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## **Consumer Protection Amendments**

#### 2025 GENERAL SESSION

### STATE OF UTAH

# Chief Sponsor: Evan J. Vickers

LONG TITLE
Committee Note:
The Business and Labor Interim Committee recommended this bill.
Legislative Vote: 10 voting for 0 voting against 12 absent
General Description:
This bill amends provisions relating to consumer protection.
Highlighted Provisions:
This bill:
<ul> <li>describes the award a court must issue when granting a judgment in favor of the Division</li> </ul>
of Consumer Protection (division);
<ul> <li>clarifies what constitutes a deceptive and unconscionable sales practice;</li> </ul>
<ul> <li>clarifies the division's rulemaking and investigatory authority;</li> </ul>
<ul> <li>allows the division to request that a court order disgorgement of money under certain</li> </ul>
circumstances;
<ul> <li>clarifies the factors a court considers when issuing a fine;</li> </ul>
<ul> <li>clarifies that a government agency may bring an enforcement action for defective</li> </ul>
construction; and
<ul> <li>makes technical and conforming changes.</li> </ul>
Money Appropriated in this Bill:
None
Other Special Clauses:
None
Utah Code Sections Affected:
AMENDS:
13-2-6, as last amended by Laws of Utah 2024, Chapter 102
13-11-2, as enacted by Laws of Utah 1973, Chapter 188
13-11-3, as last amended by Laws of Utah 2004, Chapter 55
13-11-4, as last amended by Laws of Utah 2024, Chapters 102, 186
13-11-5, as enacted by Laws of Utah 1973, Chapter 188

32	13-11-6, as last amended by Laws of Utah 2024, Chapter 158
33	13-11-7, as last amended by Laws of Utah 2024, Chapter 101
34	13-11-8, as enacted by Laws of Utah 1973, Chapter 188
35	13-11-9, as enacted by Laws of Utah 1973, Chapter 188
36	13-11-16, as last amended by Laws of Utah 1997, Chapter 296
37	13-11-17, as last amended by Laws of Utah 2018, Chapter 276
38	13-11-18, as enacted by Laws of Utah 1973, Chapter 188
39	13-11-19, as last amended by Laws of Utah 2018, Chapter 276
40	13-11-20, as last amended by Laws of Utah 2010, Chapter 378
41	13-11-21, as last amended by Laws of Utah 2024, Chapter 222
42	13-11-22, as enacted by Laws of Utah 1973, Chapter 188
43	78B-4-513, as enacted by Laws of Utah 2008, Chapter 280
44	REPEALS:
45	13-11-17.5, as enacted by Laws of Utah 1987, Chapter 105
46	
47	Be it enacted by the Legislature of the state of Utah:
48	Section 1. Section <b>13-2-6</b> is amended to read:
49	13-2-6 . Enforcement powers.
	<ul><li><b>13-2-6 . Enforcement powers.</b></li><li>(1) In accordance with Title 63G, Chapter 4, Administrative Procedures Act, the division</li></ul>
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49 50	(1) In accordance with Title 63G, Chapter 4, Administrative Procedures Act, the division
49 50 51	<ol> <li>In accordance with Title 63G, Chapter 4, Administrative Procedures Act, the division shall have authority to convene administrative hearings, issue cease and desist orders,</li> </ol>
49 50 51 52	(1) In accordance with Title 63G, Chapter 4, Administrative Procedures Act, the division shall have authority to convene administrative hearings, issue cease and desist orders, and impose fines under all the chapters identified in Section 13-2-1.
49 50 51 52 53	<ol> <li>In accordance with Title 63G, Chapter 4, Administrative Procedures Act, the division shall have authority to convene administrative hearings, issue cease and desist orders, and impose fines under all the chapters identified in Section 13-2-1.</li> <li>A person who intentionally violates a final cease and desist order entered by the division</li> </ol>
49 50 51 52 53 54	<ol> <li>In accordance with Title 63G, Chapter 4, Administrative Procedures Act, the division shall have authority to convene administrative hearings, issue cease and desist orders, and impose fines under all the chapters identified in Section 13-2-1.</li> <li>A person who intentionally violates a final cease and desist order entered by the division of which the person has notice is guilty of a third degree felony.</li> </ol>
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66	(b) In computing a time period under this section, the following days may not be
67	included:
68	(i) the day on which the division issues a citation; and
69	(ii) the day on which the division receives a request for review of a citation.
70	(c)(i) Except as provided in Subsection $(3)(c)(iii)$ , if the presiding officer finds that
71	there is not substantial evidence that the recipient violated a chapter listed in
72	Section 13-2-1:
73	(A) the citation may not become final; and
74	(B) the division shall immediately vacate the citation and promptly notify the
75	recipient in writing.
76	(ii) Except as provided in Subsection (3)(c)(iv), if the presiding officer finds that
77	there is substantial evidence that the recipient violated a chapter listed in Section
78	13-2-1:
79	(A) the citation shall become final; and
80	(B) the division may enter a cease and desist order against the recipient.
81	(iii) For a citation issued for a violation of Chapter 41, Price Controls During
82	Emergencies Act, if the presiding officer finds that there is not clear and
83	convincing evidence that the recipient violated the chapter:
84	(A) the citation may not become final; and
85	(B) the division shall immediately vacate the citation and promptly notify the
86	recipient in writing.
87	(iv) For a citation issued for a violation of Chapter 41, Price Controls During
88	Emergencies Act, if the presiding officer finds that there is clear and convincing
89	evidence that the recipient violated the chapter:
90	(A) the citation shall become final; and
91	(B) the division may enter a cease and desist order against the recipient.
92	(d)(i) A citation issued under this chapter may be personally served upon a person
93	upon whom a summons may be served in accordance with the Utah Rules of Civil
94	Procedure.
95	(ii) A citation also may be served by first-class mail, postage prepaid.
96	(e)(i) If the recipient fails to make a request for review within 20 calendar days after
97	the day on which the division issues the citation, the citation shall become the
98	final order of the division.
99	(ii) The period to contest the citation may be extended by the director for good cause

100	shown.
101	(f) If the chapter violated allows for an administrative fine, after a citation becomes
102	final, the director may impose the administrative fine.
103	(4)(a) A person who has violated, is violating, or has attempted to violate a chapter
104	identified in Section 13-2-1 is subject to the division's jurisdiction if:
105	(i) the violation or attempted violation is committed wholly or partly within the state;
106	(ii) conduct committed outside the state constitutes an attempt to commit a violation
107	within the state; or
108	(iii) transactional resources located within the state are used by the offender to
109	directly or indirectly facilitate a violation or attempted violation.
110	(b) As used in this section, "transactional resources" means:
111	(i) a mail drop or mail box, regardless of whether the mail drop or mail box is located
112	on the premises of a United States Post Office;
113	(ii) a telephone or facsimile transmission device;
114	(iii) an Internet connection by a resident or inhabitant of this state with a resident- or
115	nonresident-maintained Internet site;
116	(iv) a business office or private residence used for a business-related purpose;
117	(v) an account with or services of a financial institution;
118	(vi) the services of a common or private carrier; or
119	(vii) the use of a city, county, or state asset or facility, including a road or highway.
120	(5) The director or the director's designee, for the purposes outlined in a chapter
121	administered by the division, may administer oaths, issue subpoenas, compel the
122	attendance of witnesses, conduct audits, compel sworn responses to written questions, or
123	compel the production of papers, books, accounts, documents, or evidence.
124	(6)(a) An administrative action filed under this chapter or a chapter listed in Section
125	13-2-1 shall be commenced no later than 10 years after the day on which the alleged
126	violation occurs.
127	(b) A civil action filed under this chapter or a chapter listed in Section 13-2-1 shall be
128	commenced no later than five years after the day on which the alleged violation
129	occurs.
130	(c) The provisions of this Subsection (6) control over the provisions of Title 78B,
131	Chapter 2, Statutes of Limitations.
132	(7) When granting a judgment in the division's favor in connection with the division's
133	exercise of any authority described in Section 13-2-5 or 13-2-6, a court shall award:

134	(a) reasonable attorney fees;
135	(b) court costs;
136	(c) costs of investigation; and
137	(d) any other relief the court deems appropriate.
138	Section 2. Section <b>13-11-2</b> is amended to read:
139	13-11-2. Construction and purposes of act.
140	This act shall be construed liberally to promote the following policies:
141	(1) to simplify, clarify, and modernize the law governing consumer sales practices;
142	(2) to protect consumers from suppliers who commit deceptive and unconscionable sales
143	practices, including by disgorging money or any thing of value obtained in violation of
144	this chapter;
145	(3) to encourage the development of fair consumer sales practices;
146	(4) to make state regulation of consumer sales practices [not inconsistent] consistent with
147	the policies of the Federal Trade Commission Act relating to consumer protection;
148	(5) to make uniform the law, including the administrative rules, with respect to the subject
149	of this [act] chapter among those states [which] that enact similar laws; and
150	(6) to recognize and protect suppliers [who] that in good faith comply with the provisions of
151	this [act] <u>chapter</u> .
151 152	this [act] chapter. Section 3. Section <b>13-11-3</b> is amended to read:
152	Section 3. Section 13-11-3 is amended to read:
152 153	Section 3. Section 13-11-3 is amended to read: 13-11-3 . Definitions.
152 153 154	Section 3. Section 13-11-3 is amended to read: 13-11-3 . Definitions. As used in this chapter:
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168	with any sale or donation, any statement is made that the whole or any part of the
169	proceeds of any sale or donation will go to or be donated to any charitable purpose.
170	A charitable solicitation is considered complete when made, whether or not the
171	organization or person making the solicitation receives any contribution or makes any
172	sale.
173	(2)(a) "Consumer transaction" means a sale, lease, assignment, award by chance, or
174	other written or oral transfer or disposition of goods, services, or other property, both
175	tangible and intangible (except securities and insurance) to, or apparently to, a person
176	for:
177	(i) primarily personal, family, or household purposes; or
178	(ii) purposes that relate to a business opportunity that requires:
179	(A) expenditure of money or property by the person described in Subsection (2)(a);
180	and
181	(B) the person described in Subsection (2)(a) to perform personal services on a
182	continuing basis and in which the person described in Subsection (2)(a) has not
183	been previously engaged.
184	(b) "Consumer transaction" includes:
185	(i) any of the following with respect to a transfer or disposition described in
186	Subsection (2)(a):
187	(A) an offer;
188	(B) a solicitation;
189	(C) an agreement; or
190	(D) performance of an agreement; or
191	(ii) a charitable solicitation.
192	(3) ["Enforcing authority"] "Division" means the Division of Consumer Protection.
193	(4) "Final judgment" means a judgment, including any supporting opinion, that determines
194	the rights of the parties and concerning which appellate remedies have been exhausted
195	or the time for appeal has expired.
196	[(5) "Person" means an individual, corporation, government, governmental subdivision or
197	agency, business trust, estate, trust, partnership, association, cooperative, or any other
198	legal entity.]
199	[(6)] (5) "Supplier" means a seller, lessor, assignor, offeror, broker, or other person who
200	regularly solicits, engages in, or enforces consumer transactions, whether or not [he] the
201	person deals directly with the consumer.

202	<u>(6)</u>	"Vulnerable adult" means the same as that term is defined in Section 26B-6-201.
203		Section 4. Section <b>13-11-4</b> is amended to read:
204		13-11-4 . Deceptive act or practice by supplier.
205	(1)	[A deceptive act or practice by a supplier in connection with a consumer transaction
206		violates this chapter whether it occurs before, during, or after the transaction] A supplier
207		that engages in a deceptive act or practice in connection with a consumer transaction
208		violates this chapter, whether the deceptive act or practice occurs before, during, or after
209		the transaction.
210	(2)	Without limiting the scope of Subsection (1), a supplier commits a deceptive act or
211		practice if the supplier[-knowingly or intentionally]:
212		(a) indicates that the subject of a consumer transaction has sponsorship, approval,
213		performance characteristics, accessories, uses, or benefits, if [it] the subject has not;
214		(b) indicates that the subject of a consumer transaction is of a particular standard,
215		quality, grade, style, or model, if [it] the subject is not;
216		(c) indicates that the subject of a consumer transaction is new, or unused, if $[it]$ the
217		subject is not, or has been used to an extent that is materially different from the fact;
218		(d) indicates that the subject of a consumer transaction is available to the consumer for a
219		reason that does not exist, including any of the following reasons falsely used in an
220		advertisement:
221		(i) "going out of business";
222		(ii) "bankruptcy sale";
223		(iii) "lost our lease";
224		(iv) "building coming down";
225		(v) "forced out of business";
226		(vi) "final days";
227		(vii) "liquidation sale";
228		(viii) "fire sale";
229		(ix) "quitting business"; or
230		(x) an expression similar to any of the expressions in Subsections (2)(d)(i) through
231		(ix);
232		(e) indicates that the subject of a consumer transaction has been supplied in accordance
233		with a previous representation, if [it] the subject has not;
234		(f) indicates that the subject of a consumer transaction will be supplied in greater
235		quantity than the supplier intends;

236	(g) indicates that replacement or repair is needed, if [it] the replacement or repair is not;
237	(h) indicates that a specific price advantage exists, if [it] the specific price advantage
238	does not;
239	(i) indicates that the supplier has a sponsorship, approval, license, certification, or
240	affiliation the supplier does not have;
241	(j)(i) indicates that a consumer transaction involves or does not involve a warranty, a
242	disclaimer of warranties, particular warranty terms, or other rights, remedies, or
243	obligations, if the representation is false; or
244	(ii) fails to honor a warranty or a particular warranty term;
245	(k) indicates that the consumer will receive a rebate, discount, or other benefit as an
246	inducement for entering into a consumer transaction in return for giving the supplier
247	the names of prospective consumers or otherwise helping the supplier to enter into
248	other consumer transactions, if receipt of the benefit is contingent on an event
249	occurring after the consumer enters into the transaction;
250	(l) after receipt of payment for goods or services, fails to ship the goods or furnish the
251	services within the time advertised or otherwise represented or, if no specific time is
252	advertised or represented, fails to ship the goods or furnish the services within 30
253	days, unless within the applicable time period the supplier provides the buyer with
254	the option to:
255	(i) cancel the sales agreement and receive a refund of all previous payments to the
256	supplier if the refund is mailed or delivered to the buyer within 10 business days
257	after the day on which the seller receives written notification from the buyer of the
258	buyer's intent to cancel the sales agreement and receive the refund; or
259	(ii) extend the shipping date to a specific date proposed by the supplier;
260	(m) except as provided in Subsection (3)(b), fails to furnish a notice meeting the
261	requirements of Subsection (3)(a) of the purchaser's right to cancel a direct
262	solicitation sale within three business days of the time of purchase if:
263	(i) the sale is made other than at the supplier's established place of business pursuant
264	to the supplier's personal contact, whether through mail, electronic mail, facsimile
265	transmission, telephone, or any other form of direct solicitation; and
266	(ii) the sale price exceeds \$25;
267	(n) promotes, offers, or grants participation in a pyramid scheme as defined under Title
268	76, Chapter 6a, Pyramid Scheme Act;
269	(o) in connection with a charitable solicitation:

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270	(i) falsely indicates that:
271	(A) the supplier is affiliated with a charitable organization;
272	(B) the supplier is an employee, officer, or representative of a public safety
273	agency;
274	(C) the supplier has sponsorship or approval of a given charitable organization;
275	(D) a charitable contribution will be provided to a given charitable organization;
276	(E) providing a charitable contribution has an additional benefit, including a tax
277	benefit; or
278	(F) the recipient of the solicitation has previously contributed to a given charitable
279	organization;
280	(ii) uses a fictitious name or a name the supplier is not authorized to use; or
281	(iii) with intent to deceive:
282	(A) uses a name that is substantially similar to that of another charitable
283	organization; or
284	(B) falsely indicates that a charitable contribution will be used for a particular
285	purpose;
286	(p) if a consumer indicates the consumer's intention of making a claim for a motor
287	vehicle repair against the consumer's motor vehicle insurance policy:
288	(i) commences the repair without first giving the consumer oral and written notice of:
289	(A) the total estimated cost of the repair; and
290	(B) the total dollar amount the consumer is responsible to pay for the repair,
291	which dollar amount may not exceed the applicable deductible or other copay
292	arrangement in the consumer's insurance policy; or
293	(ii) requests or collects from a consumer an amount that exceeds the dollar amount a
294	consumer was initially told the consumer was responsible to pay as an insurance
295	deductible or other copay arrangement for a motor vehicle repair under Subsection
296	(2)(p)(i), even if that amount is less than the full amount the motor vehicle
297	insurance policy requires the insured to pay as a deductible or other copay
298	arrangement, unless:
299	(A) the consumer's insurance company denies that coverage exists for the repair,
300	in which case, the full amount of the repair may be charged and collected from
301	the consumer; or
302	(B) the consumer misstates, before the repair is commenced, the amount of money
303	the insurance policy requires the consumer to pay as a deductible or other

304	copay arrangement, in which case, the supplier may charge and collect from
305	the consumer an amount that does not exceed the amount the insurance policy
306	requires the consumer to pay as a deductible or other copay arrangement;
307	(q) includes in any contract, receipt, or other written documentation of a consumer
308	transaction, or any addendum to any contract, receipt, or other written documentation
309	of a consumer transaction, any confession of judgment or any waiver of any of the
310	rights to which a consumer is entitled under this chapter;
311	(r) charges a consumer for a consumer transaction or a portion of a consumer transaction
312	that has not previously been agreed to by the consumer;
313	(s) solicits or enters into a consumer transaction with [a person] an individual who lacks
314	the mental ability to comprehend the nature and consequences of:
315	(i) the consumer transaction; or
316	(ii) the [person's] individual's ability to benefit from the consumer transaction;
317	(t) solicits for the sale of a product or service by providing a consumer with an
318	unsolicited check or negotiable instrument the presentment or negotiation of which
319	obligates the consumer to purchase a product or service, unless the supplier is:
320	(i) a depository institution under Section 7-1-103;
321	(ii) an affiliate of a depository institution; or
322	(iii) an entity regulated under Title 7, Financial Institutions Act;
323	(u) sends an unsolicited mailing to a person that appears to be a billing, statement, or
324	request for payment for a product or service the person has not ordered or used, or
325	that implies that the mailing requests payment for an ongoing product or service the
326	person has not received or requested;
327	(v) issues a gift certificate, instrument, or other record in exchange for payment to
328	provide the bearer, upon presentation, goods or services in a specified amount
329	without printing in a readable manner on the gift certificate, instrument, packaging,
330	or record any expiration date or information concerning a fee to be charged and
331	deducted from the balance of the gift certificate, instrument, or other record;
332	(w) misrepresents the geographical origin or location of the supplier's business;
333	(x) fails to comply with the restrictions of Section 15-10-201 on automatic renewal
334	provisions;
335	(y) violates Section 13-59-201;
336	(z) fails to comply with the restrictions of Subsection 13-54-202(2); or
337	(aa) states or implies that a registration or application administered or enforced by the

338	division is an endorsement, sanction, or approval by the division or a governmental
339	agency or office.
340	(3)(a) The notice required by Subsection (2)(m) shall:
341	(i) be a conspicuous statement written in dark bold with at least 12-point type on the
342	first page of the purchase documentation; and
343	(ii) read as follows: "YOU, THE BUYER, MAY CANCEL THIS CONTRACT AT
344	ANY TIME PRIOR TO MIDNIGHT OF THE THIRD BUSINESS DAY (or time
345	period reflecting the supplier's cancellation policy but not less than three business
346	days) AFTER THE DATE OF THE TRANSACTION OR RECEIPT OF THE
347	PRODUCT, WHICHEVER IS LATER."
348	(b) A supplier is exempt from the requirements of Subsection (2)(m) if the supplier's
349	cancellation policy:
350	(i) is communicated to the buyer; and
351	(ii) offers greater rights to the buyer than Subsection (2)(m).
352	(4)(a) A gift certificate, instrument, or other record that does not print an expiration date
353	in accordance with Subsection (2)(v) does not expire.
354	(b) A gift certificate, instrument, or other record that does not include printed
355	information concerning a fee to be charged and deducted from the balance of the gift
356	certificate, instrument, or other record is not subject to the charging and deduction of
357	the fee.
358	(c) Subsections (2)(v) and (4)(b) do not apply to a gift certificate, instrument, or other
359	record useable at multiple, unaffiliated sellers of goods or services if an expiration
360	date is printed on the gift certificate, instrument, or other record.
361	Section 5. Section 13-11-5 is amended to read:
362	13-11-5. Unconscionable act or practice by supplier.
363	(1) [An-] A supplier that commits an unconscionable act or practice [by a supplier ]in
364	connection with a consumer transaction violates this [act] chapter whether [it] the
365	unconscionable act or practice occurs before, during, or after the transaction.
366	(2)(a) The unconscionability of an act or practice is a question of law for [the] $\underline{a}$ court
367	with jurisdiction.
368	(b) If it is claimed or appears to the court that an act or practice may be unconscionable,
369	the parties shall be given a reasonable opportunity to present evidence as to [its] the
370	act or practice's setting, purpose, and effect to aid the court in making [its] the court's
371	determination.

372	(3) In determining whether an act or practice is unconscionable, the court shall consider <u>the</u>
373	circumstances [which] that the supplier knew or had reason to know.
374	Section 6. Section <b>13-11-6</b> is amended to read:
375	13-11-6 . Service of process.
376	(1) In addition to any other method provided by rule or statute, personal jurisdiction over a
377	supplier may be acquired in a civil action or proceeding instituted in a court [of this state]
378	with jurisdiction by the service of process as provided in Subsection (3).
379	(2)(a) A supplier that engages in any act or practice in this state governed by this
380	chapter, or engages in a consumer transaction subject to this chapter, may designate
381	an agent upon whom service of process may be made in the state.
382	(b) A supplier shall make a designation of an agent under Subsection (2)(a) [shall be ]in
383	writing and [filed] file the designation with the Division of Corporations and
384	Commercial Code.
385	(c) An agent designated under this Subsection (2) shall be a resident of or a corporation
386	authorized to do business in the state.
387	(3)(a) Subject to Subsection (3)(b), process upon a supplier may be served as provided
388	in Section 16-17-301 if:
389	(i) a designation is not made and filed under Subsection (2); or
390	(ii) process cannot be served in the state upon the designated agent.
391	(b) Service upon a supplier is not effective unless the plaintiff promptly mails a copy of
392	the process and pleadings by registered or certified mail to the [defendant] supplier at
393	the [defendant's] supplier's last reasonably ascertainable address.
394	(c) The plaintiff shall file an affidavit of compliance with this section:
395	(i) with the clerk of the court; and
396	(ii) on or before the return day of the process, if any, or within any future time the
397	court allows.
398	Section 7. Section 13-11-7 is amended to read:
399	13-11-7 . Duties of division Civil penalty for violation of restraining or
400	injunctive orders.
401	(1) The [enforcing authority] division shall:
402	(a) enforce this chapter throughout the state;
403	(b) cooperate with state and local officials, officials of other states, and officials of the
404	federal government in the administration of comparable statutes;
405	(c) inform consumers and suppliers on a continuing basis of the provisions of this

406	chapter and of acts or practices that violate this chapter[-];
407	(d) receive and act on complaints; and
408	(e) maintain a public file of final judgments rendered under this chapter that have been
409	either reported officially or made available for public dissemination under Subsection
410	(1)(c), final consent judgments, and to the extent the [enforcing authority] division
411	considers appropriate, assurances of voluntary compliance.
412	(2)(a) On motion of the [enforcing authority] division, or on [its] the court's own motion,
413	the court may impose a civil penalty of not more than \$5,000 for each day a
414	temporary restraining order, preliminary injunction, or permanent injunction issued
415	under this chapter is violated, if the supplier received notice of the restraining or
416	injunctive order.
417	(b) Civil penalties imposed under this section shall be paid to the General Fund.
418	Section 8. Section 13-11-8 is amended to read:
419	13-11-8. Powers of division.
420	[(1) The enforcing authority ] In addition to the authority described in Sections 13-2-5 and
421	13-2-6, the division may conduct research, hold public hearings, make inquiries, and
422	publish studies relating to consumer sales acts or practices.
423	[(2) The enforcing authority shall adopt substantive rules that prohibit with specificity acts
424	or practices that violate Section 13-11-4 and appropriate procedural rules.]
425	Section 9. Section 13-11-9 is amended to read:
426	13-11-9 . Rule-making requirements.
427	[(1) In addition to complying with other rule-making requirements imposed by this act, the
428	enforcing authority shall:]
429	[(a) adopt as a rule a description of the organization of his office, stating the general
430	course and method of operation of his office and method whereby the public may
431	obtain information or make submissions or requests;]
432	[(b) adopt rules of practice setting forth the nature and requirements of all formal and
433	informal procedures available, including a description of the forms and instructions
434	used by the enforcing authority of his office; and]
435	[(c) make available for public inspection all rules, written statements of policy, and
436	interpretations formulated, adopted, or used by the enforcing authority in discharging
437	his functions.]
438	[(2) A rule of the enforcing authority is invalid, and may not be invoked by the enforcing
439	authority for any purpose, until it has been made available for public inspection under

440	Subsection (1). This provision does not apply to a person who has knowledge of a rule
441	before engaging in an act or practice that violates this act.] In accordance with Title 63G,
442	Chapter 3, Utah Administrative Rulemaking Act, the division shall make rules that
443	specify acts or practices that violate Subsection 13-11-4(1).
444	Section 10. Section 13-11-16 is amended to read:
445	13-11-16 . Investigatory powers of the division.
446	(1) If[, by his own inquiries or as a result of complaints, the enforcing authority-] the
447	division has reason to believe that a person has engaged in, is engaging in, or is about to
448	engage in an act or practice that violates this [act, he] chapter, the division may [
449	administer oaths and affirmations, subpoena witnesses or matter, and collect evidence]
450	investigate and otherwise act in accordance with Sections 13-2-5 and 13-2-6 and other
451	provisions of this chapter.
452	(2)(a) If the matter that the [enforcing authority] division subpoenas is located outside
453	this state, the person subpoenaed may either make [it] the matter available to the [
454	enforcing authority] division at a convenient location within the state or pay the
455	reasonable and necessary expenses for the [enforcing authority] division or [his] the
456	division's representative to examine the matter at the place where [it] the matter is
457	located.[-]
458	(b) The [enforcing authority] division may designate representatives, including officials
459	of the state in which the matter is located, to inspect the matter on [his] the division's
460	behalf, and [he-]may respond to similar requests from officials of other states.
461	(3) Upon failure of a person without lawful excuse to obey a subpoena and upon reasonable
462	notice to all persons affected, the [enforcing authority] division may apply to the court
463	for an order compelling compliance.
464	(4) In the event a witness asserts a privilege against self-incrimination, testimony and
465	evidence from the witness may be compelled [pursuant to] in accordance with Title 77,
466	Chapter 22b, Grants of Immunity.
467	Section 11. Section 13-11-17 is amended to read:
468	13-11-17 . Actions by the division.
469	(1) The [enforcing authority] division may bring an action in a court [of competent] with
470	jurisdiction to:
471	(a) obtain a declaratory judgment that an act or practice violates this chapter;
472	(b) enjoin, in accordance with the principles of equity, a supplier [who] that has violated,
473	is violating, or is otherwise likely to violate this chapter;

474	(c) order disgorgement of money or any thing of value received in violation of this
475	chapter;
476	(d) recover, for each violation, restitution for actual damages, or obtain relief under
477	Subsection (2)(b), on behalf of impacted consumers[-who complained to the
478	enforcing authority within a reasonable time after it instituted proceedings under this
479	chapter]; and
480	[(d)] (e) obtain a fine in an amount determined after considering the factors in Subsection
481	(6).
482	(2)(a) The [enforcing authority] division may bring a class action on behalf of
483	consumers for the actual damages caused by an act or practice specified as violating
484	this chapter in a rule adopted by the [enforcing authority] division under [Subsection
485	13-11-8(2)] Section 13-11-9 before the consumer transactions on which the action is
486	based, or declared to violate Section 13-11-4 or 13-11-5 by final judgment of courts
487	of general jurisdiction and appellate courts of this state that was either reported
488	officially or made available for public dissemination under Subsection 13-11-7(1)(c)
489	by the [enforcing authority] division 10 days before the consumer transactions on
490	which the action is based, or, with respect to a supplier who agreed to [it] a consent
491	judgment, was prohibited specifically by the terms of a consent judgment that
492	became final before the consumer transactions on which the action is based.
493	(b)(i) On motion of the [enforcing authority] division and without bond in an action
494	under this Subsection (2), the court may make appropriate orders, including
495	appointment of a master or receiver or sequestration of assets, but only if it
496	appears that the defendant is threatening or is about to remove, conceal, or dispose
497	of the defendant's property to the damage of persons for whom relief is requested.
498	(ii) An appropriate order described in Subsection (2)(b)(i) may include an order to:
499	(A) reimburse consumers found to have been damaged;
500	(B) carry out a transaction in accordance with consumers' reasonable expectations;
501	(C) strike or limit the application of unconscionable clauses of contracts to avoid
502	an unconscionable result;
503	(D) impose a fine in an amount determined after considering the factors listed in
504	Subsection (6); or
505	(E) grant other appropriate relief.
506	[(iii)] (iii) The court may assess the expenses of a master or receiver against a supplier.
507	(c) If an act or practice that violates this chapter unjustly enriches a supplier and

508	damages can be computed with reasonable certainty, damages recoverable on behalf
509	of consumers who cannot be located with due diligence shall be transferred to the
510	state treasurer [pursuant to] in accordance with Title 67, Chapter 4a, Revised Uniform
511	Unclaimed Property Act.
512	(d) If a supplier shows by a preponderance of the evidence that a violation of this
513	chapter resulted from a bona fide error notwithstanding the maintenance of
514	procedures reasonably adapted to avoid the error, recovery under this Subsection (2)
515	is limited to the amount, if any, by which the supplier was unjustly enriched by the
516	violation.
517	(3)(a)(i) The [enforcing authority] division may terminate an investigation or an
518	action other than a class action upon acceptance of the supplier's written assurance
519	of voluntary compliance with this chapter.[-]
520	(ii) Acceptance of an assurance may be conditioned on a commitment to reimburse
521	consumers or take other appropriate corrective action.
522	(b)(i) An assurance is not evidence of a prior violation of this chapter.[-]
523	(ii) Unless an assurance has been rescinded by agreement of the parties or voided by
524	a court for good cause, subsequent failure to comply with the terms of an
525	assurance is prima facie evidence of a violation.
526	(4)(a) In addition to other penalties and remedies set out under this chapter, and in
527	addition to [its] the division's other enforcement powers under Chapter 2, Division of
528	Consumer Protection, the division director may issue a cease and desist order and
529	impose an administrative fine of up to \$2,500 for each violation of this chapter.
530	(b) All money received through fines imposed under this section shall be deposited in
531	the Consumer Protection Education and Training Fund created by Section 13-2-8.
532	(5)(a) Within 30 days after agency review or, if appealed to a court with jurisdiction, 30
533	days after judicial review of a final division order imposing an administrative fine,
534	the supplier on whom the fine is imposed shall pay the fine in full.
535	(b) The unpaid amount of a fine is increased by 10%:
536	(i) if the fine has not been paid in full within 60 days after the final division order
537	imposing the fine; and
538	(ii) unless the division waives the 10% increase in a stipulated payment plan.
539	(6) A <u>court shall determine the fine imposed under Subsection [(1)(d)] (1)(e)</u> or Subsection [
540	(2)(b)(i)(D) shall be determined ] (2)(b)(ii)(D) after considering the following factors:
541	(a) the seriousness, nature, circumstances, extent, and persistence of the conduct

542	constituting the violation, including whether the supplier acted knowingly or
543	intentionally to deceive;
544	(b) the harm to other persons resulting either directly or indirectly from the violation;
545	(c) cooperation by the supplier in an inquiry or investigation conducted by the [
546	enforcing authority] division concerning the violation;
547	(d) efforts by the supplier to prevent occurrences of the violation;
548	(e) efforts by the supplier to mitigate the harm caused by the violation, including a
549	reimbursement made to a consumer injured by the act of the supplier;
550	(f) the history of previous violations by the supplier;
551	(g) the need to deter the supplier or other suppliers from committing the violation in the
552	future;[-and]
553	(h) whether the individual harmed by the violation was a vulnerable adult; and
554	[(h)] (i) other matters as justice may require.
555	Section 12. Section 13-11-18 is amended to read:
556	13-11-18 . Noncompliance by supplier subject to other state supervision
557	Cooperation of division and other official or agency.
558	(1)(a) If the [enforcing authority] division receives a complaint or other information
559	relating to noncompliance with this [act] chapter by a supplier [who] that is subject to
560	other supervision in this state, the [enforcing authority] division shall inform the
561	official or agency having that supervision.[-]
562	(b) The [enforcing authority] division may request information about [suppliers] a supplier
563	from the official or agency.
564	(2)(a) The [enforcing authority] division and any other official or agency in this state
565	having supervisory authority over a supplier shall consult and assist each other in
566	maintaining compliance with this [act] chapter.
567	(b) Within the scope of [their] the division's authority, [they] the division and any other
568	official or agency in this state may jointly or separately make investigations,
569	prosecute suits, and take other official action [they consider] the division considers
570	appropriate.
571	Section 13. Section 13-11-19 is amended to read:
572	13-11-19 . Actions by consumer.
573	(1) Whether [he] a consumer seeks or is entitled to damages or otherwise has an adequate
574	remedy at law, [a] the consumer may bring an action to:

575 (a) obtain a declaratory judgment that an act or practice violates this chapter; and

- (b) enjoin, in accordance with the principles of equity, a supplier [who] that has violated,
  is violating, or is likely to violate this chapter.
  (2) A consumer who suffers loss as a result of a violation of this chapter may recover[, but
  not in a class action, ] \_actual damages [or \$2,000, whichever is greater, ]plus court costs,
  but not in a class action except as provided in this section.
  (3) Whether a consumer seeks or is entitled to recover damages or has an adequate remedy
  at law, [he] the consumer may bring a class action for declaratory judgment, an
- injunction, and appropriate ancillary relief against an act or practice that violates thischapter.
- 585 (4)(a) A consumer who suffers loss as a result of a violation of this chapter may bring a 586 class action for the actual damages caused by an act or practice specified as violating 587 this chapter by a rule adopted by the [enforcing authority] division under [Subsection 588  $\frac{13-11-8(2)}{13-11-9}$  Section 13-11-9 before the consumer transactions on which the action is 589 based, or declared to violate Section 13-11-4 or 13-11-5 by a final judgment of the 590 appropriate court or courts of general jurisdiction and appellate courts of this state 591 that was either officially reported or made available for public dissemination under 592 Subsection 13-11-7(1)(c) by the [enforcing authority] division 10 days before the 593 consumer transactions on which the action is based, or with respect to a supplier who 594 agreed to [it] a consent judgment, was prohibited specifically by the terms of a
- consent judgment [which] that became final before the consumer transactions on
  which the action is based.
- (b) If an act or practice that violates this chapter unjustly enriches a supplier and the
  damages can be computed with reasonable certainty, damages recoverable on behalf
  of consumers who cannot be located with due diligence shall be transferred to the
  state treasurer [pursuant to] in accordance with Title 67, Chapter 4a, Revised Uniform
  Unclaimed Property Act.
- (c) If a supplier shows by a preponderance of the evidence that a violation of this chapter
  resulted from a bona fide error notwithstanding the maintenance of procedures
  reasonably adapted to avoid the error, recovery under this section is limited to the
  amount, if any, in which the supplier was unjustly enriched by the violation.
- 606 (5) Except for services performed by the [enforcing authority] division, the court may award
  607 to the prevailing party a reasonable attorney's fee limited to the work reasonably
  608 performed if:
- (a) the consumer complaining of the act or practice that violates this chapter has brought

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610	or maintained an action [he] the consumer knew to be groundless; or a supplier has
611	committed an act or practice that violates this chapter; and
612	(b) an action under this section has been terminated by a judgment or required by the
613	court to be settled under Subsection 13-11-21(1)(a).
614	(6) Except for consent judgment entered before testimony is taken, a final judgment in
615	favor of the [enforcing authority] division under Section 13-11-17 is admissible as prima
616	facie evidence of the facts on which [it] an action is based in later proceedings under this
617	section against the same person or a person in privity with [him] the person against
618	which the judgment is entered.
619	(7) When a judgment under this section becomes final, the prevailing party shall mail a
620	copy to the [enforcing authority] division for inclusion in the public file maintained
621	under Subsection 13-11-7(1)(e).
622	Section 14. Section 13-11-20 is amended to read:
623	13-11-20 . Class actions.
624	(1) An action may be maintained as a class action under this act only if:
625	(a) the class is so numerous that joinder of all members is impracticable;
626	(b) there are questions of law or fact common to the class;
627	(c) the claims or defenses of the representative parties are typical of the claims or
628	defenses of the class;
629	(d) the representative parties will fairly and adequately protect the interests of the class;
630	and
631	(e) [either:]
632	(i) the prosecution of separate actions by or against individual members of the class
633	would create a risk of:
634	(A) inconsistent or varying adjudications with respect to individual members of
635	the class which would establish incompatible standards of conduct for the party
636	opposing the class; or
637	(B) adjudications with respect to individual members of the class that would as a
638	practical matter dispose of the interests of the other members not parties to the
639	adjudications or substantially impair or impede their ability to protect [their] the
640	other members' interests;[-or]
641	(ii) the party opposing the class has acted or refused to act on grounds generally
642	applicable to the class, thereby making appropriate final injunctive relief or
643	corresponding declaratory relief with respect to the class as a whole; or

644	(iii) the court finds that the questions of law or fact common to the members of the
645	class predominate over any questions affecting only individual members, and that
646	a class action is superior to other available methods for the fair and efficient
647	adjudication of the controversy.
648	(2) The matters pertinent to the findings under Subsection (1)(e)(iii) include:
649	(a) the interest of members of the class in individually controlling the prosecution or
650	defense of separate actions;
651	(b) the extent and nature of any litigation concerning the controversy already
652	commenced by or against members of the class;
653	(c) the desirability or undesirability of concentrating the litigation of the claims in the
654	particular forum; and
655	(d) the difficulties likely to be encountered in the management of a class action.
656	(3)(a) As soon as practicable after the commencement of an action brought as a class
657	action, the court shall determine by order whether [it] the action is to be so
658	maintained.
659	(b) An order under this subsection may be conditional, and [it] the order may be
660	amended before decision on the merits.
661	(4)(a) In a class action maintained under Subsection (1)(e), the court may direct to the
662	members of the class the best notice practicable under the circumstances, including
663	individual notice to each member who can be identified through reasonable effort.
664	(b) The notice shall advise each member that:
665	[(a)] (i) the court will exclude [him] the member from the class, unless [he] the member
666	requests inclusion, by a specified date;
667	[(b)] (ii) the judgment, whether favorable or not, will include all members who
668	request inclusion; and
669	[(c)] (iii) a member who requests inclusion may, if [he] the member desires, enter an
670	appearance through [his-]counsel.
671	(5) When appropriate, an action may be brought or maintained as a class action with respect
672	to particular issues, or a class may be divided into subclasses and each subclass treated
673	as a class.
674	(6) In the conduct of a class action the court may make appropriate orders:
675	(a) determining the course of proceedings or prescribing measures to prevent undue
676	repetition or complication in the presentation of evidence or argument;
677	(b) requiring, for the protection of the members of the class or otherwise for the fair

678	conduct of the action, that notice be given in the manner the court directs to some or
679	all of the members or to the [enforcing authority] division of any step in the action, or
680	of the proposed extent of the judgment, or of the opportunity of members to signify
681	whether [they] the members consider the representation fair and adequate, to
682	intervene and present claims or defenses, or otherwise to come into the action;
683	(c) imposing conditions on the representative parties or on intervenors;
684	(d) requiring that the pleadings be amended to eliminate allegations as to representation
685	of absent persons, and that the action proceed accordingly; or
686	(e) dealing with similar procedural matters.
687	(7)(a) A class action may not be dismissed or compromised without approval of the
688	court.
689	(b) Notice of the proposed dismissal or compromise shall be given to all members of the
690	class as the court directs.
691	(8)(a) The judgment in an action maintained as a class action under Subsection (1)(e)(i)
692	or (ii), whether or not favorable to the class, shall describe those whom the court
693	finds to be members of the class.[-]
694	(b) The judgment in a class action under Subsection (1)(e)(iii), whether or not favorable
695	to the class, shall specify or describe [those] the members to whom the notice
696	provided in Subsection (4) was directed, and who have requested inclusion, and
697	whom the court finds to be members of the class.
698	Section 15. Section 13-11-21 is amended to read:
699	13-11-21 . Settlement of class action Complaint in class action delivered to
700	enforcing authority.
701	(1)(a)(i)(A) A defendant in a class action may file a written [offer of settlement]
702	settlement offer.[-]
703	(B) If [it] the settlement offer is not accepted within a reasonable time by a
704	plaintiff class representative, the defendant may file an affidavit reciting the
705	rejection.
706	(ii)(A) The court may determine that the <u>settlement</u> offer has enough merit to
707	present to the members of the class.[-]
708	(B) If the court [so determines] determines that the settlement offer merits
709	presenting, the court shall order a hearing to determine whether the settlement
710	offer should be approved.
711	(iii) The court shall provide at least 60 days advance notice of the hearing:

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712	(A) to the [enforcing authority] division; and
713	(B) to the extent practicable, to each member who can be identified through
714	reasonable effort.
715	(iv) The notice_described in Subsection (1)(a)(iii) shall specify the terms of the
716	settlement offer and a reasonable period within which members of the class who
717	request [it] to be included in the class are entitled to be included in the class.
718	(v)(A) The statute of limitations for [those who] the members that are excluded [
719	pursuant to] in accordance with this Subsection [(1)(a)(v)] (1)(a)(v)(A) is tolled
720	for the period the class action has been pending, plus an additional year.[-]
721	(B) Within 60 days of receipt of the notice required by this Subsection $(1)(a)$ , the [
722	enforcing authority] division may intervene in the class action for the limited
723	purpose of objecting to the [offer of settlement] settlement offer.
724	(b)(i) If a member who has previously lost an opportunity to be excluded from the
725	class is excluded at [his] the member's request in response to notice of the
726	settlement offer[-of settlement] during the period specified under Subsection
727	(1)(a), [he] the member may not thereafter participate in a class action for damages
728	respecting the same consumer transaction, unless the court later disapproves the
729	settlement offer[-of settlement] or approves a settlement materially different from
730	that proposed in the original settlement offer[-of settlement].
731	(ii) After the expiration of the period of limitations, a member of the class is not
732	entitled to be excluded from [it] the class.
733	(c)(i) If the court later approves the settlement offer[-of settlement], including
734	changes, if any, required by the court in the interest of a just settlement of the
735	action, [it] the court shall enter judgment, which is binding on all persons who are
736	then members of the class.[-]
737	(ii) If the court disapproves the settlement offer or approves a settlement materially
738	different from that proposed in the original settlement offer, notice shall be given
739	to a person who was excluded from the action at [his] the person's request in
740	response to notice of the <u>settlement</u> offer under Subsection (1)(a), and [he] the
741	person is entitled to rejoin the class and, in the case of the approval, participate in
742	the settlement.
743	(2)(a) On the commencement of a class action under Section 13-11-19, the class
744	representative shall mail by certified mail with return receipt requested or personally
745	serve a copy of the complaint on the [enforcing authority] division.[-]

746 (b) Within 180 days after the receipt of a copy of the complaint, but not thereafter, the [ 747 enforcing authority] division may intervene in the class action for purposes of 748 participation as an interested party in litigation of the class action. 749 Section 16. Section 13-11-22 is amended to read: 750 13-11-22. Exemptions from application of act. 751 (1) This act does not apply to: 752 (a) an act or practice required or specifically permitted by or under state or federal law[, 753 or by or under state law]; 754 (b) a publisher, broadcaster, printer, or other person engaged in the dissemination of 755 information or the reproduction of printed or pictorial matter so far as the information 756 or matter has been disseminated or reproduced on behalf of others without actual 757 knowledge that it violated this act; 758 (c) claim for personal injury or death or claim for damage to property other than the 759 property that is the subject of the consumer transaction; 760 (d) credit terms of a transaction otherwise subject to this act; or 761 (e) any public utility subject to the regulating jurisdiction of the Public Service 762 Commission of the state of Utah. 763 (2) A person alleged to have violated this act has the burden of showing the applicability of 764 this section. 765 Section 17. Section 78B-4-513 is amended to read: 766 78B-4-513. Cause of action for defective construction. 767 (1) Except as provided in Subsection (2), an action for defective design or construction is 768 limited to breach of the contract, whether written or otherwise, including both express 769 and implied warranties. 770 (2) An action for defective design or construction may include damage to other property or 771 physical personal injury if the damage or injury is caused by the defective design or 772 construction. 773 (3) For purposes of Subsection (2), property damage does not include: 774 (a) the failure of construction to function as designed; or 775 (b) diminution of the value of the constructed property because of the defective design 776 or construction. 777 (4) Except as provided in Subsections (2) and (6), an action for defective design or 778 construction may be brought only by a person in privity of contract with the original 779 contractor, architect, engineer, or [the-]real estate developer.

780 (5) If a person in privity of contract sues for defective design or construction under this 781 section, nothing in this section precludes the person from bringing, in the same suit, 782 another cause of action to which the person is entitled based on an intentional or willful 783 breach of a duty existing in law. 784 (6) Nothing in this section precludes[-]: 785 (a) a person from assigning a right under a contract to another person, including to a 786 subsequent owner or a homeowners association[-]; or 787 (b) a government agency from bringing an enforcement action in accordance with any 788 other statute for matters involving defective construction. 789 Section 18. Repealer. 790 This bill repeals: 791 Section 13-11-17.5, Costs and attorney's fees. 792 Section 19. Effective Date. 793 This bill takes effect on May 7, 2025.