

## Utah Association of REALTORS®

State Leadership Idea Exchange  
President Ryan Kirkham

The Utah Association of REALTORS® has faced a new threat in recent months in the form of regulatory agencies ignoring the state statute. Specifically, we have faced four threats:

1. **Unemployment insurance:** The Department of Workforce Services said any brokerage where agents are involved in property management would have to pay unemployment premiums even though the agents are independent contractors.
2. **Water heaters:** Regulators said anyone buying a water heater would have to buy an infrared water heater, even though these models are not available in Utah and are more expensive.
3. **Workers' compensation:** Regulators said brokerages would have to pay for workers' compensation insurance for all of their agents.
4. **Title reports:** The Utah insurance regulators recently said title companies could no longer provide real estate agencies with preliminary title reports.

In each of these cases, regulators stepped outside of the state statute to try to implement new regulations that would hurt REALTOR® members. The UAR successfully appealed these issues, citing that each went against state law.

Specifically, the UAR utilized the state administrative rules oversight committee to help overturn the regulatory mandates. The UAR also successfully advocated for a bill last year that prevents state regulatory agencies from making rules that affect the real estate transaction without receiving authority from the Utah Division of Real Estate.

In addition to the work that each state does on a legislative front, it's important for associations to be watchful of the potential harm that state regulatory agencies can cause. Three keys for dealing with these issues are: 1) Have the tools available in state law so unrelated regulatory agencies can't make rules that affect the transaction without proper authority, 2) have strong relationships with your state's legislative committee that oversees regulatory rule-making in your state, and 3) monitor trends and advocate for state laws that protect members before they reach the regulatory arena.

Because the harm of a regulatory change can be as detrimental as a legislative one, state associations must be ready to deal with attacks on both fronts.