remarkable outcomes by uncovering nearly \$75 million in investor losses. It actively participated in several multi-settlement cases, including one with Raymond James & Associates, which resulted in a settlement of \$75,000 and a restitution of \$56,000 for Utah investors. Moreover, the court-appointed receiver involved in the Rust Rare Coin Ponzi scheme successfully distributed over \$23 million to the victims.

To Be Distributed to Rust  
Rare Coin Victims

\$23m

### Fraud Prevention Symposium

Securities made significant strides by hosting its inaugural Fraud Prevention Symposium. Collaborating with partners such as the FBI, SEC, FTC, and the U.S. Attorney's Office, the event attracted approximately 200 attendees, including securities and legal professionals. Executive Director Margaret Busse addressed the symposium, emphasizing that trust between government agencies and the public is essential for a healthy and thriving economy.

### Law Enforcement Outreach & Training

To further bolster its efforts, the Division of Securities developed a new law enforcement training program designed to empower officers in identifying and investigating securities fraud. Accompanied by a user-friendly guide that fits conveniently in pockets or wallets, this initiative equips law enforcement personnel with the necessary tools to combat various forms of securities fraud. Notable law enforcement agencies participating in this training included West Valley City PD, South Salt Lake PD, Davis County Sheriff's Office, Sandy PD, U.S. Probation District of Utah, and Draper PD.

Total Securities Licensees  
**187,365**



Fraud Prevention Symposium



Licensee Caravan



Law Enforcement Outreach & Training

**Licensee Caravan**

Securities also organized its first Licensee Caravan. This event aimed to promote regulation through education rather than enforcement. It provided state-covered licensees with a valuable opportunity to gain a better understanding of the Division's policies and priorities while also allowing them to ask questions to clarify any uncertainties.

**Market Research**

The Division of Securities partnered with Love Communications to conduct market research on public and licensee perceptions. A survey of over 1,200 respondents uncovered that 1 in 4 had been approached with fraudulent investment offers. It also found that those who proactively investigated these opportunities were 30% less likely to become victims of fraud.

Consumer Complaints Received*	Cases Opened	Enforcement Closed Investigations
<b>220</b>	<b>214</b>	<b>42</b>
Vulnerable Adult Reports	Compliance Closed Examinations:	Total Cases Closed
<b>50</b>	<b>246</b>	<b>288</b>

Fines Assessed	Criminal Restitution Ordered
<b>\$768,912</b>	<b>\$155,142</b>
Administrative Restitution Ordered	Discorgement Ordered
<b>\$445,000</b>	<b>\$553,026</b>

\*Includes the annual sweep examinations of all licensees.

## Office of Artificial Intelligence Policy & Learning Lab



Zach Boyd, Director

The Office of Artificial Intelligence Policy and Learning Lab aim to position Utah at the forefront of AI study by fostering informed legislation and regulation. The office will consult with businesses and stakeholders, facilitate policy dialogues, and ensure that the regulatory landscape encourages innovation while protecting the interests of Utahns.

### Utah Launches Landmark AI Office

In May 2024, Utah made a significant leap in AI governance with the establishment of the Office of Artificial Intelligence Policy and Learning Lab (OAIP) through Senate Bill 149. This groundbreaking office is the first of its kind in the nation and underscores Utah's commitment to leading in AI policy and collaborative regulation. OAIP engages with businesses, academic institutions, and various stakeholders to promote discussions on regulatory proposals aimed at fostering innovation while ensuring public safety.

The office possesses the authority to develop regulatory mitigation agreements, enabling

the innovative deployment of AI technologies. Operating under the Department of Commerce, OAIP upholds a trust-driven mission: "Strengthening trust in AI activities in Utah through data-driven policy, timely regulatory adjustments, and innovation-enabling regulatory relief.

### Commerce Appoints OAIP Director

The Department of Commerce appointed Dr. Zachary Boyd as the Director of OAIP. Dr. Boyd is a faculty member at Brigham Young University (BYU) in the mathematics department, specializing in applied and computational mathematics. His research lab focuses on artificial intelligence, machine

learning, and mathematical modeling, with applications in social science fields such as psychology, economics, and social networks.



OAIP Launch Event

## Office of Consumer Services



Michele Beck, Director

The Office of Consumer Services (OCS) serves as the state's utility consumer advocate, representing the interests of residential, small commercial, and agricultural customers of natural gas, electric, and telephone services. Established in 1977 as the Committee of Consumer Services, the organization was reorganized in 2009 and is now led by a director appointed for a six-year term. The Committee of Consumer Services, a layperson board, advises OCS and helps establish policy objectives. OCS is also a member of NASUCA, a national organization of utility consumer advocates, to stay informed on consumer advocacy issues and improve their effectiveness in addressing local issues.

### Advocating Protections for Utility Consumers

The Office of Consumer Services (OCS) advocated for appropriate protections for Utah's residential and small business ratepayers in its review of over two dozen significant utility proposals. In the current environment of rapid change in utility business models and services, a focused review on behalf of small customers is critical. OCS had two notable accomplishments in Fiscal Year 2024 in this regard:

1. Successfully advocated against removing a requirement to serve all customers from the state's largest telephone provider, CenturyLink, to ensure that all Utahns continue to have access to telecom services which are a fundamental necessity in today's connected world.
2. OCS also reached an agreement on requirements associated with Enbridge Gas's acquisition of Questar Gas from Dominion Energy to provide customer protections and adequate customer communications during the transition of ownership.



## Office of Professional Licensure Review



Jeff Shumway, Director

The Office of Professional License Review (OPLR) conducts systematic reviews of regulated occupations in Utah to advise legislators on licensing requirements. It aims to protect public health, safety, and financial welfare while reducing barriers for qualified practitioners. OPLR prioritizes professions for review based on established criteria and mandates data-informed evaluations for proposed regulations before they reach the legislature. Key factors in these reviews include public harm potential, economic demand, regulation in other states, and the impacts of various regulatory options.

### OPLR Enhances Utah's Mental Healthcare Workforce Through Regulatory Reforms

In Fiscal Year 2024, OPLR made significant contributions to behavioral health licensing by conducting a thorough review of the sector and recommending regulatory reforms. These efforts culminated in the passage of SB26, a pivotal piece of legislation designed to expand Utah's mental healthcare workforce and improve access to critical services. By streamlining licensure processes and aligning requirements with the state's needs, OPLR's work helps address the shortage of mental health professionals and ensures that qualified individuals can more easily enter the field, ultimately improving public access to quality care.

### Announcement of Behavioral Health Licensure Findings

Presented Behavioral Health licensure findings and legislative recommendations in January 2024 in partnership with the Governor's Office, the Business and Labor Interim Committee, and industry stakeholders at a large press conference.

#### SB26 Legislation

Worked with the Business and Labor committee on Behavior Health policy and licensure changes to pass and begin implementation of SB 26, which established a new extender license type as well as created alternative pathways to licensure, and improved licensure outcomes.

### Success in Legislative Inquiries

Completed three legislative inquiries regarding licensure of occupations or professions, which included Nursing Education, Property Management, and Optometrist Laser Surgery.

### Cosmetology Licensing Review

OPLR began its next periodic review, focusing specifically on the licensing requirements for cosmetologists in Utah and consumer safety in this industry. This review indicated that modifying certain cosmetology licensing policies could enhance both career accessibility and consumer safety. OPLR will present its recommendations during the interim and general legislative sessions in 2025.



Period Review of  
Regulated Occupation

## Behavioral Health

Total Licenses at  
Start of Fiscal Year

18,467

Total Licenses at  
End of Fiscal Year

19,379

Total Increase  
in Licenses

6%



OPLR Behavioral Health Press Conference

## Office the Property Rights Ombudsman



The Office of the Property Rights Ombudsman (OPRO) is an independent, neutral office that safeguards the property rights of the citizens of Utah. OPRO provides assistance to citizens and government agencies in comprehending and adhering to property rights laws, resolving disputes, and advocating for fairness and balance when private rights clash with public needs. The Office offers various methods to help citizens and government officials with issues related to takings, eminent domain, and land use law, including education, negotiation, mediation, arbitration, and Advisory Opinions. OPRO's involvement helps minimize the impact of strong personal feelings, and it ensures an objective resolution for all parties involved.

Jordan Cullimore., Director

Number of Land Use Academy Trainings

48

Number of Mediations

47

17 Advisory Opinions

17

### Management Shift for Land Use Academy of Utah

In FY2024, the Office of the Property Rights Ombudsman (OPRO) collaborated with the Utah League of Cities and Towns to transfer the management of the Land Use Academy of Utah (LUAU) website to the Statewide Land Use Training Director position, which is based within OPRO. The website was updated to enhance accessibility and to include additional land-use planning tools and resources aimed at educating government agencies, private citizens, and organizations about land-use laws and best practices. Efforts to further improve and expand the site are ongoing.

### Pilot Program Streamlines Legal Feedback

The Office piloted an Advisory Panel program to provide parties with quick legal feedback. It began collaborating with its Land Use and Eminent Domain Advisory Board to enhance the Advisory Opinion process. This includes expanding the information-gathering procedures, implementing a formal reconsideration process, and exploring the option of funding opinions drafted by external attorneys when necessary to improve efficiency and manage workload.



## Financial Summary



Devin Cook, Finance Director

### Overview:

The Department of Commerce is a key regulatory agency tasked with overseeing various sectors including consumer protection, business regulation, and financial services. It ensures the proper functioning of markets within the state, safeguarding both businesses and consumers. The department operates through several divisions, each with its own revenue streams, budgets, and expenditures.

### Revenue:

The Department of Commerce primarily generates revenue through fees, licenses, and assessments charged to businesses and professionals within the state. Key sources of revenue include license and permit fees, Uniform Commercial Code (UCC) filings, and regulatory fines and penalties.

### Expenditures:

The Department's expenditures are primarily directed toward administrative functions, staffing, operational costs, and enforcement of regulations. Major expenditure categories include personnel and administrative costs, operational and program costs, enforcement and legal services, and consumer education and industry-specific outreach.

### Budget and Financial Position:

The Department of Commerce's budget is typically balanced, with its revenues covering operating expenses. The department operates under the state's broader budgetary framework, receiving appropriations from the state legislature as needed, but also relies on self-generated funds (fees and fines). In recent years, the department has seen moderate revenue growth, largely driven by the expansion of regulated industries.

# Financial Statement

<b>Dept: 670 Fund: 1000</b>						
APPROPRIATION CLASS	APPROPRIATION NAME	FIXED FUNDING	ACTUAL REVENUE COLLECTED	TOTAL AVAILABLE	EXPENDITURES	UNEXPENDED BALANCE
UAAA CRC General Regulation Administration	UAA CRC Commerce Administration	\$10,612,909.53	\$7.50	\$10,612,917.03	\$8,372,557.67	\$2,240,359.36
	UAB CRC Occupational & Professional Licensing	\$13,289,677.54	\$1,614,370.59	\$14,904,048.13	\$15,838,458.45	(\$934,410.32)
	UAC CRC Securities	\$4,256,100.00	\$0.00	\$4,256,100.00	\$4,289,844.01	(\$33,744.01)
	UAD CRC Consumer Protection	\$3,956,900.00	\$1,780.00	\$3,958,680.00	\$4,176,112.87	(\$217,432.87)
	UAE CRC Corporations & Commercial Code	\$4,888,300.00	\$108.00	\$4,888,408.00	\$3,802,931.79	\$1,085,476.21
	UAF CRC Real Estate	\$2,644,900.00	\$245,233.00	\$2,890,133.00	\$2,898,118.82	(\$7,985.82)
	UAG CRC Public Utilities	\$5,776,356.80	\$320,998.00	\$6,097,354.80	\$5,117,779.19	\$979,575.61
	UAH CRC Consumer Services	\$2,024,296.44	\$0.00	\$2,024,296.44	\$1,100,869.44	\$923,427.00
	UAJ CRC Building Operations & Maintenance	\$374,700.00	\$0.00	\$374,700.00	\$386,786.49	(\$12,086.49)
<b>UAAA CRC General Regulation Administration totals:</b>		<b>\$47,824,140.31</b>	<b>\$2,182,497.09</b>	<b>\$50,006,637.40</b>	<b>\$45,983,458.73</b>	<b>\$4,023,178.67</b>
	UBA CRC Building Inspector Training	\$3,394,945.51	\$719,337.69	\$4,114,283.20	\$508,360.16	\$3,605,923.04
<b>UBAA CRC Building Inspector Training totals:</b>		<b>\$3,394,945.51</b>	<b>\$719,337.69</b>	<b>\$4,114,283.20</b>	<b>\$508,360.16</b>	<b>\$3,605,923.04</b>
	UCA CRC Utility Bill Assistance Program	\$6,989,270.00	\$0.00	\$6,989,270.00	\$5,581,152.00	\$1,408,118.00
<b>UCAA CRC Utility Bill Assistance Program totals:</b>		<b>\$6,989,270.00</b>	<b>\$0.00</b>	<b>\$6,989,270.00</b>	<b>\$5,581,152.00</b>	<b>\$1,408,118.00</b>
	UDA CRC DPU Professional & Technical Services	\$1,088,341.83	\$0.00	\$1,088,341.83	\$223,656.27	\$864,685.56
<b>UDAA CRC DPU Professional &amp; Technical Services totals:</b>		<b>\$1,088,341.83</b>	<b>\$0.00</b>	<b>\$1,088,341.83</b>	<b>\$223,656.27</b>	<b>\$864,685.56</b>
	UFA CRC CCS Professional & Technical Services	\$1,758,391.72	\$0.00	\$1,758,391.72	\$34,672.13	\$1,723,719.59
<b>UFAA CRC CCS Professional &amp; Technical Services totals:</b>		<b>\$1,758,391.72</b>	<b>\$0.00</b>	<b>\$1,758,391.72</b>	<b>\$34,672.13</b>	<b>\$1,723,719.59</b>
<b>Department 670 Totals:</b>		<b>\$61,055,089.37</b>	<b>\$2,901,834.78</b>	<b>\$63,956,924.15</b>	<b>\$52,331,299.29</b>	<b>\$11,625,624.86</b>
<b>Report Summary</b>		<b>\$61,055,089.37</b>	<b>\$2,901,834.78</b>	<b>\$63,956,924.15</b>	<b>\$52,331,299.29</b>	<b>\$11,625,624.86</b>

## Education & Outreach Events - Highlights

### Securities Fraud Symposium September 2023

The Division of Securities achieved a significant milestone by hosting its first-ever Fraud Prevention Symposium in Salt Lake City, collaborating with major federal agencies and drawing an audience of around 200 securities and legal professionals.

### Senior Expos in Davis, Salt Lake, & Washington Counties Fall 2023

In Fall 2023, the Division of Professional Licensing, Division of Securities, and Division of Consumer Protection attended Senior Expos from the Wasatch Front to St. George to engage with seniors on fraud prevention strategies and enhance their defenses against scams.

### Press Conference Announcing Lawsuit Against Social Media October 2023

The Utah Division of Consumer Protection, alongside Governor Spencer J. Cox and the Attorney General's Office, held a press conference to announce its lawsuit against TikTok, alleging the company designed addictive features to exploit young users and misled parents about the app's safety and its ties to its China-based parent company, ByteDance.



### OPLR Press Conference January 2024

The Office of Professional Licensure Review (OPLR), alongside Governor Spencer J. Cox, proudly presented findings from a year-long study of behavioral healthcare professions in Utah, proposing reforms aimed at significantly improving access to mental health care.

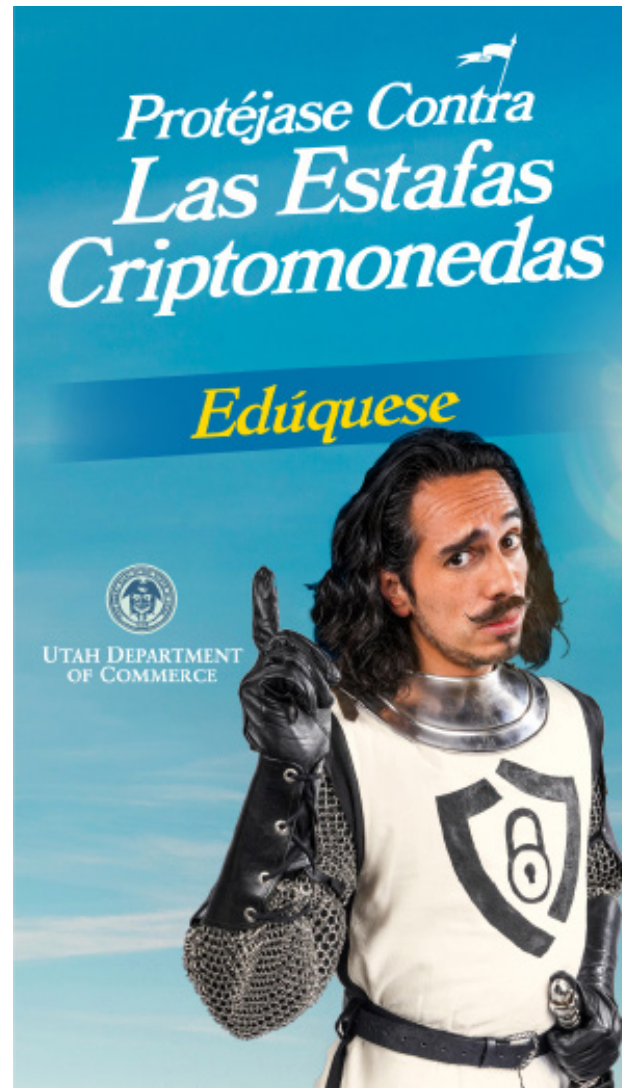
### DCP DeClutter Day April 2024

The Utah Division of Consumer Protection successfully hosted its Annual DeClutter Day, where over 800 Utahns safely disposed of significant amounts of paper and electronic waste, enhancing community well-being through effective outreach initiatives.

## Outreach Events Data

The Department of Commerce hosted and/or participated in 147 Outreach Events in Fiscal Year 2024 between its Divisions of Real Estate, Professional Licensing, Consumer Protection, and Securities. Including OPRO's Land Use Trainings and other smaller one-off presentations and speaking engagements, Commerce as a whole participated in over 200 Outreach Events in the fiscal year.

In support of Governor Cox's initiative to better serve Utah's aging population, the Department plans to expand its Scamalot campaign further in Fiscal Year 2025, with a special focus on seniors aged 60 plus.



## The Scamalot Roundtable Expands

The Scamalot campaign, which was recognized with a Utah PRSA Golden Spike Award for Public Service/Advocacy Campaign in November 2023, expanded its reach by introducing Señor Protector, a new Spanish-language knight, to the "Knights of Scamalot" roundtable. Señor Protector is dedicated to empowering the Spanish-speaking community with essential information to "Protect Thyself" from fraud and scams. In addition to welcoming Señor Protector, the Department produced content focusing on affinity scams/business opportunity scams, a common scam method in Utah, and created Spanish-language content on this same topic.

