Individual Digital Identity Amendments

2025 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Kirk A. Cullimore

House Sponsor: Paul A. Cutler

LONG TITLE

General Description:

This bill enacts provisions related to a state-endorsed digital identity.

Highlighted Provisions:

This bill:

- defines terms;
- establishes guiding principles for the implementation of a state-endorsed digital identity;
- outlines state policy regarding state-endorsed digital identity;
- creates requirements for a state-endorsed digital identity program; and
- requires the Department of Government Operations to study and make recommendations regarding the implementation of a state-endorsed digital identity.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

ENACTS:

63A-16-1201, Utah Code Annotated 1953

63A-16-1202, Utah Code Annotated 1953

63A-16-1203, Utah Code Annotated 1953

Be it enacted by the Legislature of the state of Utah:

Section 1. Section **63A-16-1201** is enacted to read:

Part 12. State-endorsed Digital Identity

63A-16-1201 . Definitions.

As used in this part:

(1) "Biometric data" means the same as that term is defined in Section 13-61-101.

(2) "Chief privacy officer" means the chief privacy officer appointed in accordance with

S.B. 260

Section 63A-19-302.

(3) "Digital identity" means an electronic record that an individual may use to assert the individual's identity.

(4) "Governmental entity" means the same as that term is described in Section 63G-2-103.

(5)(a) "Guardian" means an individual or entity authorized to act on behalf of an individual.

(b) "Guardian" includes:

(i) a representative designated by an individual;

(ii) the parent or legal guardian of an unemancipated minor; or

(iii) the legal guardian of a legally incapacitated individual.

(6)(a) "Identity" means any attribute used to identify or distinguish a specific individual.

(b) "Identity" includes an individual's:

(i) personal data;

(ii) biometric data;

(iii) physical and non-physical characteristics;

(iv) image or likeness;

(v) signature; and

(vi) any other unique physical or digital identifier related to the individual.

(7) "Individual" means the same as that term is described in Section 63G-2-103.

(8)(a) "Mobile communication device" means any wireless communication device with Internet capability capable of displaying or providing a state-endorsed digital identity.

(b) "Mobile communication device" includes a:

(i) cellular telephone; or

(ii) wireless tablet.

(9) "Office" means the Office of Data Privacy created in Section 63A-19-301.

(10) "Person" means the same as that term is defined in Section 63G-2-103.

(11) "Personal data" means the same as that term is defined in Section 63A-19-101.

(12) "Physical identity" means a physical record that an individual may use to prove the individual's identity issued by:

(a) a governmental entity;

(b) the equivalent of a governmental entity in another state;

(c) the federal government; or

(d) another country.

(13) "State-endorsed digital identity" means an individual's digital identity that:

(a) is controlled by the individual; and

(b) has been officially recognized by the state.

(14) "State-endorsed digital identity program" means a state initiative which is designed to develop methods, policies, and procedures to endorse an individual's digital identity.

(15) "System" means the technological infrastructure, processes, and procedures used to create, store, manage, and validate a state-endorsed digital identity.

Section 2. Section **63A-16-1202** is enacted to read:

63A-16-1202 . State digital identity policy.

(1) It is the policy of Utah that:

(a) each individual has a unique identity;

(b) the state does not establish an individual's identity;

(c) the state may, in certain circumstances, recognize and endorse an individual's identity;

(d) the state is obligated to respect an individual's privacy interest associated with the individual's identity;

(e) the state is the only governmental entity that may endorse an individual's digital identity for the purpose of establishing a state-endorsed digital identity;

(f) the state may only endorse an individual's digital identity if the state-endorsed digital identity program is expressly authorized by the Legislature;

(g) an individual whose digital identity has been endorsed by the state is entitled to:

(i) choose:

(A) how the individual discloses the individual's state-endorsed digital identity;

(B) to whom the individual discloses the individual's state-endorsed digital identity;

(C) which elements of the individual's state-endorsed digital identity to disclose;

(D) where the individual's state-endorsed digital identity is stored; and

(E) whether to use a state-endorsed digital identity or physical identity to prove the individual's identity;

(ii) allow a governmental entity or a person to use information related to the individual's use of the individual's state-endorsed digital identity for a purpose other than the primary purpose for which the governmental entity or person collected the information; and

(iii) have a guardian obtain or use a state-endorsed digital identity on the individual's behalf;

(h) a governmental entity or person that accepts a state-endorsed digital identity shall:

(i) collect, use, and retain an individual's state-endorsed digital identity in a secure manner; and

(ii) comply with the requirements of this part through technological means;

(i) a governmental entity may not:

(i) convey a material benefit upon an individual for using a state-endorsed digital identity instead of a physical identity; or

(ii) withhold services or benefits from an individual if the individual uses a physical identity or is otherwise unable to use a state-endorsed digital identity; and

(j) a governmental entity or a person may not require an individual to surrender the individual's mobile communication device to verify the individual's identity.

(2) The state may not endorse an individual's digital identity unless:

(a) the state has verified an individual's identity before endorsement;

(b) the state-endorsed digital identity:

(i) incorporates state-of-the-art safeguards for protecting the individual's identity;

(ii) includes methods to establish authenticity;

(iii) is easy for an individual to adopt and use; and

(iv) is compatible with a wide variety of technological systems without sacrificing privacy or security;

(c) the state provides clear information to an individual regarding how the individual may:

(i) maintain and control the individual's state-endorsed digital identity;

(ii) use the individual's state-endorsed digital identity;

(iii) limit access to:

(A) the individual's state-endorsed digital identity; and

(B) any elements of the individual's identity disclosed by the state-endorsed digital identity; and

(iv) obtain a new state-endorsed digital identity if the individual's state-endorsed digital identity is compromised;

(d) the state ensures that when an individual uses a state-endorsed digital identity:

(i) any record of the individual's use:

(A) is only used for the primary purpose for which the individual disclosed the state-endorsed digital identity; and

(B) is not disclosed, shared, or compared by the governmental entity or person

receiving the state-endorsed digital identity; and

(ii) the use is free from surveillance, visibility, tracking, or monitoring by any other governmental entity or person; and

(e) the state-endorsed digital identity enables an individual to:

(i) selectively disclose elements of the individual's identity; and

(ii) verify that the individual's age satisfies an age requirement without revealing the individual's age or date of birth.

(3) The state may only revoke or withdraw the state's endorsement of an individual's state-endorsed digital identity if:

(a) the state-endorsed digital identity has been compromised;

(b) the state's endorsement was:

(i) issued in error; or

(ii) based on fraudulent information; or

(c) the individual requests that the state revoke or withdraw the endorsement of the individual's state-endorsed digital identity.

Section 3. Section **63A-16-1203** is enacted to read:

63A-16-1203 . Department duties.

(1) The department shall:

(a) explore ways in which the state may implement a state-endorsed digital identity program consistent with the state policy expressed in Section 63A-16-1202;

(b) study and identify best practices regarding the use of a digital identity;

(c) propose policies, procedures, standards, and technology that should be incorporated in the state-endorsed digital identity program;

(d) examine how the state-endorsed digital identity program may be implemented in the most cost-effective manner possible using state resources that are already available; and

(e) evaluate and make recommendations regarding any changes to existing statutes, rules, or policies that may be necessary to facilitate the creation of a state-endorsed digital identity program.

(2) In performing the duties described in Subsection (1), the department shall consult with:

(a) the chief information officer;

(b) the chief privacy officer;

(c) the Utah League of Cities and Towns;

(d) the Utah Association of Counties; and

(e) individuals who have relevant expertise, including representatives from:

(i) governmental entities;

(ii) other states; and

(iii) the private sector.

(3) The department shall report to the Public Utilities, Energy, and Technology Interim Committee regarding the duties described in Subsection (1) and recommendations for the implementation of a state-endorsed digital identity program on or before October 31 of each year.

Section 4. **Effective Date.**

This bill takes effect on May 7, 2025.