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Consumer Protection Modifications
2026 GENERAL SESSION
STATE OF UTAH
Chief Sponsor: Todd Weiler
House Sponsor: Ashlee Matthews

LONG TITLE

General Description:

This bill amends provisions relating to consumer protection.

Highlighted Provisions:

This bill:

- ▶ defines terms;
- ▶ renumbers Title 13, Chapter 2, Division of Consumer Protection;
- ▶ renumbers Title 13, Chapter 21, Credit Services Organizations Act;
- ▶ renumbers Title 13, Chapter 22, Charitable Solicitations Act;
- ▶ renumbers and renames Title 13, Chapter 23, Health Spa Services Protection Act;
- ▶ renumbers Title 13, Chapter 26, Telephone Fraud Prevention Act;
- ▶ adds Title 13, Chapter 77, Generative Artificial Intelligence - Consumer Disclosures and Enforcement, to the list of chapters the Division of Consumer Protection (division) enforces;
- ▶ amends the division's investigatory authority to investigate conduct related to statutes that the division administers and enforces;
- ▶ amends filing requirements a person makes with the division;
- ▶ amends provisions relating to an entity's surety bond and certificate of deposit;
- ▶ provides the circumstances under which the division may recover costs from a surety bond or a certificate of deposit;
- ▶ provides that a person correct information contained in a filing the person makes with the division if the information becomes incorrect or incomplete;
- ▶ provides that certain persons may not represent that the division or the state endorses or approves the person;
- ▶ clarifies that the issuance of certain documents does not constitute an approval or

- 28 endorsement by the division or the state;
- 29 ▶ provides the circumstances under which the division may deny, suspend, or revoke
- 30 certain documents;
- 31 ▶ requires that a person that registers with the division maintain a registered agent in this
- 32 state;
- 33 ▶ provides requirements for the information a person shall maintain for a registered agent in
- 34 this state;
- 35 ▶ amends provisions relating to the division's enforcement powers and penalties the
- 36 division may impose;
- 37 ▶ provides the actions a court may take when the division brings an enforcement action;
- 38 ▶ provides the circumstances under which a court may order disgorgement of money;
- 39 ▶ amends charitable solicitation financial report requirements;
- 40 ▶ changes references in Title 13, Chapter 23, Health Spa Service Protection Act from
- 41 "health spa" to "fitness center";
- 42 ▶ provides registration and renewal requirements for certain entities and individuals;
- 43 ▶ provides the length of a term for certain registrations;
- 44 ▶ amends provisions relating to criminal background checks for an entity applying for
- 45 registration with the division;
- 46 ▶ provides that a seller or a seller's solicitor provide a consumer certain disclosures;
- 47 ▶ provides the circumstances under which the attorney general shall give legal advice to
- 48 and act as counsel for the division;
- 49 ▶ updates terminology to refer to the division;
- 50 ▶ removes redundant provisions from provisions the division enforces;
- 51 ▶ amends provisions relating to an annual report a person is required to file with the
- 52 division;
- 53 ▶ removes references to the attorney general's enforcement powers in relation to the
- 54 division; and
- 55 ▶ makes technical and conforming changes.

56 **Money Appropriated in this Bill:**

57 None

58 **Other Special Clauses:**

59 This bill provides a special effective date.

60 **Utah Code Sections Affected:**

61 AMENDS:

- 62 **10-3-209 (Effective 05/06/26)**, as last amended by Laws of Utah 2024, Chapter 447
63 **13-11-8 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, Chapter 442
64 **13-11-16 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, Chapters 302, 442
65 **13-11-17 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, Chapter 442
66 **13-15-102 (Effective 05/06/26)**, as renumbered and amended by Laws of Utah 2022,
67 Chapter 243
68 **13-15-201 (Effective 05/06/26)**, as enacted by Laws of Utah 2022, Chapter 243
69 **13-15-301 (Effective 05/06/26)**, as renumbered and amended by Laws of Utah 2022,
70 Chapter 243
71 **13-25a-105 (Effective 05/06/26)**, as last amended by Laws of Utah 2021, Chapter 289
72 **13-28-7 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, Chapter 302
73 **13-32a-102.5 (Effective 05/06/26)**, as last amended by Laws of Utah 2012, Chapter 284
74 **13-32a-106.5 (Effective 05/06/26)**, as last amended by Laws of Utah 2022, Chapter 201
75 **13-34-102 (Effective 05/06/26)**, as repealed and reenacted by Laws of Utah 2023,
76 Chapter 458
77 **13-34-103 (Effective 05/06/26)**, as repealed and reenacted by Laws of Utah 2023,
78 Chapter 458
79 **13-34-104 (Effective 05/06/26)**, as repealed and reenacted by Laws of Utah 2023,
80 Chapter 458
81 **13-34-105 (Effective 05/06/26)**, as repealed and reenacted by Laws of Utah 2023,
82 Chapter 458
83 **13-34-106 (Effective 05/06/26)**, as repealed and reenacted by Laws of Utah 2023,
84 Chapter 458
85 **13-34-108 (Effective 05/06/26)**, as repealed and reenacted by Laws of Utah 2023,
86 Chapter 458
87 **13-34-109 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, Chapter 19
88 **13-34-111 (Effective 05/06/26)**, as repealed and reenacted by Laws of Utah 2023,
89 Chapter 458
90 **13-34-201 (Effective 05/06/26)**, as repealed and reenacted by Laws of Utah 2023,
91 Chapter 458
92 **13-34-202 (Effective 05/06/26)**, as enacted by Laws of Utah 2023, Chapter 458
93 **13-34-302 (Effective 05/06/26)**, as enacted by Laws of Utah 2023, Chapter 458
94 **13-41-202 (Effective 05/06/26)**, as last amended by Laws of Utah 2021, Chapter 226

95 **13-42-102 (Effective 05/06/26)**, as last amended by Laws of Utah 2012, Chapter 152
96 **13-42-103 (Effective 05/06/26)**, as enacted by Laws of Utah 2006, Chapter 154
97 **13-42-104 (Effective 05/06/26)**, as enacted by Laws of Utah 2006, Chapter 154
98 **13-42-105 (Effective 05/06/26)**, as last amended by Laws of Utah 2012, Chapter 152
99 **13-42-106 (Effective 05/06/26)**, as last amended by Laws of Utah 2012, Chapter 152
100 **13-42-107 (Effective 05/06/26)**, as last amended by Laws of Utah 2012, Chapter 152
101 **13-42-108 (Effective 05/06/26)**, as enacted by Laws of Utah 2006, Chapter 154
102 **13-42-109 (Effective 05/06/26)**, as last amended by Laws of Utah 2009, Chapter 183
103 **13-42-110 (Effective 05/06/26)**, as last amended by Laws of Utah 2012, Chapter 152
104 **13-42-111 (Effective 05/06/26)**, as last amended by Laws of Utah 2012, Chapter 152
105 **13-42-112 (Effective 05/06/26)**, as last amended by Laws of Utah 2012, Chapter 152
106 **13-42-113 (Effective 05/06/26)**, as last amended by Laws of Utah 2012, Chapter 152
107 **13-42-114 (Effective 05/06/26)**, as last amended by Laws of Utah 2012, Chapter 152
108 **13-42-118 (Effective 05/06/26)**, as last amended by Laws of Utah 2012, Chapter 152
109 **13-42-119 (Effective 05/06/26)**, as last amended by Laws of Utah 2012, Chapter 152
110 **13-42-121 (Effective 05/06/26)**, as last amended by Laws of Utah 2012, Chapter 152
111 **13-42-122 (Effective 05/06/26)**, as last amended by Laws of Utah 2012, Chapter 152
112 **13-42-123 (Effective 05/06/26)**, as last amended by Laws of Utah 2012, Chapter 152
113 **13-42-128 (Effective 05/06/26)**, as last amended by Laws of Utah 2012, Chapter 152
114 **13-42-129 (Effective 05/06/26)**, as enacted by Laws of Utah 2006, Chapter 154
115 **13-42-132 (Effective 05/06/26)**, as last amended by Laws of Utah 2012, Chapter 152
116 **13-42-133 (Effective 05/06/26)**, as last amended by Laws of Utah 2012, Chapter 152
117 **13-42-134 (Effective 05/06/26)**, as last amended by Laws of Utah 2012, Chapter 152
118 **13-42-135 (Effective 05/06/26)**, as last amended by Laws of Utah 2012, Chapter 152
119 **13-49-102 (Effective 05/06/26)**, as last amended by Laws of Utah 2015, Chapter 236
120 **13-49-201 (Effective 05/06/26)**, as last amended by Laws of Utah 2016, Chapter 348
121 **13-49-202 (Effective 05/06/26)**, as last amended by Laws of Utah 2015, Chapter 236
122 **13-49-204 (Effective 05/06/26)**, as last amended by Laws of Utah 2015, Chapter 236
123 **13-49-301 (Effective 05/06/26)**, as last amended by Laws of Utah 2015, Chapter 236
124 **13-49-302 (Effective 05/06/26)**, as enacted by Laws of Utah 2012, Chapter 375
125 **13-49-303 (Effective 05/06/26)**, as last amended by Laws of Utah 2015, Chapter 236
126 **13-49-305 (Effective 05/06/26)**, as last amended by Laws of Utah 2015, Chapter 236
127 **13-49-401 (Effective 05/06/26)**, as enacted by Laws of Utah 2012, Chapter 375
128 **13-49-402 (Effective 05/06/26)**, as last amended by Laws of Utah 2015, Chapter 236

129 **13-49-403 (Effective 05/06/26)**, as enacted by Laws of Utah 2012, Chapter 375
130 **13-49-404 (Effective 05/06/26)**, as enacted by Laws of Utah 2012, Chapter 375
131 **13-51-102 (Effective 05/06/26)**, as last amended by Laws of Utah 2019, Chapter 459
132 **13-51-104 (Effective 05/06/26)**, as enacted by Laws of Utah 2015, Chapter 461
133 **13-51-105 (Effective 05/06/26)**, as last amended by Laws of Utah 2024, Chapter 351
134 **13-52-102 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, Chapter 181
135 **13-52-202 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, Chapter 181
136 **13-52-207 (Effective 05/06/26)**, as enacted by Laws of Utah 2024, Chapter 136
137 **13-52-301 (Effective 05/06/26)**, as last amended by Laws of Utah 2024, Chapter 136
138 **13-52-302 (Effective 05/06/26)**, as enacted by Laws of Utah 2025, Chapter 181
139 **13-53-103 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, Chapter 51
140 **13-53-104 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, Chapter 51
141 **13-53-105 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, Chapter 51
142 **13-53-108 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, Chapter 51
143 **13-53-110 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, Chapter 51
144 **13-57-102 (Effective 05/06/26)**, as enacted by Laws of Utah 2020, Chapter 118
145 **13-57-201 (Effective 05/06/26)**, as enacted by Laws of Utah 2020, Chapter 118
146 **13-57-202 (Effective 05/06/26)**, as enacted by Laws of Utah 2020, Chapter 118
147 **13-57-203 (Effective 05/06/26)**, as enacted by Laws of Utah 2020, Chapter 118
148 **13-57-302 (Effective 05/06/26)**, as enacted by Laws of Utah 2020, Chapter 118
149 **13-57-401 (Effective 05/06/26)**, as enacted by Laws of Utah 2020, Chapter 118
150 **13-57-402 (Effective 05/06/26)**, as enacted by Laws of Utah 2020, Chapter 118
151 **13-57-502 (Effective 05/06/26)**, as enacted by Laws of Utah 2020, Chapter 118
152 **13-61-101 (Effective 05/06/26)**, as last amended by Laws of Utah 2024, Chapter 186
153 **13-64-101 (Effective 05/06/26)**, as enacted by Laws of Utah 2023, Chapter 509
154 **13-64-301 (Effective 05/06/26)**, as enacted by Laws of Utah 2023, Chapter 509
155 **13-65-203 (Effective 05/06/26)**, as enacted by Laws of Utah 2023, Chapter 377
156 **13-68-101 (Effective 05/06/26)**, as enacted by Laws of Utah 2023, Chapter 536
157 **13-68-201 (Effective 05/06/26)**, as enacted by Laws of Utah 2023, Chapter 536
158 **13-68-202 (Effective 05/06/26)**, as enacted by Laws of Utah 2023, Chapter 536
159 **13-68-204 (Effective 05/06/26)**, as enacted by Laws of Utah 2023, Chapter 536
160 **13-68-301 (Effective 05/06/26)**, as enacted by Laws of Utah 2023, Chapter 536
161 **13-68-302 (Effective 05/06/26)**, as enacted by Laws of Utah 2023, Chapter 536
162 **13-68-303 (Effective 05/06/26)**, as enacted by Laws of Utah 2023, Chapter 536

163 **13-68-401 (Effective 05/06/26)**, as last amended by Laws of Utah 2024, Chapter 209
164 **13-68-402 (Effective 05/06/26)**, as enacted by Laws of Utah 2023, Chapter 536
165 **13-68-403 (Effective 05/06/26)**, as enacted by Laws of Utah 2023, Chapter 536
166 **13-68-404 (Effective 05/06/26)**, as enacted by Laws of Utah 2023, Chapter 536
167 **13-70-101 (Effective 05/06/26)**, as enacted by Laws of Utah 2024, Chapter 132
168 **13-70-301 (Effective 05/06/26)**, as enacted by Laws of Utah 2024, Chapter 132
169 **13-71-101 (Effective 05/06/26)**, as enacted by Laws of Utah 2024, Chapter 206
170 **13-71-301 (Effective 05/06/26)**, as enacted by Laws of Utah 2024, Chapter 206
171 **13-72a-101 (Effective 05/06/26)**, as enacted by Laws of Utah 2025, Chapter 269
172 **13-72a-204 (Effective 05/06/26)**, as enacted by Laws of Utah 2025, Chapter 269
173 **13-76-101 (Effective 05/06/26)**, as enacted by Laws of Utah 2025, Chapter 446
174 **13-77-101 (Effective 05/06/26)**, as enacted by Laws of Utah 2025, Chapter 465
175 **13-77-102 (Effective 05/06/26)**, as enacted by Laws of Utah 2025, Chapter 465
176 **13-78-101 (Effective 05/06/26)**, as enacted by Laws of Utah 2025, Chapter 237
177 **13-78-102 (Effective 05/06/26)**, as enacted by Laws of Utah 2025, Chapter 237
178 **13-78-103 (Effective 05/06/26)**, as enacted by Laws of Utah 2025, Chapter 237
179 **13-78-104 (Effective 05/06/26)**, as enacted by Laws of Utah 2025, Chapter 237
180 **16-6a-102 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, First Special
181 Session, Chapter 9
182 **16-6a-203 (Effective 05/06/26)**, as last amended by Laws of Utah 2024, Chapter 102
183 **16-6a-1503 (Effective 05/06/26)**, as last amended by Laws of Utah 2024, Chapter 102
184 **17-70-401 (Effective 05/06/26)**, as renumbered and amended by Laws of Utah 2025,
185 First Special Session, Chapter 13
186 **20A-11-104 (Effective 05/06/26)**, as last amended by Laws of Utah 2024, Chapter 447
187 **36-11-102 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, First Special
188 Session, Chapter 16
189 **51-9-801 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, Chapter 167
190 **54-8b-18 (Effective 05/06/26)**, as enacted by Laws of Utah 1999, Chapter 113
191 **58-16a-305 (Effective 05/06/26)**, as last amended by Laws of Utah 2012, Chapter 256
192 **63G-2-305 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, First Special
193 Session, Chapter 17
194 **63G-26-103 (Effective 05/06/26)**, as last amended by Laws of Utah 2024, Chapter 416
195 **71A-4-101 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, Chapter 231
196 **76-5c-401 (Effective 05/06/26)**, as renumbered and amended by Laws of Utah 2025,

197 Chapter 173
198 **76-5c-402 (Effective 05/06/26)**, as renumbered and amended by Laws of Utah 2025,
199 Chapter 173
200 **78B-3-112 (Effective 05/06/26)**, as enacted by Laws of Utah 2023, Chapter 365

201 ENACTS:

202 **13-2-101 (Effective 05/06/26)**, Utah Code Annotated 1953
203 **13-15-303 (Effective 05/06/26)**, Utah Code Annotated 1953
204 **13-26-103 (Effective 05/06/26)**, Utah Code Annotated 1953
205 **13-49-306 (Effective 05/06/26)**, Utah Code Annotated 1953
206 **13-51-104.1 (Effective 05/06/26)**, Utah Code Annotated 1953
207 **13-51-110 (Effective 05/06/26)**, Utah Code Annotated 1953
208 **13-57-201.1 (Effective 05/06/26)**, Utah Code Annotated 1953
209 **13-68-205 (Effective 05/06/26)**, Utah Code Annotated 1953

210 RENUMBERS AND AMENDS:

211 **13-2-102 (Effective 05/06/26) (Superseded 07/01/26)**, (Renumbered from 13-2-1, as last
212 amended by Laws of Utah 2025, Chapters 51, 181, 237, and 269)
213 **13-2-102 (Effective 07/01/26)**, (Renumbered from 13-2-1, as last amended by Laws of
214 Utah 2025, Chapter 468)
215 **13-2-103 (Effective 05/06/26)**, (Renumbered from 13-2-2, as last amended by Laws of
216 Utah 1990, Chapter 93)
217 **13-2-104 (Effective 05/06/26)**, (Renumbered from 13-2-3, as last amended by Laws of
218 Utah 2021, Chapter 344)
219 **13-2-105 (Effective 05/06/26)**, (Renumbered from 13-2-4, as enacted by Laws of Utah
220 1983, Chapter 57)
221 **13-2-106 (Effective 05/06/26)**, (Renumbered from 13-2-5, as last amended by Laws of
222 Utah 2008, Chapter 382)
223 **13-2-107 (Effective 05/06/26)**, (Renumbered from 13-2-6, as last amended by Laws of
224 Utah 2025, Chapter 442)
225 **13-2-108 (Effective 05/06/26)**, (Renumbered from 13-2-7, as last amended by Laws of
226 Utah 1994, Chapter 177)
227 **13-2-109 (Effective 05/06/26)**, (Renumbered from 13-2-8, as last amended by Laws of
228 Utah 2023, Chapter 375)
229 **13-2-110 (Effective 05/06/26)**, (Renumbered from 13-2-9, as last amended by Laws of
230 Utah 2012, Chapter 347)

231 **13-2-111 (Effective 05/06/26)**, (Renumbered from 13-2-10, as enacted by Laws of
232 Utah 2023, Chapter 76)

233 **13-2-112 (Effective 05/06/26)**, (Renumbered from 13-2-11, as enacted by Laws of
234 Utah 2024, Chapter 101)

235 **13-21-101 (Effective 05/06/26)**, (Renumbered from 13-21-2, as last amended by Laws
236 of Utah 2011, Chapter 289)

237 **13-21-102 (Effective 05/06/26)**, (Renumbered from 13-21-3, as last amended by Laws
238 of Utah 2009, Chapter 183)

239 **13-21-103 (Effective 05/06/26)**, (Renumbered from 13-21-3.5, as enacted by Laws of
240 Utah 1994, Chapter 186)

241 **13-21-104 (Effective 05/06/26)**, (Renumbered from 13-21-4, as last amended by Laws
242 of Utah 2025, Chapter 302)

243 **13-21-105 (Effective 05/06/26)**, (Renumbered from 13-21-5, as enacted by Laws of
244 Utah 1985, Chapter 29)

245 **13-21-106 (Effective 05/06/26)**, (Renumbered from 13-21-6, as last amended by Laws
246 of Utah 1988, Chapter 96)

247 **13-21-107 (Effective 05/06/26)**, (Renumbered from 13-21-7, as last amended by Laws
248 of Utah 2007, Chapter 306)

249 **13-21-108 (Effective 05/06/26)**, (Renumbered from 13-21-7.5, as enacted by Laws of
250 Utah 2024, Chapter 109)

251 **13-21-109 (Effective 05/06/26)**, (Renumbered from 13-21-8, as last amended by Laws
252 of Utah 2024, Chapter 158)

253 **13-21-110 (Effective 05/06/26)**, (Renumbered from 13-21-9, as last amended by Laws
254 of Utah 1988, Chapter 96)

255 **13-22-101 (Effective 05/06/26)**, (Renumbered from 13-22-2, as last amended by Laws
256 of Utah 2024, Chapter 102)

257 **13-22-102 (Effective 05/06/26)**, (Renumbered from 13-22-3, as last amended by Laws
258 of Utah 2024, Chapter 158)

259 **13-22-103 (Effective 05/06/26)**, (Renumbered from 13-22-4, as last amended by Laws
260 of Utah 2024, Chapter 102)

261 **13-22-104 (Effective 05/06/26)**, (Renumbered from 13-22-5, as last amended by Laws
262 of Utah 2024, Chapter 102)

263 **13-22-105 (Effective 05/06/26)**, (Renumbered from 13-22-9, as last amended by Laws
264 of Utah 2024, Chapter 102)

265 **13-22-106 (Effective 05/06/26)**, (Renumbered from 13-22-11, as last amended by
266 Laws of Utah 2024, Chapter 102)
267 **13-22-107 (Effective 05/06/26)**, (Renumbered from 13-22-12, as last amended by
268 Laws of Utah 2024, Chapter 102)
269 **13-22-108 (Effective 05/06/26)**, (Renumbered from 13-22-13, as last amended by
270 Laws of Utah 2024, Chapter 102)
271 **13-22-109 (Effective 05/06/26)**, (Renumbered from 13-22-14, as last amended by
272 Laws of Utah 2024, Chapter 102)
273 **13-22-110 (Effective 05/06/26)**, (Renumbered from 13-22-15, as repealed and
274 reenacted by Laws of Utah 2024, Chapter 102)
275 **13-22-111 (Effective 05/06/26)**, (Renumbered from 13-22-16, as last amended by
276 Laws of Utah 2024, Chapter 102)
277 **13-22-112 (Effective 05/06/26)**, (Renumbered from 13-22-17, as last amended by
278 Laws of Utah 2024, Chapter 102)
279 **13-22-113 (Effective 05/06/26)**, (Renumbered from 13-22-19, as enacted by Laws of
280 Utah 1993, Chapter 280)
281 **13-22-114 (Effective 05/06/26)**, (Renumbered from 13-22-22, as last amended by
282 Laws of Utah 2024, Chapter 102)
283 **13-22-115 (Effective 05/06/26)**, (Renumbered from 13-22-23, as enacted by Laws of
284 Utah 2001, Chapter 210)
285 **13-22-116 (Effective 05/06/26)**, (Renumbered from 13-22-24, as enacted by Laws of
286 Utah 2024, Chapter 102)
287 **13-23-101 (Effective 05/06/26)**, (Renumbered from 13-23-2, as last amended by Laws
288 of Utah 2022, Chapters 400, 415)
289 **13-23-102 (Effective 05/06/26)**, (Renumbered from 13-23-3, as last amended by Laws
290 of Utah 2022, Chapter 400)
291 **13-23-103 (Effective 05/06/26)**, (Renumbered from 13-23-4, as last amended by Laws
292 of Utah 2022, Chapter 274)
293 **13-23-104 (Effective 05/06/26)**, (Renumbered from 13-23-5, as last amended by Laws
294 of Utah 2022, Chapter 400)
295 **13-23-105 (Effective 05/06/26)**, (Renumbered from 13-23-6, as last amended by Laws
296 of Utah 2022, Chapter 400)
297 **13-23-106 (Effective 05/06/26)**, (Renumbered from 13-23-7, as last amended by Laws
298 of Utah 2021, Chapter 266)

299 **13-23-107 (Effective 05/06/26)**, (Renumbered from 13-23-8, as last amended by Laws
300 of Utah 2022, Chapter 400)

301 **13-26-101 (Effective 05/06/26)**, (Renumbered from 13-26-2, as last amended by Laws
302 of Utah 2022, Chapter 324)

303 **13-26-102 (Effective 05/06/26)**, (Renumbered from 13-26-3, as last amended by Laws
304 of Utah 2022, Chapter 324)

305 **13-26-104 (Effective 05/06/26)**, (Renumbered from 13-26-4, as last amended by Laws
306 of Utah 2022, Chapter 324)

307 **13-26-105 (Effective 05/06/26)**, (Renumbered from 13-26-5, as last amended by Laws
308 of Utah 2022, Chapter 324)

309 **13-26-106 (Effective 05/06/26)**, (Renumbered from 13-26-8, as last amended by Laws
310 of Utah 2022, Chapter 324)

311 **13-26-107 (Effective 05/06/26)**, (Renumbered from 13-26-10, as enacted by Laws of
312 Utah 1991, Chapter 184)

313 **13-26-108 (Effective 05/06/26)**, (Renumbered from 13-26-11, as last amended by
314 Laws of Utah 2022, Chapter 324)

315 REPEALS:

316 **13-15-101 (Effective 05/06/26)**, as renumbered and amended by Laws of Utah 2022,
317 Chapter 243

318 **13-21-1 (Effective 05/06/26)**, as enacted by Laws of Utah 1985, Chapter 29

319 **13-22-1 (Effective 05/06/26)**, as enacted by Laws of Utah 1987, Chapter 122

320 **13-23-1 (Effective 05/06/26)**, as enacted by Laws of Utah 1987, Chapter 105

321 **13-25a-101 (Effective 05/06/26)**, as enacted by Laws of Utah 1996, Chapter 26

322 **13-26-1 (Effective 05/06/26)**, as enacted by Laws of Utah 1990, Chapter 154

323 **13-32a-101 (Effective 05/06/26)**, as last amended by Laws of Utah 2022, Chapter 201

324 **13-32a-112.1 (Effective 05/06/26)**, as last amended by Laws of Utah 2022, Chapter 201

325 **13-42-101 (Effective 05/06/26)**, as enacted by Laws of Utah 2006, Chapter 154

326 **13-42-140 (Effective 05/06/26)**, as enacted by Laws of Utah 2006, Chapter 154

327 **13-49-101 (Effective 05/06/26)**, as enacted by Laws of Utah 2012, Chapter 375

328 **13-49-203 (Effective 05/06/26)**, as last amended by Laws of Utah 2016, Chapter 348

329 **13-49-304 (Effective 05/06/26)**, as last amended by Laws of Utah 2015, Chapter 236

330 **13-51-101 (Effective 05/06/26)**, as enacted by Laws of Utah 2015, Chapter 461

331 **13-51-201 (Effective 05/06/26)**, as last amended by Laws of Utah 2018, Chapter 111

332 **13-51-203 (Effective 05/06/26)**, as last amended by Laws of Utah 2018, Chapter 111

333 **13-51-204 (Effective 05/06/26)**, as enacted by Laws of Utah 2016, Chapter 359
 334 **13-52-101 (Effective 05/06/26)**, as enacted by Laws of Utah 2018, Chapter 290
 335 **13-53-101 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, Chapter 51
 336 **13-57-101 (Effective 05/06/26)**, as enacted by Laws of Utah 2020, Chapter 118
 337 **13-68-203 (Effective 05/06/26)**, as enacted by Laws of Utah 2023, Chapter 536
 338 **13-68-304 (Effective 05/06/26)**, as enacted by Laws of Utah 2023, Chapter 536
 339 **13-68-305 (Effective 05/06/26)**, as enacted by Laws of Utah 2023, Chapter 536

340

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

342

Section 1. Section **10-3-209** is amended to read:

343

10-3-209 (Effective 05/06/26). Personal use expenditure -- Authorized and prohibited uses of campaign funds -- Enforcement -- Penalties.

344

345

(1) Unless a municipality adopts by ordinance more stringent definitions, the following are defined terms for the purposes of this section:

346

347

(a) "Candidate" means a person who:

348

(i) files a declaration of candidacy for municipal office; or

349

(ii) receives contributions, makes expenditures, or gives consent for any other person to receive contributions or make expenditures to bring about the person's nomination or election to a public office.

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(b) "Officeholder" means a person who is elected to and currently holds a municipal office.

353

354

(c)(i) "Personal use expenditure" means an expenditure that:

355

(A) is not excluded from the definition of personal use expenditure by Subsection (2) and primarily furthers a personal interest of a candidate or officeholder or a candidate's or officeholder's family, which interest is not connected with the performance of an activity as a candidate or an activity or duty of an officeholder; or

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(B) would cause the candidate or officeholder to recognize the expenditure as taxable income under federal law.

360

361

362

(ii) "Personal use expenditure" includes:

363

(A) a mortgage, rent, utility, or vehicle payment;

364

(B) a household food item or supply;

365

(C) a clothing expense, except:

366

(I) clothing bearing the candidate's name or campaign slogan or logo that is

- 367 used in the candidate's campaign;
- 368 (II) clothing bearing the logo or name of a jurisdiction, district, government
369 organization, government entity, caucus, or political party that the
370 officeholder represents or of which the officeholder is a member; or
- 371 (III) repair or replacement of clothing that is damaged while the candidate or
372 officeholder is engaged in an activity of a candidate or officeholder;
- 373 (D) an admission to a sporting, artistic, or recreational event or other form of
374 entertainment;
- 375 (E) dues, fees, or gratuities at a country club, health club, or recreational facility;
- 376 (F) a salary payment made to a candidate, officeholder, or a person who has not
377 provided a bona fide service to a candidate or officeholder;
- 378 (G) a vacation;
- 379 (H) a vehicle expense;
- 380 (I) a meal expense;
- 381 (J) a travel expense;
- 382 (K) a payment of an administrative, civil, or criminal penalty;
- 383 (L) a satisfaction of a personal debt;
- 384 (M) a personal service, including the service of an attorney, accountant, physician,
385 or other professional person;
- 386 (N) a membership fee for a professional or service organization; and
- 387 (O) a payment in excess of the fair market value of the item or service purchased.
- 388 (2) As used in this section, "personal use expenditure" does not mean an expenditure made:
- 389 (a) for a political purpose;
- 390 (b) for candidacy for public office;
- 391 (c) to fulfill a duty or activity of an officeholder;
- 392 (d) for a donation to a registered political party;
- 393 (e) for a contribution to another candidate's campaign account, including sponsorship of
394 or attendance at an event, the primary purpose of which is to solicit a contribution for
395 another candidate's campaign account;
- 396 (f) to return all or a portion of a contribution to a donor;
- 397 (g) for the following items, if made in connection with the candidacy for public office or
398 an activity or duty of an officeholder:
- 399 (i)(A) a mileage allowance at the rate established by the Division of Finance under
400 Section 63A-3-107; or

- 401 (B) for motor fuel or special fuel, as defined in Section 59-13-102;
- 402 (ii) a meal expense;
- 403 (iii) a travel expense, including an expense incurred for airfare or a rental vehicle;
- 404 (iv) a payment for a service provided by an attorney or accountant;
- 405 (v) a tuition payment or registration fee for participation in a meeting or conference;
- 406 (vi) a gift;
- 407 (vii) a payment for the following items in connection with an office space:
- 408 (A) rent;
- 409 (B) utilities;
- 410 (C) a supply; or
- 411 (D) furnishing;
- 412 (viii) a booth at a meeting or event; or
- 413 (ix) educational material;
- 414 (h) to purchase or mail informational material, a survey, or a greeting card;
- 415 (i) for a donation to a charitable organization, as defined by Section [~~13-22-2~~] 13-22-101,
- 416 including admission to or sponsorship of an event, the primary purpose of which is
- 417 charitable solicitation, as defined in Section [~~13-22-2~~] 13-22-101;
- 418 (j) to repay a loan a candidate makes from the candidate's personal account to the
- 419 candidate's campaign account;
- 420 (k) to pay membership dues to a national organization whose primary purpose is to
- 421 address general public policy;
- 422 (l) for admission to or sponsorship of an event, the primary purpose of which is to
- 423 promote the social, educational, or economic well-being of the state or the candidate's
- 424 or officeholder's community;
- 425 (m) for one or more guests of an officeholder or candidate to attend an event, meeting,
- 426 or conference described in this Subsection (2); or
- 427 (n) to pay childcare expenses of:
- 428 (i) a candidate while the candidate is engaging in campaign activity; or
- 429 (ii) an officeholder while the officeholder is engaging in the duties of an officeholder.
- 430 (3)(a) A municipality may adopt an ordinance prohibiting a personal use expenditure by
- 431 a candidate with requirements that are more stringent than the requirements provided
- 432 in Subsection (4).
- 433 (b) The municipality may adopt definitions that are more stringent than those provided
- 434 in Subsection (1) or (2).

- 435 (c) If a municipality fails to adopt a personal use expenditure ordinance described in
 436 Subsection (3)(a), a candidate shall comply with the requirements contained in
 437 Subsection (4).
- 438 (4) A candidate or an officeholder may not use money deposited into a campaign account
 439 for:
- 440 (a) a personal use expenditure; or
 441 (b) an expenditure prohibited by law.
- 442 (5) A municipality may enforce this section by adopting an ordinance:
- 443 (a) to provide for the evaluation of a campaign finance statement to identify a personal
 444 use expenditure; and
 445 (b) to commence informal adjudicative proceedings if, after an evaluation described in
 446 Subsection (5)(a), there is probable cause to believe that a candidate or officeholder
 447 has made a personal use expenditure.
- 448 (6) If, in accordance with the proceedings described in Subsection (5)(b) established in
 449 municipal ordinance, a municipality determines that a candidate or officeholder has
 450 made a personal use expenditure, the municipality:
- 451 (a) may require the candidate or officeholder to:
- 452 (i) remit an administrative penalty of an amount equal to 50% of the personal use
 453 expenditure to the municipality; and
 454 (ii) deposit the amount of the personal use expenditure into the campaign account
 455 from which the personal use expenditure was disbursed; and
 456 (b) shall deposit the money received under Subsection (6)(a)(i) into the municipal
 457 general fund.

458 Section 2. Section **13-2-101** is enacted to read:

459 **Part 1. General Provisions**

460 **13-2-101 (Effective 05/06/26). Definitions.**

461 As used in this chapter:

- 462 (1) "Director" means the director of the Division of Consumer Protection appointed under
 463 Section 13-2-103.
- 464 (2) "Division" means the Division of Consumer Protection established in Section 13-2-102.

465 Section 3. Section **13-2-102**, which is renumbered from Section 13-2-1 is renumbered
 466 and amended to read:

467 **[13-2-1] 13-2-102 (Effective 05/06/26) (Superseded 07/01/26). Consumer**
 468 **protection division established -- Functions.**

- 469 (1) There is established within the Department of Commerce the Division of Consumer
470 Protection.
- 471 (2) The division shall administer and enforce the following:
- 472 (a) Chapter 10a, Music Licensing Practices Act;
- 473 (b) Chapter 11, Utah Consumer Sales Practices Act;
- 474 (c) Chapter 15, Business Opportunity Disclosure Act;
- 475 (d) Chapter 20, New Motor Vehicle Warranties Act;
- 476 (e) Chapter 21, Credit Services Organizations Act;
- 477 (f) Chapter 22, Charitable Solicitations Act;
- 478 (g) Chapter 23, [~~Health Spa Services Protection Act~~] Fitness Center Services Protection
479 Act;
- 480 (h) Chapter 25a, Telephone and Facsimile Solicitation Act;
- 481 (i) Chapter 26, Telephone Fraud Prevention Act;
- 482 (j) Chapter 28, Prize Notices Regulation Act;
- 483 (k) Chapter 32a, Pawnshop, Secondhand Merchandise, and Catalytic Converter
484 Transaction Information Act;
- 485 (l) Chapter 34, Utah Postsecondary School and State Authorization Act;
- 486 (m) Chapter 41, Price Controls During Emergencies Act;
- 487 (n) Chapter 42, Uniform Debt-Management Services Act;
- 488 (o) Chapter 49, Immigration Consultants Registration Act;
- 489 (p) Chapter 51, Transportation Network Company Registration Act;
- 490 (q) Chapter 52, Residential Solar Energy Consumer Protection Act;
- 491 (r) Chapter 53, Residential, Vocational [~~or~~] and Life Skills Program Act;
- 492 (s) Chapter 54, Ticket Website Sales Act;
- 493 (t) Chapter 56, Ticket Transferability Act;
- 494 (u) Chapter 57, Maintenance Funding Practices Act;
- 495 (v) Chapter 61, Utah Consumer Privacy Act;
- 496 (w) Chapter 64, Vehicle Value Protection Agreement Act;
- 497 (x) Chapter 65, Utah Commercial Email Act;
- 498 (y) Chapter 67, Online Dating Safety Act;
- 499 (z) Chapter 68, Lawyer Referral Consultants Registration Act;
- 500 (aa) Chapter 70, Automatic Renewal Contracts Act;
- 501 (bb) Chapter 71, Utah Minor Protection in Social Media Act;
- 502 (cc) Chapter 72a, Artificial Intelligence Applications Relating to Mental Health;[-and]

- 503 (dd) Chapter 77, Generative Artificial Intelligence - Consumer Disclosures and
 504 Enforcement; and
 505 [~~(dd)~~] (ee) Chapter 78, Earned Wage Access Services Act.
 506 (3) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
 507 division may make rules to establish:
 508 (a) a public list that identifies a person that:
 509 (i) violates a chapter described in Subsection (2);
 510 (ii) without proper legal justification, fails to comply with an order, subpoena,
 511 judgment, or other legal process issued by:
 512 (A) the division; or
 513 (B) a court of competent jurisdiction; or
 514 (iii) breaches a settlement agreement, stipulation, assurance of voluntary compliance,
 515 or similar instrument signed by the person and the division; and
 516 (b) a process by which a person may be removed from the list the division establishes as
 517 described in Subsection (3)(a).

518 Section 4. Section **13-2-102**, which is renumbered from Section 13-2-1 is renumbered
 519 and amended to read:

520 **[~~13-2-1~~] 13-2-102 (Effective 07/01/26). Consumer protection division established**
 521 **-- Functions.**

- 522 (1) There is established within the Department of Commerce the Division of Consumer
 523 Protection.
 524 (2) The division shall administer and enforce the following:
 525 (a) Chapter 10a, Music Licensing Practices Act;
 526 (b) Chapter 11, Utah Consumer Sales Practices Act;
 527 (c) Chapter 15, Business Opportunity Disclosure Act;
 528 (d) Chapter 20, New Motor Vehicle Warranties Act;
 529 (e) Chapter 21, Credit Services Organizations Act;
 530 (f) Chapter 22, Charitable Solicitations Act;
 531 (g) Chapter 23, [~~Health Spa Services Protection Act~~] Fitness Center Services Protection
 532 Act;
 533 (h) Chapter 25a, Telephone and Facsimile Solicitation Act;
 534 (i) Chapter 26, Telephone Fraud Prevention Act;
 535 (j) Chapter 28, Prize Notices Regulation Act;
 536 (k) Chapter 32a, Pawnshop, Secondhand Merchandise, and Catalytic Converter

- 537 Transaction Information Act;
- 538 (l) Chapter 34, Utah Postsecondary School and State Authorization Act;
- 539 (m) Chapter 41, Price Controls During Emergencies Act;
- 540 (n) Chapter 42, Uniform Debt-Management Services Act;
- 541 (o) Chapter 49, Immigration Consultants Registration Act;
- 542 (p) Chapter 51, Transportation Network Company Registration Act;
- 543 (q) Chapter 52, Residential Solar Energy Consumer Protection Act;
- 544 (r) Chapter 53, Residential, Vocational [or] and Life Skills Program Act;
- 545 (s) Chapter 54, Ticket Website Sales Act;
- 546 (t) Chapter 56, Ticket Transferability Act;
- 547 (u) Chapter 57, Maintenance Funding Practices Act;
- 548 (v) Chapter 61, Utah Consumer Privacy Act;
- 549 (w) Chapter 64, Vehicle Value Protection Agreement Act;
- 550 (x) Chapter 65, Utah Commercial Email Act;
- 551 (y) Chapter 67, Online Dating Safety Act;
- 552 (z) Chapter 68, Lawyer Referral Consultants Registration Act;
- 553 (aa) Chapter 70, Automatic Renewal Contracts Act;
- 554 (bb) Chapter 71, Utah Minor Protection in Social Media Act;
- 555 (cc) Chapter 72a, Artificial Intelligence Applications Relating to Mental Health;
- 556 (dd) Chapter 78, Earned Wage Access Services Act;[-and]
- 557 (ee) Chapter 77, Generative Artificial Intelligence - Consumer Disclosures and
- 558 Enforcement; and
- 559 [~~ee~~] (ff) Chapter 81, Utah Digital Choice Act.
- 560 (3) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
- 561 division may make rules to establish:
- 562 (a) a public list that identifies a person that:
- 563 (i) violates a chapter described in Subsection (2);
- 564 (ii) without proper legal justification, fails to comply with an order, subpoena,
- 565 judgment, or other legal process issued by:
- 566 (A) the division; or
- 567 (B) a court of competent jurisdiction; or
- 568 (iii) breaches a settlement agreement, stipulation, assurance of voluntary compliance,
- 569 or similar instrument signed by the person and the division; and
- 570 (b) a process by which a person may be removed from the list the division establishes as

571 described in Subsection (3)(a).

572 Section 5. Section **13-2-103**, which is renumbered from Section 13-2-2 is renumbered
573 and amended to read:

574 **[13-2-2] 13-2-103 (Effective 05/06/26). Director of division -- Appointment.**

575 (1) The division shall be under the supervision, direction, and control of a director.[-]

576 (2) The director shall be appointed by the executive director of commerce with the approval
577 of the governor.[-]

578 (3) The director shall hold office at the pleasure of the governor.

579 Section 6. Section **13-2-104**, which is renumbered from Section 13-2-3 is renumbered
580 and amended to read:

581 **[13-2-3] 13-2-104 (Effective 05/06/26). Employment of personnel --**
582 **Compensation of director.**

583 (1) The director, with the approval of the executive director, may employ personnel
584 necessary to carry out the duties and responsibilities of the division at salaries
585 established by the executive director according to standards established by the Division
586 of Human Resource Management.

587 (2) The executive director shall establish the salary of the director according to standards
588 established by the Division of Human Resource Management.

589 (3) The director may employ specialists, technical experts, or investigators to participate or
590 assist in [~~investigations~~] an investigation if [~~they~~] the investigation reasonably [~~require~~]
591 requires expertise beyond that normally required for division personnel.

592 (4)(a) [~~An~~] Subject to Subsection (4)(b), the director may designate an investigator
593 employed [pursuant to] in accordance with Subsection (3) [~~may be designated~~] as a
594 special function officer, as that term is defined in Section 53-13-105[~~, by the director,~~] .

595 (b) [~~but~~] An investigator designated as a special function officer in accordance with
596 Subsection (4)(a) is not eligible for retirement benefits under the Public Safety
597 Employee's Retirement System.

598 Section 7. Section **13-2-105**, which is renumbered from Section 13-2-4 is renumbered
599 and amended to read:

600 **[13-2-4] 13-2-105 (Effective 05/06/26). Annual report -- Budget.**

601 (1) On or before [~~the 1st day of October~~] October 1 of each year, the director in connection
602 with the executive director shall report to the governor and the Legislature for the
603 preceding fiscal year on the operations, activities, and goals of the division.

604 (2) The director shall prepare and submit to the executive director a budget of the

605 administrative expenses for the division.

606 Section 8. Section **13-2-106**, which is renumbered from Section 13-2-5 is renumbered
607 and amended to read:

608 **[13-2-5] 13-2-106 (Effective 05/06/26). Powers of director.**

609 The director ~~[has authority to]~~ may:

- 610 (1) in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, issue
611 rules to administer and enforce the chapters listed in Section ~~[13-2-1]~~ 13-2-102;
- 612 (2) investigate ~~[the activities of any business]~~ conduct governed by the laws ~~[administered~~
613 ~~and enforced by]~~ the division administers and enforces;
- 614 (3) take administrative and judicial action against ~~[persons in violation of the division rules~~
615 ~~and the laws administered and enforced by it]~~ a person that violates the division rules and
616 the laws the division administers and enforces, including the issuance of cease and desist
617 orders;
- 618 (4) coordinate, cooperate, and assist with business and industry desiring or attempting to
619 correct unfair business practices between competitors;
- 620 (5) provide consumer information and education to the public and assist ~~[any]~~ an
621 organization [providing such services] that provides consumer information and education
622 to the public; and
- 623 (6) coordinate with, assist, and utilize the assistance of federal, state, and local agencies in
624 the performance of the director's duties and the protection of the public.

625 Section 9. Section **13-2-107**, which is renumbered from Section 13-2-6 is renumbered
626 and amended to read:

627 **[13-2-6] 13-2-107 (Effective 05/06/26). Enforcement powers.**

- 628 (1) As used in this section, "transactional resources" means:
- 629 (a) a mail drop or mail box, regardless of whether the mail drop or mail box is located
630 on the premises of a United States Post Office;
- 631 (b) a telephone or facsimile transmission device;
- 632 (c) an internet connection by a resident or inhabitant of this state with a resident- or
633 nonresident-maintained internet site;
- 634 (d) a business office or private residence used for a business-related purpose;
- 635 (e) an account with or services of a financial institution;
- 636 (f) the services of a common or private carrier; or
- 637 (g) the use of a city, county, or state asset or facility, including a road or highway.

638 ~~[(1)]~~ (2) In accordance with Title 63G, Chapter 4, Administrative Procedures Act, the

639 division [~~shall have authority to~~] may convene administrative hearings, issue cease and
 640 desist orders, and impose fines under all the chapters identified in Section [~~13-2-1~~]
 641 13-2-102.

642 [(2)] (3) A person [~~who~~] that intentionally violates a final cease and desist order entered by
 643 the division of which the person has notice is guilty of a third degree felony.

644 [(3)] (4) If the division has reasonable cause to believe that a person has violated or is
 645 violating any chapter listed in Section [~~13-2-1~~] 13-2-102, the division may promptly
 646 issue the alleged violator a citation signed by the division's director or the director's
 647 designee.

648 (a) Each citation shall be in writing and shall:

649 (i) set forth with particularity the nature of the violation, including a reference to the
 650 statutory or administrative rule provision violated;

651 (ii) state that a request for review of the citation shall be made in writing and be
 652 received by the division no more than 20 calendar days after the day on which the
 653 division issues the citation;

654 (iii) state the consequences of failing to make a timely request for review; and

655 (iv) state all other information required by Subsection 63G-4-201(2).

656 (b) In computing a time period under this section, the following days may not be
 657 included:

658 (i) the day on which the division issues a citation; and

659 (ii) the day on which the division receives a request for review of a citation.

660 (c)(i) Except as provided in Subsection [~~(3)(e)(iii)~~] (4)(c)(iii), if the presiding officer
 661 finds that there is not substantial evidence that the recipient violated a chapter
 662 listed in Section [~~13-2-1~~] 13-2-102:

663 (A) the citation may not become final; and

664 (B) the division shall immediately vacate the citation and promptly notify the
 665 recipient in writing.

666 (ii) Except as provided in Subsection [~~(3)(e)(iv)~~] (4)(c)(iv), if the presiding officer
 667 finds that there is substantial evidence that the recipient violated a chapter listed in
 668 Section [~~13-2-1~~] 13-2-102:

669 (A) the citation shall become final; and

670 (B) the division may enter a cease and desist order against the recipient.

671 (iii) For a citation issued for a violation of Chapter 41, Price Controls During
 672 Emergencies Act, if the presiding officer finds that there is not clear and

- 673 convincing evidence that the recipient violated the chapter:
- 674 (A) the citation may not become final; and
- 675 (B) the division shall immediately vacate the citation and promptly notify the
- 676 recipient in writing.
- 677 (iv) For a citation issued for a violation of Chapter 41, Price Controls During
- 678 Emergencies Act, if the presiding officer finds that there is clear and convincing
- 679 evidence that the recipient violated the chapter:
- 680 (A) the citation shall become final; and
- 681 (B) the division may enter a cease and desist order against the recipient.
- 682 (d)(i) A citation issued under this chapter may be personally served upon a person
- 683 upon whom a summons may be served in accordance with the Utah Rules of Civil
- 684 Procedure.
- 685 (ii) A citation also may be served by first-class mail, postage prepaid.
- 686 (e)(i) If the recipient fails to make a request for review within 20 calendar days after
- 687 the day on which the division issues the citation, the citation shall become the
- 688 final order of the division.
- 689 (ii) The period to contest the citation may be extended by the director for good cause
- 690 shown.
- 691 (f) If the chapter violated allows for an administrative fine, after a citation becomes
- 692 final, the director may impose the administrative fine.
- 693 ~~[(4)]~~ (5)(a) A person ~~[who]~~ that has violated, is violating, or has attempted~~[-]~~ to violate
- 694 a chapter identified in Section ~~[13-2-1]~~ 13-2-102 is subject to the division's
- 695 jurisdiction if:
- 696 ~~[(i)]~~ (a) the violation or attempted violation is committed wholly or partly within the state;
- 697 ~~[(ii)]~~ (b) conduct committed outside the state constitutes an attempt to commit a violation
- 698 within the state; or
- 699 ~~[(iii)]~~ (c) transactional resources located within the state are used by the offender to
- 700 directly or indirectly facilitate a violation or attempted violation.
- 701 ~~[(b) As used in this section, "transactional resources" means:]~~
- 702 ~~[(i) a mail drop or mail box, regardless of whether the mail drop or mail box is~~
- 703 ~~located on the premises of a United States Post Office;]~~
- 704 ~~[(ii) a telephone or facsimile transmission device;]~~
- 705 ~~[(iii) an Internet connection by a resident or inhabitant of this state with a resident or~~
- 706 ~~nonresident-maintained Internet site;]~~

- 707 ~~[(iv) a business office or private residence used for a business-related purpose;]~~
 708 ~~[(v) an account with or services of a financial institution;]~~
 709 ~~[(vi) the services of a common or private carrier; or]~~
 710 ~~[(vii) the use of a city, county, or state asset or facility, including a road or highway.]~~

711 ~~[(5)]~~ (6) The director or the director's designee, for the purposes outlined in a chapter
 712 administered by the division, may administer oaths, issue subpoenas, compel the
 713 attendance of witnesses, conduct audits, compel sworn responses to written questions, or
 714 compel the production of papers, books, accounts, documents, or evidence.

715 ~~[(6)]~~ (7)(a) An administrative action filed under this chapter or a chapter listed in Section [
 716 ~~13-2-1]~~ 13-2-102 shall be commenced no later than 10 years after the day on which
 717 the alleged violation occurs.

718 (b) A civil action filed under this chapter or a chapter listed in Section [~~13-2-1]~~ 13-2-102
 719 shall be commenced no later than five years after the day on which the alleged
 720 violation occurs.

721 (c) The provisions of this Subsection ~~[(6)]~~ (7) control over the provisions of Title 78B,
 722 Chapter 2, Statutes of Limitations.

723 ~~[(7)]~~ (8) When granting a judgment in the division's favor in connection with the division's
 724 exercise of any authority described in Section [~~13-2-5]~~ 13-2-106 or [~~13-2-6]~~ 13-2-107, a
 725 court shall award:

- 726 (a) reasonable attorney fees;
 727 (b) court costs;
 728 (c) costs of investigation; and
 729 (d) any other relief the court deems appropriate.

730 Section 10. Section **13-2-108**, which is renumbered from Section 13-2-7 is renumbered
 731 and amended to read:

732 ~~13-2-7]~~ **13-2-108** (Effective 05/06/26). **Violation of restraining or injunctive**
 733 **order -- Civil penalty.**

734 If ~~[any]~~ a person violates a restraining order, ~~[any]~~ a chapter ~~[administered by]~~ the division
 735 administers, or an injunction granted under this chapter~~[-is violated]~~, the division may submit a
 736 motion for, or the court on ~~[its]~~ the court's own motion, may impose a civil penalty of not more
 737 than \$2,000 for each day a person violates a temporary restraining order, preliminary
 738 injunction or permanent injunction issued under this chapter~~[-is violated]~~, if the ~~[party has~~
 739 ~~received]~~ person receives notice of the restraining or injunctive order.

740 Section 11. Section **13-2-109**, which is renumbered from Section 13-2-8 is renumbered

741 and amended to read:

742 **[13-2-8] 13-2-109 (Effective 05/06/26). Consumer Protection Education and**
743 **Training Fund.**

744 (1) There is created an expendable special revenue fund known as the "Consumer
745 Protection Education and Training Fund."

746 (2)(a) Unless otherwise provided by a chapter listed in Section ~~[13-2-1]~~ 13-2-102, the
747 division shall deposit into the Consumer Protection Education and Training Fund all
748 money not distributed as consumer restitution that ~~[is received by the division]~~ the
749 division receives from:

750 (i) administrative fines and settlements~~[-]~~ ;

751 (ii) ~~[from]~~ criminal restitution~~[-]~~ ; or

752 (iii) ~~[from]~~ civil damages, forfeitures, penalties, and settlements when the division
753 receives the money on ~~[its]~~ the division's own behalf and not in a representative
754 capacity~~[-, shall be deposited into the fund]~~.

755 (b) ~~[Any]~~ The division may maintain any portion of the ~~[fund may be maintained-]~~
756 Consumer Protection Education and Training Fund in an interest-bearing account.

757 (c) ~~[All]~~ The division shall deposit all interest earned on fund money ~~[shall be deposited-]~~
758 into the ~~[fund]~~ Consumer Protection Education and Training Fund.

759 (3) Notwithstanding Title 63J, Chapter 1, Budgetary Procedures Act, the division may use
760 the ~~[fund]~~ Consumer Protection Education and Training Fund with the approval of the
761 executive director of the Department of Commerce in a manner consistent with the
762 duties of the division under this chapter for:

763 (a) consumer protection education for members of the public;

764 (b) equipment for and training of division personnel;

765 (c) publication of consumer protection brochures, laws, policy statements, or other
766 material relevant to the division's enforcement efforts; and

767 (d) investigation and litigation undertaken by the division.

768 (4) If the balance in the ~~[fund]~~ Consumer Protection Education and Training Fund exceeds
769 \$1,000,000 at the close of any fiscal year, the division shall transfer the excess ~~[shall be~~
770 ~~transferred-]~~to the General Fund.

771 Section 12. Section **13-2-110**, which is renumbered from Section 13-2-9 is renumbered
772 and amended to read:

773 **[13-2-9] 13-2-110 (Effective 05/06/26). Internet -- Consumer education.**

774 (1) The Division of Consumer Protection shall, subject to appropriation, contract with a

775 person to make public service announcements advising consumers about the dangers of
776 using the Internet, especially:

- 777 (a) material harmful to minors;
778 (b) steps a consumer may take to learn more about the dangers of using the Internet;
779 (c) information about how a service provider can help a consumer learn more about the
780 dangers of using the Internet, including the service provider's duties created by this
781 bill; and
782 (d) how a consumer can monitor the Internet usage of family members.

783 (2) Money appropriated under Subsection (1) shall be paid by the Division of Consumer
784 Protection to a person only if:

- 785 (a) the person is a nonprofit organization; and
786 (b) the person agrees to spend private money amounting to two times the amount of
787 money provided by the Division of Consumer Protection during each fiscal year in
788 accordance with Subsection (1).

789 (3) In administering any money appropriated for use under this section, the Division of
790 Consumer Protection shall comply with Title 63G, Chapter 6a, Utah Procurement Code.

791 Section 13. Section **13-2-111**, which is renumbered from Section 13-2-10 is renumbered
792 and amended to read:

793 **[13-2-10] 13-2-111 (Effective 05/06/26). Social credit score reporting system --**
794 **Rulemaking -- Referral to other agencies.**

795 (1) As used in this section:

796 [~~(a) "Division" means the Division of Consumer Protection.~~]

797 [~~(b)~~] (a) "Financial institution" means the same as that term is defined in Section 7-1-103.

798 [~~(c)~~] (b) "Social credit score" means the same as that term is defined in Section
799 63G-29-101.

800 (2) The division shall:

- 801 (a) establish and operate a system to receive consumer reports regarding a financial
802 institution's or company's use or creation of a social credit score; and
803 (b) before November 1 of each year, submit a written report to the Business and Labor
804 Interim Committee that summarizes the reports received during the immediately
805 preceding year that indicate a financial institution or company used a social credit
806 score to discriminate against, advocate for, or cause adverse or preferential treatment
807 of a person.

808 (3) The division may:

- 809 (a) make rules in accordance with Title 63G, Chapter 3, Utah Administrative
810 Rulemaking Act, to establish and operate the system described in Subsection (2); and
811 (b) as appropriate, refer a consumer who provides a report through the system described
812 in Subsection (2) to the Department of Financial Institutions or another agency for
813 investigation of the report or other action.

814 Section 14. Section **13-2-112**, which is renumbered from Section 13-2-11 is renumbered
815 and amended to read:

816 **[13-2-11] 13-2-112 (Effective 05/06/26). Publication of consumer complaints.**

817 (1) As used in this section:

- 818 (a) "Consumer complaint" means a complaint that:
819 (i) is provided to the division;
820 (ii) alleges facts relating to conduct that the division regulates under Section ~~[13-2-1]~~
821 13-2-102; and
822 (iii) may contain:
823 (A) information that identifies a respondent; and
824 (B) a narrative description of and information relevant to the conduct described in
825 Subsection (1)(a)(ii).
826 (b) "Consumer narrative" means the narrative description contained in a consumer
827 complaint as described in Subsection (1)(a)(iii)(B).
828 (c) "Filer" means a person who files a consumer complaint.
829 (d) "Respondent" means a person against whom a filer files a consumer complaint.

830 (2)(a) A consumer complaint is a protected record as provided in Subsection
831 63G-2-305(87).

- 832 (b) In carrying out the division's duties, the division may not publicly disclose the
833 identity of a person the division investigates unless:
834 (i) the person's identity becomes a matter of public record in an enforcement
835 proceeding; or
836 (ii) the person consents to public disclosure.

837 (3) Notwithstanding Subsection (2):

- 838 (a) the division may reclassify a consumer complaint as public if:
839 (i)(A) the consumer complaint is one of at least 10 consumer complaints filed with
840 the division against the same person, alleging the same or similar conduct, and
841 during the 12-month period immediately preceding the day on which the filer
842 files the consumer complaint;

- 843 (B) the consumer complaint does not contain information that an agreement with
844 another state or federal agency or a condition of participation in an
845 investigation or litigation requires the division keep confidential;
- 846 (C) the consumer complaint is not classified as controlled, private, or protected as
847 described in Sections 63G-2-302 through 63G-2-305, for a reason other than
848 that identified by Subsection 63G-2-305(87); and
- 849 (D) access to the record is not restricted as described by Subsection
850 63G-2-201(3)(b); or
- 851 (ii) the division takes public enforcement action against a respondent as a result of
852 the consumer complaint; and
- 853 (b) the division may disclose a consumer complaint to the respondent.
- 854 (4) In determining the number of complaints against the same person in accordance with
855 Subsection (3)(a)(i)(A), the division may consider consumer complaints that are filed
856 against multiple entities under common ownership as consumer complaints against the
857 same person.
- 858 (5) A respondent's initial, written response to a consumer complaint that is public under
859 Subsection (3) is a public record.
- 860 (6) Before making a consumer complaint that [~~is reclassified~~] the division reclassifies as
861 public under Subsection (3), or a response described in Subsection (5), available to the
862 public, the division:
- 863 (a) shall redact from the consumer complaint or the response any information that would
864 disclose:
- 865 (i) the filer's:
- 866 (A) address;
- 867 (B) social security number;
- 868 (C) bank account information;
- 869 (D) email address; or
- 870 (E) telephone number; or
- 871 (ii) information similar in nature to the information described in Subsection (6)(a)(i);
872 and
- 873 (b) may redact the filer's name and any other information that could, in the division's
874 judgment, disclose the filer's identity.
- 875 (7) If the division discloses the consumer complaint to the respondent as described in
876 Subsection (3)(b), the division may redact the filer's:

- 877 (a) bank account information;
- 878 (b) social security number;
- 879 (c) name and any other information that could, in the division's judgment, disclose the
- 880 filer's identity, if the filer requests anonymity; and
- 881 (d) other information the disclosure of which constitutes a clearly unwarranted invasion
- 882 of personal privacy.

883 (8) Nothing in this section precludes the division from disclosing a consumer complaint in

884 accordance with Section 63G-2-201.

885 Section 15. Section **13-11-8** is amended to read:

886 **13-11-8 (Effective 05/06/26). Powers of division.**

887 In addition to the authority described in Sections [~~13-2-5~~] 13-2-106 and [~~13-2-6~~] 13-2-107,

888 the division may conduct research, hold public hearings, make inquiries, and publish studies

889 relating to consumer sales acts or practices.

890 Section 16. Section **13-11-16** is amended to read:

891 **13-11-16 (Effective 05/06/26). Investigatory powers of the division.**

- 892 (1) If the division has reason to believe that a person has engaged in, is engaging in, or is
- 893 about to engage in an act or practice that violates this chapter, the division may
- 894 investigate and otherwise act in accordance with Sections [~~13-2-5~~] 13-2-106 and [~~13-2-6~~]
- 895 13-2-107 and other provisions of this chapter.
- 896 (2)(a) If the matter that the division subpoenas is located outside this state, the person
- 897 subpoenaed may either make the matter available to the division at a convenient
- 898 location within the state or pay the reasonable and necessary expenses for the
- 899 division or the division's representative to examine the matter at the place where the
- 900 matter is located.
- 901 (b) The division may designate representatives, including officials of the state in which
- 902 the matter is located, to inspect the matter on the division's behalf, and may respond
- 903 to similar requests from officials of other states.
- 904 (3) Upon failure of a person without lawful excuse to obey a subpoena and upon reasonable
- 905 notice to all persons affected, the division may apply to the court for an order
- 906 compelling compliance.
- 907 (4) In the event a witness asserts a privilege against self-incrimination, testimony and
- 908 evidence from the witness may be compelled in accordance with Title 77, Chapter 22b,
- 909 Grants of Immunity.

910 Section 17. Section **13-11-17** is amended to read:

- 911 **13-11-17 (Effective 05/06/26). Actions by the division.**
- 912 (1) The division may bring an action in a court with jurisdiction to:
- 913 (a) obtain a declaratory judgment that an act or practice violates this chapter;
- 914 (b) enjoin, in accordance with the principles of equity, a supplier that has violated, is
- 915 violating, or is otherwise likely to violate this chapter;
- 916 (c) order disgorgement of money or any thing of value received in violation of this
- 917 chapter;
- 918 (d) recover, for each violation, restitution for actual damages, or obtain relief under
- 919 Subsection (2)(b), on behalf of impacted consumers; and
- 920 (e) obtain a fine in an amount determined after considering the factors in Subsection (6).
- 921 (2)(a) The division may bring a class action on behalf of consumers for the actual
- 922 damages caused by an act or practice specified as violating this chapter in a rule
- 923 adopted by the division under Section 13-11-9 before the consumer transactions on
- 924 which the action is based, or declared to violate Section 13-11-4 or 13-11-5 by final
- 925 judgment of courts of general jurisdiction and appellate courts of this state that was
- 926 either reported officially or made available for public dissemination under Subsection
- 927 13-11-7(1)(c) by the division 10 days before the consumer transactions on which the
- 928 action is based, or, with respect to a supplier who agreed to a consent judgment, was
- 929 prohibited specifically by the terms of a consent judgment that became final before
- 930 the consumer transactions on which the action is based.
- 931 (b)(i) On motion of the division and without bond in an action under this Subsection
- 932 (2), the court may make appropriate orders, including appointment of a master or
- 933 receiver or sequestration of assets, but only if it appears that the defendant is
- 934 threatening or is about to remove, conceal, or dispose of the defendant's property
- 935 to the damage of persons for whom relief is requested.
- 936 (ii) An appropriate order described in Subsection (2)(b)(i) may include an order to:
- 937 (A) reimburse consumers found to have been damaged;
- 938 (B) carry out a transaction in accordance with consumers' reasonable expectations;
- 939 (C) strike or limit the application of unconscionable clauses of contracts to avoid
- 940 an unconscionable result;
- 941 (D) impose a fine in an amount determined after considering the factors listed in
- 942 Subsection (6); or
- 943 (E) grant other appropriate relief.
- 944 (iii) The court may assess the expenses of a master or receiver against a supplier.

- 945 (c) If an act or practice that violates this chapter unjustly enriches a supplier and
946 damages can be computed with reasonable certainty, damages recoverable on behalf
947 of consumers who cannot be located with due diligence shall be transferred to the
948 state treasurer in accordance with Title 67, Chapter 4a, Revised Uniform Unclaimed
949 Property Act.
- 950 (d) If a supplier shows by a preponderance of the evidence that a violation of this
951 chapter resulted from a bona fide error notwithstanding the maintenance of
952 procedures reasonably adapted to avoid the error, recovery under this Subsection (2)
953 is limited to the amount, if any, by which the supplier was unjustly enriched by the
954 violation.
- 955 (3)(a)(i) The division may terminate an investigation or an action other than a class
956 action upon acceptance of the supplier's written assurance of voluntary
957 compliance with this chapter.
- 958 (ii) Acceptance of an assurance may be conditioned on a commitment to reimburse
959 consumers or take other appropriate corrective action.
- 960 (b)(i) An assurance is not evidence of a prior violation of this chapter.
- 961 (ii) Unless an assurance has been rescinded by agreement of the parties or voided by
962 a court for good cause, subsequent failure to comply with the terms of an
963 assurance is prima facie evidence of a violation.
- 964 (4)(a) In addition to other penalties and remedies set out under this chapter, and in
965 addition to the division's other enforcement powers under Chapter 2, Division of
966 Consumer Protection, the division director may issue a cease and desist order and
967 impose an administrative fine of up to \$2,500 for each violation of this chapter.
- 968 (b) All money received through fines imposed under this section shall be deposited in
969 the Consumer Protection Education and Training Fund created by Section [~~13-2-8~~]
970 13-2-109.
- 971 (5)(a) Within 30 days after agency review or, if appealed to a court with jurisdiction, 30
972 days after judicial review of a final division order imposing an administrative fine,
973 the supplier on whom the fine is imposed shall pay the fine in full.
- 974 (b) The unpaid amount of a fine is increased by 10%:
- 975 (i) if the fine has not been paid in full within 60 days after the final division order
976 imposing the fine; and
- 977 (ii) unless the division waives the 10% increase in a stipulated payment plan.
- 978 (6) A court shall determine the fine imposed under Subsection (1)(e) or Subsection

- 979 (2)(b)(ii)(D) after considering the following factors:
- 980 (a) the seriousness, nature, circumstances, extent, and persistence of the conduct
- 981 constituting the violation, including whether the supplier acted knowingly or
- 982 intentionally to deceive;
- 983 (b) the harm to other persons resulting either directly or indirectly from the violation;
- 984 (c) cooperation by the supplier in an inquiry or investigation conducted by the division
- 985 concerning the violation;
- 986 (d) efforts by the supplier to prevent occurrences of the violation;
- 987 (e) efforts by the supplier to mitigate the harm caused by the violation, including a
- 988 reimbursement made to a consumer injured by the act of the supplier;
- 989 (f) the history of previous violations by the supplier;
- 990 (g) the need to deter the supplier or other suppliers from committing the violation in the
- 991 future;
- 992 (h) whether the individual harmed by the violation was a vulnerable adult; and
- 993 (i) other matters as justice may require.

994 Section 18. Section **13-15-102** is amended to read:

995 **13-15-102 (Effective 05/06/26). Definitions.**

996 As used in this chapter:

- 997 (1)(a) "Business opportunity" means an arrangement under which a person:
- 998 (i) sells or leases a product, equipment, a supply, or a service:
- 999 (A) upon payment of initial required consideration of at least \$500; and
- 1000 (B) for the purpose of enabling the buyer or lessee to start a business; and
- 1001 (ii) represents to the buyer or lessee that:
- 1002 (A) the person will provide a location or assist the buyer or lessee find a location
- 1003 for the use or operation of a vending machine, rack, display case, or other
- 1004 similar device, or a currency-operated amusement machine or device, on
- 1005 premises neither owned nor leased by the person nor the buyer or lessee;
- 1006 (B) the person will purchase a product the buyer or lessee makes, produces,
- 1007 fabricates, grows, or modifies, using in whole or in part the product,
- 1008 equipment, supply, or service the buyer or lessee buys or leases from the
- 1009 person;
- 1010 (C) the person will provide the buyer or lessee with a guarantee that the buyer or
- 1011 lessee will receive income from the product, equipment, supply, or service the
- 1012 buyer or lessee buys or leases from the person that exceeds the amount the

- 1013 buyer or lessee pays to buy or lease the product, equipment, supply, or service,
1014 and if not the person will repurchase the product, equipment, supply, or
1015 service, if the buyer or lessee is dissatisfied; or
1016 (D) the buyer or lessee will or may derive income from the business described in
1017 Subsection (1)(a)(i) that exceeds the amount the buyer or lessee pays to buy or
1018 lease the product, equipment, supply, or service.
- 1019 (b) "Business opportunity" does not include:
- 1020 (i) the sale of an ongoing business when the owner of that business sells and intends
1021 to sell only that one business; or
1022 (ii) not-for-profit sale of sales demonstration equipment, materials, or samples for a
1023 total price of \$500 or less.
- 1024 (2) "Division" means the Division of Consumer Protection [~~of the Department of Commerce~~]
1025 established by Section 13-2-102.
- 1026 (3) "Franchise" means the same as that term is defined by Federal Trade Commission rules
1027 governing franchise and business opportunity ventures.
- 1028 (4) "Guarantee" means a written agreement that:
- 1029 (a) a purchaser and seller sign; and
1030 (b) discloses the complete details and each limitation or exception of the agreement.
- 1031 (5)(a) "Initial required consideration" means the total amount a purchaser is obligated to
1032 pay under the terms of a business opportunity:
- 1033 (i) before the day on which the purchaser receives the product, equipment, supply, or
1034 service;
1035 (ii) the day on which the purchaser receives the product, equipment, supply, or
1036 service; or
1037 (iii) within six months after the day on which the purchaser and seller enter into the
1038 business opportunity.
- 1039 (b) "Initial required consideration" includes the sum of any down payment and the total
1040 of all additional payments, if the purchaser's payment under the terms of the business
1041 opportunity is over a period of time.
- 1042 (c) "Initial required consideration" does not include the not-for-profit sale of sales
1043 demonstration equipment, materials, or supplies for a total amount of less than \$500.
- 1044 (6) "Principal" means as the division determines by rule made in accordance with Title
1045 63G, Chapter 3, Utah Administrative Rulemaking Act.
- 1046 (7) "Purchaser" means a person who buys or leases from another person a business

1047 opportunity.

1048 (8) "Registered trademark" or "service mark" means a trademark, trade name, or service
1049 mark registered with the United States Patent and Trademark Office, or Utah, or the
1050 state of incorporation if a corporation.

1051 (9)(a) "Seller" means a person who offers to sell, offers to lease, sells, or leases to
1052 another person a business opportunity or a franchise.

1053 (b) "Seller" does not include an individual representative or salesperson, unless the
1054 individual is a principal of a sole proprietorship, partnership, association, joint
1055 venture, corporation, firm, or other organization or entity used in carrying on a
1056 business, that offers to sell, offers to lease, sells, or leases to another person a
1057 business opportunity or a franchise.

1058 Section 19. Section **13-15-201** is amended to read:

1059 **13-15-201 (Effective 05/06/26). Required filings -- Fees -- Rulemaking.**

1060 (1)(a) Except as provided in Subsection (2), before a person may act as a seller in the
1061 state, the person shall obtain a proof of disclosure receipt from the division.

1062 (b) To obtain a proof of disclosure receipt from the division, a person shall:

1063 (i) file with the division a disclosure statement that complies with Section 13-15-202;

1064 (ii) provide any information the division requires by rule made in accordance with

1065 Title 63G, Chapter 3, Utah Administrative Rulemaking Act; and

1066 [~~ii~~] (iii) pay a filing fee as determined by the division in accordance with Section
1067 63J-1-504.

1068 (c) A proof of disclosure receipt is valid for one year after the day on which the division
1069 issues the receipt.

1070 (d) To renew a proof of disclosure receipt, a seller shall comply with the provisions of
1071 Subsection (1)(b) at least 30 days before the day on which the seller's current proof of
1072 disclosure receipt expires.

1073 (2)(a) Before a person offers for sale or sells a franchise to be located in the state or to a
1074 resident of the state, the person shall obtain a proof of notice receipt from the division.

1075 (b) To obtain a proof of notice receipt from the division, a person shall:

1076 (i) file with the division, in a manner the division determines, a notice that states:

1077 (A) the franchisor is in substantial compliance with the requirements of the

1078 Federal Trade Commission rule found at Title 16, Chapter I, Subchapter d,

1079 Trade Regulation Rules, Part 436, Disclosure Requirements and Prohibitions

1080 Concerning Franchising;

- 1081 (B) the name of the applicant;
- 1082 (C) the name of the franchise;
- 1083 (D) the name under which the applicant intends to transact or transacts business, if
- 1084 different than the name of the franchise;
- 1085 (E) the address of the applicant's principal place of business;[~~and~~]
- 1086 (F) the applicant's state-issued business entity number or other government-issued,
- 1087 publicly available identifying number; and
- 1088 (G) any information that the division requires by rule made in accordance with
- 1089 Title 63G, Chapter 3, Utah Administrative Rulemaking Act; and
- 1090 (ii) pay a filing fee[~~determined by~~] the division sets in accordance with Section
- 1091 63J-1-504[~~, not to exceed \$100~~].
- 1092 (c) A seller who does not qualify for a proof notice receipt under this Subsection (2) is
- 1093 subject to Subsection (1).
- 1094 (d) A proof of notice receipt is valid for one year after the day on which the division
- 1095 issues the receipt.
- 1096 (e) To renew a proof of notice receipt, a person offering for sale or selling a franchise to
- 1097 be located in the state or to a resident of the state, shall comply with the provisions of
- 1098 Subsection (2)(b) at least 30 days before the day on which the person's current proof
- 1099 of notice receipt expires.
- 1100 (3) The division shall deposit all fees collected under this section into the Commerce
- 1101 Service Account created in Section 13-1-2.
- 1102 (4) The division may make rules in accordance with Title 63G, Chapter 3, Utah
- 1103 Administrative Rulemaking Act, to carry out the provisions of this section.
- 1104 (5) If information contained in a filing with the division becomes incorrect or incomplete,
- 1105 the filer shall update the information within 30 days after the day on which the
- 1106 information contained on the filing becomes incorrect or incomplete.
- 1107 (6) A proof of disclosure receipt or a proof of notice receipt does not constitute an approval
- 1108 or endorsement of the seller by the division or the state.
- 1109 (7) A seller may not:
- 1110 (a) represent the division or the state endorses or approves the seller;
- 1111 (b) omit from a filing with the division a material statement of fact required by this
- 1112 chapter or rule made by the division in accordance with this chapter; or
- 1113 (c) include in a filing with the division a material statement of fact that the seller or the
- 1114 seller's principal knew or should have known is false, deceptive, inaccurate, or

1115 misleading.

1116 Section 20. Section **13-15-301** is amended to read:

1117 **13-15-301 (Effective 05/06/26). Administration and enforcement -- Powers --**
 1118 **Legal counsel -- Fees.**

1119 (1) The division shall administer and enforce the provisions of this chapter in accordance
 1120 with Chapter 2, Division of Consumer Protection.

1121 [~~(2) The attorney general, upon request, shall give legal advice to, and act as counsel for,~~
 1122 ~~the division in the exercise of the division's responsibilities under this chapter.]~~

1123 [~~(3)~~] (2)(a) In addition to the division's enforcement powers under Chapter 2, Division of
 1124 Consumer Protection:

1125 (i) the division director may impose an administrative fine of up to \$2,500 for each
 1126 violation of this chapter; and

1127 (ii) the division may bring an action in a court of competent jurisdiction to enforce a
 1128 provision of this chapter.

1129 (b) In a court action by the division to enforce a provision of this chapter, the court may:

1130 (i) declare that an act or practice violates a provision of this chapter;

1131 (ii) issue an injunction for a violation of this chapter;

1132 (iii) order disgorgement of any money received in violation of this chapter;

1133 (iv) order payment of disgorged money to an injured purchaser or consumer;

1134 (v) impose a fine of up to \$2,500 for each violation of this chapter; or

1135 (vi) award any other relief that the court deems reasonable and necessary.

1136 [~~(4)~~] (3) If a court of competent jurisdiction grants judgment or injunctive relief to the
 1137 division, the court shall award the division:

1138 (a) reasonable attorney fees;

1139 (b) court costs; and

1140 (c) investigative fees.

1141 [~~(5)~~] (4)(a) A person who violates an administrative or court order issued for a violation
 1142 of this chapter is subject to a civil penalty of no more than \$5,000 for each violation.

1143 (b) A civil penalty authorized under this section may be imposed in any civil action
 1144 brought by [~~the attorney general on behalf of~~]the division.

1145 [~~(6) All money received for the payment of a fine or civil penalty imposed under this~~
 1146 ~~section shall be deposited into the Consumer Protection Education and Training Fund~~
 1147 ~~created in Section 13-2-8.]~~

1148 Section 21. Section **13-15-303** is enacted to read:

1149 **13-15-303 (Effective 05/06/26). Denial, suspension, or revocation of proof of**
 1150 **disclosure receipt or proof of notice receipt.**

1151 In accordance with Chapter 2, Division of Consumer Protection, and Title 63G, Chapter
 1152 4, Administrative Procedures Act, the division may initiate adjudicative proceedings to deny,
 1153 suspend, or revoke, a proof of disclosure receipt or proof of notice receipt if:

1154 (1) the division finds that the denial, suspension, or revocation is in the public interest; and

1155 (2)(a) the filing is incomplete, false, or misleading; or

1156 (b) the seller or seller's principal:

1157 (i) violates, causes a violation, or allows a violation or fails to satisfy the
 1158 requirements of a provision of:

1159 (A) this chapter; or

1160 (B) a rule the division makes in accordance with this chapter;

1161 (ii) violates Chapter 11, Utah Consumer Sales Practices Act;

1162 (iii) is enjoined by a court, or is the subject of an administrative or judicial order
 1163 issued in Utah or another state, if the order:

1164 (A) includes a finding or admission of fraud, breach of fiduciary duty, or material
 1165 misrepresentation; or

1166 (B) is based on a finding of a lack of integrity, truthfulness, or mental competence;

1167 (iv) is convicted of a crime involving theft, fraud, or dishonesty;

1168 (v) obtains or attempts to obtain a proof of disclosure receipt or proof of notice
 1169 receipt by misrepresenting a material fact;

1170 (vi) fails to provide information the division requests;

1171 (vii) fails to pay an administrative fine imposed by the division or an administrative
 1172 or judicial order; or

1173 (viii) fails to pay the fee to file a registration application or a renewal application.

1174 Section 22. Section **13-21-101**, which is renumbered from Section 13-21-2 is renumbered
 1175 and amended to read:

1176 **Part 1. General Provisions**

1177 **[13-21-2] 13-21-101 (Effective 05/06/26). Definitions -- Exemptions.**

1178 As used in this chapter:

1179 (1) "Buyer" means an individual who is solicited to purchase or who purchases the services
 1180 of a credit services organization.

1181 (2) "Credit report" means a written, oral, or other communication of information by a
 1182 consumer reporting agent relating to a consumer's credit worthiness, credit standing,

1183 credit capacity, character, general reputation, personal characteristics, or mode of living
 1184 that the consumer reporting agent uses or collects to serve as a factor in establishing the
 1185 consumer's eligibility for credit for personal, family, or household purposes.

1186 [~~2~~] (3) "Credit reporting agency" means a person who, for a monetary fee, dues, or on a
 1187 cooperative nonprofit basis, regularly engages in whole or in part in the practice of
 1188 assembling or evaluating consumer credit information or other information on
 1189 consumers for the purpose of furnishing consumer reports to third persons.

1190 (4)(a) "Credit score" means a numerical value or a categorization that a person:

- 1191 (i) derives from information in a consumer report;
- 1192 (ii) derives from a statistical tool or modeling system; and
- 1193 (iii) develops to predict the likelihood of credit behavior.

1194 (b) "Credit score" includes:

- 1195 (i) a risk predictor; or
- 1196 (ii) a risk score.

1197 [~~3~~] (5)(a) "Credit services organization" means a person who represents that the person
 1198 or an employee is a debt professional or credit counselor, or, with respect to the
 1199 extension of credit by others, sells, provides, or performs, or represents that the
 1200 person can or will sell, provide, or perform, in return for the payment of money or
 1201 other valuable consideration any of the following services:

- 1202 (i) improving a buyer's credit record, history, or rating;
- 1203 (ii) providing advice, assistance, instruction, or instructional materials to a buyer with
 1204 regard to Subsection [~~3~~](a)(i); or
- 1205 (iii) debt reduction or debt management plans.

1206 (b) "Credit services organization" does not include:

- 1207 (i) a person authorized to make loans or extensions of credit under the laws of this
 1208 state or the United States who is subject to regulation and supervision by this state
 1209 or the United States and who derives at least 35% of the person's income from
 1210 making loans and extensions of credit;
- 1211 (ii) a depository institution:
 - 1212 (A) as defined in Section 7-1-103; or
 - 1213 (B) that is regulated or supervised by the Federal Deposit Insurance Corporation
 1214 or the National Credit Union Administration;
- 1215 (iii) a person licensed as a principal broker under Title 61, Chapter 2f, Real Estate
 1216 Licensing and Practices Act, if the person is acting within the course and scope of

- 1217 that license;
- 1218 (iv) a person licensed to practice law in this state if:
- 1219 (A) the person renders the services described in Subsection [~~(3)~~(a)] (5)(a) within
- 1220 the course and scope of the person's practice as an attorney; and
- 1221 (B) the services described in Subsection [~~(3)~~(a)] (5)(a) are incidental to the
- 1222 person's practice as an attorney;
- 1223 (v) a broker-dealer registered with the Securities and Exchange Commission or the
- 1224 Commodity Futures Trading Commission if the broker-dealer is acting within the
- 1225 course and scope of that regulation;
- 1226 (vi) a credit reporting agency if the services described in Subsection [~~(3)~~(a)] (5)(a) are
- 1227 incidental to the credit reporting agency's services; or
- 1228 (vii) a person who provides debt-management services and is required to be
- 1229 registered under Title 13, Chapter 42, Uniform Debt-Management Services Act.

1230 (6) "Division" means the Division of Consumer Protection established in Section 13-2-102.

1231 [~~(4)~~] (7) "Extension of credit" means the right to defer payment of debt or to incur debt and

1232 defer its payment, offered or granted primarily for personal, family, or household

1233 purposes.

1234 Section 23. Section **13-21-102**, which is renumbered from Section 13-21-3 is renumbered

1235 and amended to read:

1236 **[13-21-3] 13-21-102 (Effective 05/06/26). Credit services organizations --**

1237 **Prohibitions.**

- 1238 (1) A credit services organization, [its] the credit services organization's salespersons,
- 1239 agents, and representatives, and independent contractors who sell or attempt to sell the
- 1240 services of a credit services organization may not do any of the following:
- 1241 (a) conduct any business regulated by this chapter without first:
- 1242 (i) securing a certificate of registration from the division; and
- 1243 (ii) unless exempted under Section [~~13-21-4, posting a bond, letter of credit, or~~
- 1244 ~~certificate of deposit with the division in the amount of \$100,000]~~ 13-21-104,
- 1245 maintaining the following in a manner the division approves and in an amount of
- 1246 \$100,000:
- 1247 (A) a surety bond issued by a surety authorized to transact surety business in the
- 1248 state; or
- 1249 (B) a certificate of deposit in a financial institution authorized under the laws of
- 1250 this state;

- 1251 ~~[(b) make a false statement, or fail to state a material fact, in connection with an~~
1252 ~~application for registration with the division;]~~
- 1253 ~~[(e)]~~ (b) charge or receive any money or other valuable consideration prior to full and
1254 complete performance of the services the credit services organization has agreed to
1255 perform for the buyer;
- 1256 ~~[(d)]~~ (c) dispute or challenge, or assist a person in disputing or challenging an entry in a
1257 credit report prepared by a consumer reporting agency without a factual basis for
1258 believing and obtaining a written statement for each entry from the person stating that
1259 that person believes that the entry contains a material error or omission, outdated
1260 information, inaccurate information, or unverifiable information;
- 1261 ~~[(e)]~~ (d) charge or receive any money or other valuable consideration solely for referral
1262 of the buyer to a retail seller who will or may extend credit to the buyer, if the credit
1263 that is or will be extended to the buyer is upon substantially the same terms as those
1264 available to the general public;
- 1265 ~~[(f)]~~ (e) make, or counsel or advise any buyer to make, any statement that is untrue or
1266 misleading and that is known, or that by the exercise of reasonable care should be
1267 known, to be untrue or misleading, to a credit reporting agency or to any person who
1268 has extended credit to a buyer or to whom a buyer is applying for an extension of
1269 credit, with respect to a buyer's creditworthiness, credit standing, or credit capacity;
- 1270 ~~[(g)]~~ (f) make or use any untrue or misleading representations in the offer or sale of the
1271 services of a credit services organization or engage, directly or indirectly, in any act,
1272 practice, or course of business that operates or would operate as fraud or deception
1273 upon any person in connection with the offer or sale of the services of a credit
1274 services organization; ~~[-and]~~
- 1275 (g) represent that the division or the state endorses or approves the credit services
1276 organization;
- 1277 (h) omit from a filing with the division a material statement of fact required by this
1278 chapter or rule that the division makes in accordance with this chapter;
- 1279 (i) include in a filing with the division a material statement of fact that the credit service
1280 organization or credit service organization's principal knew or should have known to
1281 be false, deceptive, inaccurate, or misleading; or
- 1282 (j) cause or attempt to cause a buyer to waive a right established by this chapter.
- 1283 ~~[(h) transact any business as a credit services organization, as defined in Section 13-21-2,~~
1284 ~~without first having registered with the division by paying an annual fee set pursuant~~

1285 to Section 63J-1-504 and filing proof that it has obtained a bond or letter of credit as
1286 required by Subsection (2).]

1287 (2)(a) The division may claim a credit service organization's surety bond or certificate of
1288 deposit for the benefit of a buyer who incurs damages as the result of the credit
1289 service organization's failure to comply with this chapter.

1290 (b) After a buyer described in Subsection (2) recovers actual damages, the division may
1291 recover from the surety bond or certificate of deposit any administrative fines, civil
1292 penalties, investigative costs, attorney fees, and other costs of collecting and
1293 distributing funds in accordance with this chapter.

1294 [~~(2)(a) A bond, letter of credit from a Utah depository, or certificate of deposit posted~~
1295 ~~with the division shall be used to cover the losses of any person arising from a~~
1296 ~~violation of this chapter by the posting credit services organization. A bond, letter of~~
1297 ~~credit, or certificate of deposit may also be used to satisfy administrative fines and~~
1298 ~~civil damages arising from any enforcement action against the posting credit service~~
1299 ~~organization.]~~

1300 [~~(b) A bond, letter of credit, or certificate of deposit shall remain in force:]~~

1301 [~~(i) until replaced by a bond, letter of credit, or certificate of deposit of identical or~~
1302 ~~superior coverage; or]~~

1303 [~~(ii) for one year after the credit servicing organization notifies the division in writing~~
1304 ~~that it has ceased all activities regulated by this chapter.]~~

1305 Section 24. Section **13-21-103**, which is renumbered from Section 13-21-3.5 is renumbered
1306 and amended to read:

1307 **~~[13-21-3.5] 13-21-103 (Effective 05/06/26). Registration and suspension of~~**
1308 **~~registration.~~**

1309 (1) A credit services organization shall file an application for registration with the division
1310 before engaging in any activity regulated by this chapter.

1311 (2) [~~—]The credit services organization shall include in the application [shall include]~~
1312 ~~described in Subsection (1):~~

1313 (a) the name, [~~complete~~] mailing and physical address, and telephone number of the
1314 credit services organization;

1315 (b) the name of [~~any~~] a person [~~who~~] that owns or controls more than 5% of the credit
1316 services organization, either directly or through another person or entity;

1317 (c) the name of any individual who is responsible for the day-to-day operation of the
1318 credit services organization;

- 1319 (d) the credit service organization's registered agent for service of process in the state,
 1320 and the registered agent's:
- 1321 (i) name;
 1322 (ii) street address;
 1323 (iii) mailing address; and
 1324 (iv) telephone number;
- 1325 ~~[(d)]~~ (e)(i) the case title, docket number, the names and addresses of all parties, and a
 1326 detailed explanation of any administrative, civil, or criminal action in which the
 1327 organization or any person identified in Subsection ~~[(1)(b)]~~ (2)(b) or (c) is a party
 1328 to an administrative, civil, or criminal action that arose in this state or any other
 1329 jurisdiction involving the offer to provide or the provision of services described in
 1330 Subsection ~~[Section 13-21-2(3)(a)]~~ 13-21-101(5)(a); or
- 1331 (ii) ~~[a notarized statement of the-]~~ an unsworn declaration made in accordance with
 1332 Title 78B, Chapter 18a, Uniform Unsworn Declarations Act, made by the credit
 1333 services organization's chief executive officer or principal that neither the
 1334 organization nor any person identified in Subsection ~~[(1)(b)]~~ (2)(b) or (c) is a party
 1335 to any administrative, civil, or criminal action described in Subsection ~~[(1)(d)(i)]~~
 1336 (2)(e)(i);
- 1337 ~~[(e)]~~ (f) a detailed outline of the credit services organization's credit services program ~~[to~~
 1338 be offered in] that the credit services organization will offer in this state~~[-, including~~
 1339 two copies of any contract, form, sales literature, or other relevant document that will
 1340 be used by the organization; and] ;
- 1341 (g) a copy of any contract and other document that the credit services organization
 1342 requires the consumer to sign;
- 1343 ~~[(f)]~~ (h) a ~~[reasonable-]~~registration fee ~~[to be-]~~determined by the division~~[-]~~ ; and
- 1344 (i) any information that the division requires by rule made in accordance with Title 63G,
 1345 Chapter 3, Administrative Rulemaking Act.
- 1346 (3) A credit services organization shall update registration information within 30 days after
 1347 the day on which any information the credit services organization provided on the
 1348 application described in Subsection (1) becomes incorrect or incomplete.
- 1349 (4) In accordance with Chapter 2, Division of Consumer Protection, and Title 63G, Chapter
 1350 4, Administrative Procedures Act, the division may initiate adjudicative proceedings to
 1351 deny, suspend, or revoke an application or registration if:
- 1352 (a) the division finds that the denial, suspension, or revocation is in the public interest;

- 1353 and
- 1354 (b)(i) the registration is incomplete, false, or misleading; or
- 1355 (ii) the applicant or applicant's principal:
- 1356 (A) violates, causes a violation, allows a violation, or fails to satisfy the
- 1357 requirements of a provision of this chapter or a rule made by the division in
- 1358 accordance with this chapter;
- 1359 (B) violates Chapter 11, Utah Consumer Sales Practices Act;
- 1360 (C) is enjoined by a court;
- 1361 (D) is the subject of an administrative or judicial order issued in Utah or another
- 1362 state, if the order includes a finding or admission of fraud, breach of fiduciary
- 1363 duty, or material representation or the order was based on a finding of a lack of
- 1364 integrity, truthfulness, or mental competence;
- 1365 (E) is convicted of a crime involving theft, fraud, or dishonesty;
- 1366 (F) obtains or attempts to obtain a registration by misrepresenting a material fact;
- 1367 (G) fails to provide information that the division requests;
- 1368 (H) fails to pay an administrative fine imposed by the division or an
- 1369 administrative or a judicial order; or
- 1370 (I) fails to pay the fee to file a registration application or a renewal application.
- 1371 (5) To renew a registration, a credit services organization shall submit a registration
- 1372 application at least 30 days before the day on which the credit service organization's
- 1373 current registration expires.
- 1374 (6) A credit services organization's registration is effective for one year after the day on
- 1375 which the division issues the credit services organization's registration.
- 1376 (7) A credit services organization obtaining a registration in accordance with this section
- 1377 does not constitute an approval or endorsement of the credit services organization by the
- 1378 division or the state.
- 1379 ~~[(2) The division may deny, suspend, or revoke a registration under this chapter if:]~~
- 1380 ~~[(a) a credit services organization has engaged, or is engaging in a violation of this~~
- 1381 ~~chapter; or]~~
- 1382 ~~[(b) a person described in Subsection (1)(b) or (c) has been found in an administrative,~~
- 1383 ~~civil, or criminal action in any jurisdiction to have violated a law relating to the offer~~
- 1384 ~~to provide or provision of the types of services described in Subsection 13-21-2(3)(a).]~~
- 1385 Section 25. Section **13-21-104**, which is renumbered from Section 13-21-4 is renumbered
- 1386 and amended to read:

1387 ~~[13-21-4]~~ **13-21-104 (Effective 05/06/26). Surety bond or certificate of deposit --**
 1388 **Not required of agent if obtained by organization.**

1389 (1) If a credit services organization ~~[has obtained]~~ obtains a surety bond~~[, letter of credit,]~~ or
 1390 certificate of deposit as ~~[set forth]~~ described in Subsection ~~[13-21-3(1)]~~ 13-21-102(1), a
 1391 salesperson, agent, or representative who sells the services of that organization is not
 1392 required to post a separate surety bond~~[, letter of credit,]~~ or certificate of deposit.

1393 (2) ~~[As used in]~~ For purposes of this section, a person is ~~[not]~~ a salesperson, agent, or
 1394 representative of a credit services organization ~~[unless]~~ if:

1395 (a) the person does business under the same name as the credit services organization; or

1396 (b) the credit services organization and the issuer of the surety bond or ~~[letter of credit]~~
 1397 certificate of deposit certify in writing that the surety bond or ~~[letter of credit]~~
 1398 certificate of deposit covers the person.

1399 Section 26. Section **13-21-105**, which is renumbered from Section 13-21-5 is renumbered
 1400 and amended to read:

1401 ~~[13-21-5]~~ **13-21-105 (Effective 05/06/26). Written information statement**
 1402 **required.**

1403 (1) Before the execution of a contract or agreement between the buyer and a credit
 1404 services organization or before the receipt by the credit services organization of any
 1405 money or other valuable consideration, whichever occurs first, the credit services
 1406 organization shall provide the buyer with a statement in writing, containing all the
 1407 information required by Section ~~[13-21-6]~~ 13-21-106.

1408 (2) ~~[The]~~ A credit services organization shall maintain on file for a period of two years an
 1409 exact copy of the statement described in Subsection (1), personally signed by the buyer,
 1410 acknowledging receipt of a copy of the statement.

1411 Section 27. Section **13-21-106**, which is renumbered from Section 13-21-6 is renumbered
 1412 and amended to read:

1413 ~~[13-21-6]~~ **13-21-106 (Effective 05/06/26). Contents of statement.**

1414 The information statement required under Section ~~[13-21-5]~~ 13-21-105 shall include all
 1415 of the following:

1416 (1) a complete and accurate statement of the buyer's right to review any file on the buyer [
 1417 ~~maintained by any]~~ a credit reporting agency maintains, as provided under 15 U.S.C.
 1418 Sec. 1681 et seq., as amended, the Fair Credit Reporting Act;

1419 (2) a statement that the credit reporting agency that issued a report upon which a credit
 1420 denial was based shall conduct a review of the file on the buyer ~~[will be conducted]~~ free

- 1421 of charge~~[by the credit reporting agency that issued a report upon which a credit denial~~
 1422 ~~was based]~~, if requested within 30 days ~~[of the buyer receiving]~~ after the day on which
 1423 the buyer receives a notice of a denial of credit;
- 1424 (3) the approximate price a credit reporting agency will charge the buyer ~~[will be charged~~
 1425 ~~by a credit reporting agency]~~for a copy of the file on the buyer;
- 1426 (4) a complete and accurate statement of the buyer's right to dispute the completeness or
 1427 accuracy of any item contained in any file on the buyer ~~[maintained by any credit~~
 1428 ~~reporting agency]~~ that a credit reporting agency maintains;
- 1429 (5) a complete and detailed description of the services ~~[to be performed by]~~the credit
 1430 services organization will perform for the buyer and the total amount the buyer will have
 1431 to pay, or become obligated to pay, for the services;
- 1432 (6) a statement asserting the buyer's right to proceed against the surety bond or trust account
 1433 required under Section ~~[13-21-3]~~ 13-21-102; and
- 1434 (7) the name and address of the surety company which issued the surety bond, or the name
 1435 and address of the depository and the trustee and the account number of the trust account.

1436 Section 28. Section **13-21-107**, which is renumbered from Section 13-21-7 is renumbered
 1437 and amended to read:

1438 **[13-21-7] 13-21-107 (Effective 05/06/26). Written contracts required -- Contents**
 1439 **-- Notice of cancellation of contract.**

- 1440 (1) ~~[Each]~~ A contract between the buyer and a credit services organization for the purchase
 1441 of the services of the credit services organization shall be in writing, dated, signed by the
 1442 buyer, and include all of the following:
- 1443 (a) a conspicuous statement in bold type, in immediate proximity to the space reserved
 1444 for the signature of the buyer, as follows: "You, the buyer, may cancel this contract at
 1445 any time prior to midnight of the fifth day after the date of the transaction. See the
 1446 attached notice of cancellation form for an explanation of this right.";
- 1447 (b) the terms and conditions of payment, including the total of all payments to be made
 1448 by the buyer, whether to the credit services organization or to some other person;
- 1449 (c) a full and detailed description of the services ~~[to be performed by]~~the credit services
 1450 organization will perform for the buyer, including all guarantees and all promises of
 1451 full or partial refunds, and the estimated date by which the credit services
 1452 organization will perform the services~~[-are to be performed]~~, or estimated length of
 1453 time for performing the services; and
- 1454 (d) the credit services organization's principal business address and the name and

1455 address of its agent, in Utah, authorized to receive service of process.

1456 (2) The contract shall be accompanied by a completed form in duplicate, captioned "Notice of
1457 Cancellation," which shall be attached to the contract and easily detachable, and which shall
1458 contain in bold type the following statement written in the same language as used in the
1459 contract: "Notice of Cancellation

1460 You may cancel this contract, without any penalty or obligation, within five days from
1461 the date the contract is signed.

1462 If you cancel, any payment made by you under this contract will be returned within 10
1463 days following receipt by the seller of your cancellation notice.

1464 To cancel this contract, mail or deliver a signed dated copy of this cancellation notice, or
1465 any other written notice, to _____ (name of [seller] credit services organization) _____ at
1466 _____ (address of [seller] credit services organization) _____ (place of business) _____ not later
1467 than midnight _____ (date) _____.

1468 I hereby cancel this transaction.

1469 _____ (date) _____

1470 _____
1471 (purchaser's signature)"

1472 (3) The credit services organization shall give to the buyer:

1473 (a) a copy of the completed contract; and

1474 (b) [-]all other documents the credit services organization requires the buyer to sign at
1475 the time [they are signed] the buyer signs the documents.

1476 Section 29. Section **13-21-108**, which is renumbered from Section 13-21-7.5 is renumbered
1477 and amended to read:

1478 **~~[13-21-7.5]~~ 13-21-108 (Effective 05/06/26). Required disclosures.**

1479 [(1) As used in this section:]

1480 [(a) "Consumer reporting agency" means the same as that term is defined in Section
1481 13-45-102.]

1482 [(b) "Credit report" means the same as that term is defined in Section 13-45-102.]

1483 [(c) "Credit score" means the same as that term is defined in Section 31A-22-320.]

1484 [(2)] When a [econsumer]-credit services organization provides a credit report to a buyer, the
1485 credit services organization shall provide to the buyer a written disclosure that identifies:

1486 [(a)] (1) the [econsumer] credit reporting agency providing the information in the report;

1487 [(b)] (2) the name of the credit score model [used by]-the credit reporting agency uses to
1488 calculate the credit score; and

1489 [(c)] (3) the minimum and maximum possible scores under the credit score model [used by-]

1491 the credit reporting agency uses in the credit report.

1492 Section 30. Section **13-21-109**, which is renumbered from Section 13-21-8 is renumbered
1493 and amended to read:

1494 **[13-21-8] 13-21-109 (Effective 05/06/26). Burden of proving exception --**
1495 **Penalties -- Court's criminal and equitable jurisdiction -- Prosecution.**

1496 (1)~~[(a) Any] A~~ waiver by a buyer of ~~[any] a~~ part of this chapter is void.

1497 ~~[(b) Any attempt by a credit services organization to have a buyer waive rights given by~~
1498 ~~this chapter is a violation of this chapter.]~~

1499 (2) In ~~[any] a~~ proceeding ~~[involving] under~~ this chapter, the person claiming the exemption
1500 or exception has the burden of proving an exemption or an exception from a definition[
1501 is upon the person claiming the exemption or exception].

1502 (3)(a) ~~[Any] A~~ person who violates this chapter is guilty of a class A misdemeanor.

1503 (b) A court with jurisdiction under Title 78A, Judiciary and Judicial Administration,
1504 may restrain and enjoin a violation of this chapter.

1505 (4) The attorney general, ~~[any] a~~ county attorney, ~~[any] a~~ district attorney, or ~~[any] a~~ city
1506 attorney may prosecute misdemeanor actions or institute injunctive or civil proceedings,
1507 or both, under this chapter.

1508 (5) The remedies, duties, prohibitions, and penalties of this chapter are not exclusive and
1509 are in addition to all other causes of action, remedies, and penalties provided by law.

1510 (6)~~[(a)] In addition to [other penalties under this section, the division director may issue~~
1511 ~~a cease and desist order and impose an administrative fine of up to \$2,500 for each~~
1512 ~~violation of this chapter.] the division's enforcement powers described in Chapter 2,~~
1513 Division of Consumer Protection, the division may:

1514 (a) impose an administrative fine of up to \$2,500 for each violation of this chapter; and

1515 (b) bring an action in a court with jurisdiction to enforce a provision of this chapter.

1516 ~~[(b) All money received through administrative fines imposed under this section shall be~~
1517 ~~deposited into the Consumer Protection Education and Training Fund created by~~
1518 ~~Section 13-2-8.]~~

1519 (7) In an action described in Subsection (6)(b), a court may:

1520 (a) declare that an act or a practice violates a provision of this chapter;

1521 (b) issue an injunction for a violation of this chapter;

1522 (c) order disgorgement of any money received in violation of this chapter;

1523 (d) order payment of disgorged money to an injured purchaser or consumer;

1524 (e) impose a fine of up to \$2,500 for each violation of this chapter; and

1525 (f) award any other relief the court deems reasonable and necessary.

1526 Section 31. Section **13-21-110**, which is renumbered from Section 13-21-9 is renumbered
1527 and amended to read:

1528 **[13-21-9] 13-21-110 (Effective 05/06/26). Damages -- Punitive damages --**
1529 **Attorney fees and costs -- Remedies.**

1530 (1) ~~[Any]~~ A buyer injured by a violation of this chapter may bring any action for recovery of
1531 damages.

1532 (2) ~~[Judgment shall be entered]~~ In an action brought by a buyer in accordance with
1533 Subsection (1):

1534 (a) a court shall enter judgment for actual damages, [but in no case less than] that the
1535 court shall determine as at least the amount paid by the buyer to the credit services
1536 organization, plus reasonable [attorneys'] attorney fees and costs[-]; and

1537 (b) ~~[An award may also be entered for]~~ the court may award the buyer punitive damages.

1538 ~~[(2)]~~ (3) The remedies provided under this chapter are in addition to any other procedures or
1539 remedies for ~~[any]~~ a violation or conduct provided for in any other law.

1540 ~~[(3)]~~ (4)(a) The ~~[Division of Consumer Protection]~~ division may maintain an action for
1541 damages or injunctive relief on behalf of [itself] the division or ~~[any other]~~ another
1542 person to enforce compliance with this chapter.

1543 (b) ~~[Any]~~ A court shall include in a judgment [granted] the court grants in favor of the
1544 division~~[shall include]~~, in addition to any other monetary award or injunctive relief,
1545 an award of reasonable ~~[attorneys']~~ attorney fees, court costs, and costs of
1546 investigation.

1547 Section 32. Section **13-22-101**, which is renumbered from Section 13-22-2 is renumbered
1548 and amended to read:

1549 **Part 1. General Provisions**

1550 **[13-22-2] 13-22-101 (Effective 05/06/26). Definitions.**

1551 As used in this chapter:

1552 (1) "Chapter" means a chapter, branch, area, office, or similar affiliate of a charitable
1553 organization.

1554 (2)(a) "Charitable organization" ~~[or "organization"]~~ means any person, joint venture,
1555 partnership, limited liability company, corporation, association, group, or other entity
1556 that:

1557 (i) ~~[who-]is or [holds itself out]~~ claims to be[:]

1558 ~~[(A) a benevolent, educational, voluntary health, philanthropic, humane, patriotic,~~

- 1559 religious or eleemosynary, social welfare or advocacy, public health,
 1560 environmental or conservation, or civic organization;]
- 1561 [(B) for the benefit of a public safety, law enforcement, or firefighter fraternal
 1562 association; or]
- 1563 [(C) established for any charitable purpose;
- 1564 (ii) [who] solicits or obtains contributions solicited from the public for a charitable
 1565 purpose; or
- 1566 (iii) [in any manner] employs a charitable appeal as the basis of [any] a charitable
 1567 solicitation or employs an appeal that reasonably suggests or implies that there is a
 1568 charitable purpose to [any] a charitable solicitation.
- 1569 (b) "Charitable organization" includes a chapter or a person who solicits contributions
 1570 within the state for a charitable organization.
- 1571 (c) "Charitable organization" does not include a political organization.
- 1572 (3) "Charitable purpose" means:
- 1573 (a) [-]any benevolent, educational, philanthropic, humane, patriotic, religious,
 1574 eleemosynary, social welfare or advocacy, public health, environmental,
 1575 conservation, civic, or other charitable objective; or
- 1576 (b) for the benefit of a public safety, law enforcement, or firefighter fraternal association.
- 1577 (4) "Charitable sales promotion" means an advertising or sales campaign, conducted by a
 1578 commercial co-venturer, [which] that represents that the purchase or use of goods or
 1579 services [offered by] that the commercial co-venturer offers will benefit, in whole or in
 1580 part, a charitable organization or purpose.
- 1581 (5)(a) [~~"Charitable solicitation" or "solicitation"~~] "Charitable solicitation" means [any] a
 1582 person's request, directly or indirectly, for money, credit, property, financial
 1583 assistance, or [any other] another thing of value based on the plea or representation
 1584 that [it will be used] the person will use the money, credit, property, financial
 1585 assistance, or any other thing of value for a charitable purpose.
- 1586 (b) [~~"Charitable solicitation" or "solicitation"~~] "Charitable solicitation" includes:
- 1587 (i) any of the following done, or purporting to be done, for a charitable purpose:
- 1588 (A) [any] an oral or a written request, including [any] a request by telephone,
 1589 radio, television, or other advertising or communications media;
- 1590 (B) the distribution, circulation, or posting of [any] a handbill, written
 1591 advertisement, or publication; or
- 1592 (C) an application or other request for a [a] private grant or, if made by an

- 1593 individual, a public grant;~~[-or]~~
- 1594 (ii) the sale of, offer or attempt to sell, or request of donations in exchange for any
 1595 advertisement, membership, subscription, or other article in connection with
 1596 which ~~[any] a person makes an appeal [is made for any]~~ for a charitable purpose;
- 1597 (iii) ~~[-or the-]~~ a person's use of the name of [any] a charitable organization or
 1598 movement as an inducement or reason for making [any] a purchase or donation[-] ;
 1599 or[-]
- 1600 (iv) in connection with ~~[any] a sale or donation, a person~~ stating or implying that the [
 1601 whole] person will give or donate all or [any] a part of the proceeds of [any] a sale
 1602 or donation [will go to or be donated] to [any] a charitable purpose.
- 1603 (c) [~~"Charitable solicitation" or "solicitation"-~~] "Charitable solicitation" does not include
 1604 an entity's application or other request for a public grant.
- 1605 (6) "Commercial co-venturer" means a person ~~[who]~~ that for profit ~~[is-]~~ regularly and
 1606 primarily ~~[engaged]~~ engages in trade or commerce other than in connection with
 1607 soliciting for a charitable organization or purpose.
- 1608 (7)(a) "Contribution" means the pledge or grant for a charitable purpose of any money or
 1609 property of any kind, including any of the following:
- 1610 (i) a gift, subscription, loan, advance, or deposit of money or anything of value;
 1611 (ii) a contract, promise, or agreement, express or implied, whether or not legally
 1612 enforceable, to make a contribution for charitable purposes; or
 1613 (iii) fees, dues, or assessments paid by members, when membership is conferred
 1614 solely as consideration for making a contribution.
- 1615 (b) "Contribution" does not include:
- 1616 (i) money ~~[loaned]~~ a financial institution loans to a charitable organization ~~[by a~~
 1617 ~~financial institution]~~ in the ordinary course of business; or
 1618 (ii) fees, dues, or assessments ~~[paid by members]~~ members pay when membership is
 1619 not conferred solely as consideration for making a contribution.
- 1620 (8) "Contributor" means a donor, pledgor, purchaser, or other person ~~[who]~~ that makes a
 1621 contribution.
- 1622 (9) "Director" means the director of the ~~[Division of Consumer Protection]~~ division.
- 1623 (10) "Division" means the Division of Consumer Protection ~~[of the Department of~~
 1624 ~~Commerce]~~ established by Section 13-2-101.
- 1625 (11)(a) "Exempt function" means the function of influencing or attempting to influence
 1626 the selection, nomination, election, or appointment of an individual to a federal, state,

- 1627 or local public office or an office in a political organization, or the election of
1628 presidential or vice-presidential electors, regardless of whether the individual or the
1629 electors are selected, nominated, elected, or appointed.
- 1630 (b) "Exempt function" includes making an expenditure relating to an office described in
1631 Subsection (11)(a) which, if incurred by the individual, would be allowable as a
1632 deduction under section 162(a) of 26 I.R.C. Sec. 1.162-20.
- 1633 (12) "Foreign nonprofit corporation" means the same as that term is defined in Section
1634 16-6a-102.
- 1635 (13) "Material fact" means information that ~~[a person]~~ an individual of ordinary intelligence
1636 and prudence would consider relevant in deciding whether~~[-or not]~~ to make a
1637 contribution in response to a charitable solicitation.
- 1638 (14) "Nonprofit corporation" means the same as that term is defined in Section 16-6a-102.
- 1639 (15) "Political organization" means an incorporated or unincorporated party, committee,
1640 association, fund, or other organization organized and operated primarily for the purpose
1641 of directly or indirectly accepting contributions or making expenditures for an exempt
1642 function.
- 1643 (16)(a) "Professional ~~[fund raiser]~~ fundraiser" means a person ~~[who]~~ that:
- 1644 (i) for compensation or ~~[any]~~ other consideration, for or on behalf of a charitable
1645 organization that is a nonprofit corporation, or ~~[any]~~ other person that is not a
1646 political organization:
- 1647 (A) solicits ~~[contributions]~~ a contribution; or
1648 (B) promotes or sponsors the charitable solicitation of ~~[contributions]~~ a contribution;
- 1649 (ii)(A) for compensation or ~~[any]~~ other consideration, plans, manages, consults, or
1650 prepares material for, or with respect to, the charitable solicitation of
1651 contributions for a charitable organization that is a nonprofit corporation, or [
1652 ~~any~~] other person that is not a political organization; and
1653 (B) at any time has custody of a contribution for the charitable organization;
- 1654 (iii) engages in, or represents being independently engaged in, the business of
1655 soliciting contributions for a charitable organization that is a nonprofit corporation;
- 1656 (iv) manages, supervises, or trains any solicitor whether as an employee or otherwise;
1657 or
- 1658 (v) uses a vending device or vending device decal for financial or other consideration
1659 that implies a charitable solicitation of contributions or donations for [~~any~~] a
1660 charitable organization or charitable purposes.

- 1661 (b) "Professional [~~fund-raiser~~] fundraiser" does not include:
- 1662 (i) an individual acting in the individual's capacity as a bona fide officer, director,
- 1663 volunteer, or full-time employee of a charitable organization;
- 1664 (ii) an attorney, investment counselor, or banker who, in the conduct of that [~~person's~~]
- 1665 individual's profession, advises a client regarding legal, investment, or financial
- 1666 advice;
- 1667 (iii) [~~a person~~] an individual who tangentially prepares materials, including [~~a person~~]
- 1668 an individual who:
- 1669 (A) makes copies;
- 1670 (B) cuts or folds flyers; or
- 1671 (C) creates a graphic design or other artwork without providing strategic or
- 1672 campaign-related input; or
- 1673 (iv) a political organization.
- 1674 (17)(a) "Professional [~~fund-raising~~] fundraising consultant" means [~~a person~~] an individual
- 1675 who:
- 1676 (i) for compensation or [~~any~~] other consideration, plans, manages, consults, or
- 1677 prepares material for, or with respect to, the charitable solicitation of contributions
- 1678 for a charitable organization that is a nonprofit corporation or any other person
- 1679 that is not a political organization;
- 1680 (ii) does not solicit contributions;
- 1681 (iii) does not at any time have custody of a contribution from a charitable solicitation;
- 1682 and
- 1683 (iv) does not employ, procure, or engage any compensated person to solicit or receive
- 1684 contributions.
- 1685 (b) "Professional [~~fund-raising~~] fundraising counsel or consultant" does not include:
- 1686 (i) an individual acting in the individual's capacity as a bona fide officer, director,
- 1687 volunteer, or full-time employee of a charitable organization;
- 1688 (ii) an attorney, investment counselor, or banker who, in the conduct of that person's
- 1689 profession, advises a client regarding legal, investment, or financial advice; or
- 1690 (iii) [~~a person~~] an individual who tangentially prepares materials, including [~~a person~~]
- 1691 an individual who:
- 1692 (A) makes copies;
- 1693 (B) cuts or folds flyers; or
- 1694 (C) creates a graphic design or other artwork without providing strategic or

1695 campaign-related input.

1696 (18) "Public grant" means the same as the term "grant" is defined in Section 63G-6a-103.

1697 (19)(a) "Vending device" means a container used by a charitable organization or

1698 professional ~~[fund-raiser]~~ fundraiser, for the purpose of collecting a charitable

1699 solicitation, contribution, or donation whether or not the device offers a product or

1700 item in return for the contribution or donation.

1701 (b) "Vending device" includes machines, boxes, jars, wishing wells, barrels, or any other

1702 container.

1703 (20) "Vending device decal" means ~~[any]~~ a decal, tag, or similar designation material that is

1704 attached to a vending device, ~~[whether or not used or placed by a charitable organization~~

1705 ~~or professional fund-raiser]~~ regardless of whether a charitable organization or

1706 professional fundraiser uses or places the decal, tag, or similar designation material, that

1707 would indicate that all or a portion of the proceeds from the purchase of items from the

1708 vending device will go to a specific charitable organization.

1709 Section 33. Section **13-22-102**, which is renumbered from Section 13-22-3 is renumbered
1710 and amended to read:

1711 ~~[13-22-3]~~ **13-22-102 (Effective 05/06/26). Investigative and enforcement powers --**
1712 **Education.**

1713 (1) The division shall administer and enforce the provisions of this chapter in accordance
1714 with Chapter 2, Division of Consumer Protection.

1715 ~~[(2) Upon request, the attorney general shall give legal advice to, and act as counsel for, the~~
1716 ~~division in the exercise of the division's responsibilities under this chapter.]~~

1717 ~~[(3)]~~ (2)(a) The division may audit or investigate as necessary to determine whether a
1718 person is violating, has violated, or is about to violate a provision of this chapter or a
1719 rule made or order issued under this chapter.

1720 (b) ~~[-]~~As part of ~~[the]~~ an investigation the division conducts in accordance with this
1721 Subsection (2), the division may:

1722 ~~[(a)]~~ (i) require a person to file a statement in writing;

1723 ~~[(b)]~~ (ii) administer oaths, subpoena witnesses and compel a witness to attend, compel
1724 sworn responses to written questions, take evidence, and examine under oath a
1725 person in connection with an investigation; and

1726 ~~[(e)]~~ (iii) require the production of books, papers, documents, merchandise, or other
1727 material relevant to the investigation.

1728 ~~[(4)]~~ (3) In addition to the division's enforcement powers under Chapter 2, Division of

- 1729 Consumer Protection:
- 1730 (a) the director may impose an administrative fine of up to \$2,500 for each violation of
- 1731 this chapter; or
- 1732 (b) the division may bring an action in a court with jurisdiction to enjoin the ~~[aets]~~ act or ~~[~~
- 1733 ~~practiees]~~ practice constituting the violation or to enforce compliance with this
- 1734 chapter or a rule made or order issued under this chapter.
- 1735 ~~[(5)]~~ (4) Upon a proper showing, the court hearing an action brought under Subsection [~~(4)(b)]~~ (3)(b) may:
- 1736
- 1737 (a) issue an injunction;
- 1738 (b) ~~[enter a declaratory judgment]~~ declare that an act or practice violates a provision of
- 1739 this chapter;
- 1740 (c) appoint a receiver for the defendant or the defendant's assets;
- 1741 (d) order disgorgement of any money received in violation of this chapter;
- 1742 (e) order payment of money described in Subsection (4)(d) to an injured consumer;
- 1743 ~~[(e)]~~ (f) order rescission of [agreements violating] an agreement that violates this chapter;
- 1744 ~~[(f)]~~ (g) impose [fines] a fine of up to \$2,500 for each violation of this chapter; and
- 1745 ~~[(g)]~~ (h) [impose a civil penalty or] award any other relief the court determines
- 1746 reasonable and necessary.
- 1747 ~~[(6)]~~ (5) If a court with jurisdiction grants judgment or injunctive relief to the division, the
- 1748 court shall award the division:
- 1749 (a) reasonable attorney fees;
- 1750 (b) court costs; and
- 1751 (c) investigative fees.
- 1752 ~~[(7)]~~ (6) In assessing the amount of a fine or penalty under Subsection ~~[(4)(a), (5)(f), or~~
- 1753 ~~(5)(g),]~~ (3)(a), or (4)(g) the director or court imposing the fine or penalty may consider
- 1754 the gravity of the violation.
- 1755 ~~[(8)]~~ (7)(a) A person ~~[who]~~ that violates an administrative or court order issued for a
- 1756 violation of this chapter is subject to a civil penalty of up to \$5,000 for each violation.
- 1757 (b) A court may impose a civil penalty authorized under this section in a civil action
- 1758 brought by ~~[the attorney general on behalf of]~~ the division.
- 1759 ~~[(9)]~~ (8)(a) The division may provide or contract to provide public education and
- 1760 voluntary education for applicants and registrants under this chapter.
- 1761 (b) The public education that the division provides or contracts to provide under this
- 1762 Subsection (8) may:

- 1763 (i) ~~[-]~~be in the form of publications, advertisements, seminars, courses, or other
 1764 appropriate means~~[-]~~ ; and
 1765 (ii) ~~[-The scope of the education may -]~~include:
 1766 ~~[(a)]~~ (A) the requirements, prohibitions, and regulated practices under this chapter;
 1767 ~~[(b)]~~ (B) suggestions for effective financial and organizational practices for
 1768 charitable organizations;
 1769 ~~[(c)]~~ (C) charitable giving and charitable solicitation;
 1770 ~~[(d)]~~ (D) potential problems with charitable solicitations and fraudulent or
 1771 deceptive practices; and
 1772 ~~[(e)]~~ (E) any other matter relevant to the subject of this chapter.

1773 ~~[(10)]~~ (9) Nothing in this chapter limits other available rights or remedies authorized under
 1774 the laws of this state or the United States.

1775 Section 34. Section **13-22-103**, which is renumbered from Section 13-22-4 is renumbered
 1776 and amended to read:

1777 **~~[(13-22-4)] 13-22-103 (Effective 05/06/26). Action for damages.~~**

1778 Nothing in this chapter precludes ~~[any]~~ a person damaged as a result of a charitable
 1779 solicitation from maintaining a civil action for damages or injunctive relief.

1780 Section 35. Section **13-22-104**, which is renumbered from Section 13-22-5 is renumbered
 1781 and amended to read:

1782 **~~[(13-22-5)] 13-22-104 (Effective 05/06/26). Registration required.~~**

- 1783 (1) Unless a person acting as a professional ~~[fund raiser is registered-]~~ fundraiser registers
 1784 with the division in accordance with Section ~~[(13-22-9)] 13-22-105~~, the person may not:
 1785 (a) make or facilitate a charitable solicitation either directed toward the state or
 1786 originating from the state; or
 1787 (b) maintain a place of business in the state or employ an individual located in the state.
 1788 (2) Unless a person acting as a professional ~~[fund raising]~~ fundraising consultant ~~[is~~
 1789 registered] registers with the division in accordance with Section ~~[(13-22-9)] 13-22-105~~,
 1790 the person may not:
 1791 (a) maintain a place of business in the state or employ an individual located in the state;
 1792 or
 1793 (b) provide any service of a professional ~~[fund raising]~~ fundraising consultant to or for a
 1794 charitable organization, or any other person, over which the state has general
 1795 jurisdiction.
 1796 (3) Registration as a professional fundraiser or professional fundraising consultant does not

1797 mean the division or the state approves or endorses the professional fundraiser or
 1798 professional fundraising consultant.

1799 Section 36. Section **13-22-105**, which is renumbered from Section 13-22-9 is renumbered
 1800 and amended to read:

1801 **[13-22-9] 13-22-105 (Effective 05/06/26). Professional fundraiser's or fundraising**
 1802 **consultant's registration.**

1803 (1) A person applying for or renewing a registration as a professional [~~fund-raiser~~] fundraiser
 1804 or a professional [~~fund-raising~~] fundraising consultant shall:

1805 (a) pay an application fee [~~as determined~~] the division determines under Section
 1806 63J-1-504; and

1807 (b) submit a written application[~~, verified under oath,~~] [~~on~~] in a form [approved by] the
 1808 division approves that includes:

1809 (i) the applicant's name, address, and telephone number[~~, facsimile number, if any~~];

1810 (ii) the name and address of each organization or person controlled by, controlling, or
 1811 affiliated with the applicant;

1812 (iii) the applicant's business, occupation, or employment for the three-year period
 1813 immediately preceding the date of the application;

1814 (iv) whether [~~it~~] the applicant is an individual, joint venture, partnership, limited
 1815 liability company, corporation, association, or other entity;

1816 (v) the names and [~~residence~~] mailing addresses of the applicant's officers and
 1817 directors;

1818 (vi) the [~~name and address of the~~]applicant's registered agent for service of process [~~and a consent to service of process~~] in this state, and the registered agent's:

1820 (A) name;

1821 (B) street address;

1822 (C) mailing address; and

1823 (D) telephone number;

1824 (vii) if the person is a professional [fund-raiser] fundraiser or applies for registration
 1825 as a professional fundraiser:

1826 (A) the purpose of the charitable solicitation and use of the contributions [~~to be~~
 1827 ~~solicited~~] the person will solicit;

1828 (B) the method by which the person will conduct the charitable solicitation [~~will~~
 1829 ~~be conducted~~]and the projected length of time [~~it is to be conducted~~] the person
 1830 will conduct the charitable solicitation;

- 1831 (C) a statement identifying how the person will be paid, and if the person charges
1832 a flat fee, the amount of the flat fee;
1833 [~~(C) the anticipated expenses of the solicitation, including all commissions, costs~~
1834 ~~of collection, salaries, and other expenses;~~]
1835 (D) a statement of what percentage of the contributions [~~collected~~] the person
1836 collects as a result of the charitable solicitation are projected to remain
1837 available to the charitable organization declared in the application[, ~~including a~~
1838 ~~satisfactory statement of the factual basis for the projected percentage and~~
1839 ~~projected anticipated revenues provided to the charitable organization, and if a~~
1840 ~~flat fee is charged, documentation to support the reasonableness of the flat fee];~~
1841 and
1842 (E) a statement of total contributions collected or received by the [~~professional~~
1843 ~~fund-raiser~~] person within the calendar year immediately preceding the [~~date of~~
1844 ~~the application~~] day on which the person submits the person's application,
1845 including a description of the expenditures made from or the use made of the
1846 contributions;
1847 (viii) if the person is a professional [fund-raising] fundraising consultant or applies to
1848 become a professional fundraising consultant:
1849 (A) the purpose of the plan, management, advice, or preparation of materials for,
1850 or with respect to, the charitable solicitation and use of the contributions
1851 solicited;
1852 (B) the method by which the person will organize or coordinate the plan,
1853 management, advice, or preparation of materials for, or with respect to, the
1854 charitable solicitation [~~will be organized or coordinated~~] and the projected
1855 length of time of the charitable solicitation;
1856 [~~(C) the anticipated expenses of the plan, management, advice, or preparation of~~
1857 ~~materials for, or with respect to, the solicitation, including all commissions,~~
1858 ~~costs of collection, salaries, and other expenses;~~]
1859 [~~(D)~~] (C) a statement of [total fees to be earned or received from the charitable
1860 organization declared in the application, and what] the percentage of the
1861 contributions [collected] the person collects as a result of the plan,
1862 management, advice, or preparation of materials for, or with respect to, the
1863 charitable solicitation are projected after deducting the total fees [~~to be earned~~
1864 ~~or received~~] the person will earn or receive remain available to the charitable

- 1865 organization declared in the application ~~[, including a satisfactory statement of~~
 1866 ~~the factual basis for the projected percentage and projected anticipated~~
 1867 ~~revenues provided to the charitable organization, and if a flat fee is charged,~~
 1868 ~~documentation to support the reasonableness of such flat fee]; and~~
 1869 ~~[(E)] (D)~~ a statement of total net fees ~~[earned or received]~~ the person earns or
 1870 receives within the calendar year immediately preceding the ~~[date of the~~
 1871 ~~application]~~ day on which the person submits the applicant's application,
 1872 including a description of the expenditures ~~[made]~~ the person makes from or ~~[~~
 1873 ~~the use]~~ uses of the net ~~[earned or received]~~ fees the person earns or receives in
 1874 the planning, management, advising, or preparation of materials for, or with
 1875 respect to, the charitable solicitation and use of the contributions solicited for
 1876 the charitable organization;
- 1877 (ix) disclosure of:
- 1878 (A) any injunction, judgment, or administrative order against the applicant; and
 1879 (B) ~~[- or the applicant's conviction of a crime involving a charitable solicitation or~~
 1880 ~~a felony involving fraud, dishonesty, a false statement, forgery, or theft]~~ any
 1881 felony or misdemeanor conviction of the person that involves theft, fraud, or
 1882 dishonesty for the ten-year period before the day on which the applicant files
 1883 the application;
- 1884 (x) each written agreement the applicant has with a charitable organization;
- 1885 (xi) disclosure of ~~[any]~~ an injunction, a judgment, or an administrative order or
 1886 conviction of a crime involving a charitable solicitation or a felony involving
 1887 fraud, dishonesty, a false statement, forgery, or theft with respect to ~~[any]~~ an
 1888 officer, a director, a manager, an operator, or a principal of the applicant;
- 1889 ~~[(xii) a copy of all agreements to which the applicant is, or proposes to be, a party~~
 1890 ~~regarding the use of proceeds;]~~
- 1891 ~~[(xiii)]~~ (xii) an acknowledgment that ~~[fund raising]~~ fundraising in the state will not
 1892 commence until both the professional ~~[fund raiser]~~ fundraiser or professional ~~[fund~~
 1893 ~~raising]~~ fundraising consultant ~~[and the charity, and its parent foundation, if any,~~
 1894 ~~are]~~ are registered and in compliance with this chapter; and
- 1895 ~~[(xiv)]~~ (xiii) additional information the division may require by rule.
- 1896 (2) If information contained in the application for registration becomes incorrect or
 1897 incomplete, the applicant or registrant shall, within 30 days after the information
 1898 becomes incorrect or incomplete, correct the application or file the complete information

1899 required by the division.

1900 (3) In addition to the registration fee, an applicant failing to file an application for
 1901 registration or renewal by the due date or filing an incomplete application for
 1902 registration or renewal shall pay an additional fee of \$25 for each month or part of a
 1903 month after the date on which the application for registration or renewal was due to be
 1904 filed.

1905 Section 37. Section **13-22-106**, which is renumbered from Section 13-22-11 is renumbered
 1906 and amended to read:

1907 **[13-22-11] 13-22-106 (Effective 05/06/26). Expiration of registration.**

1908 (1) ~~[Each-] A professional [fund-raiser's] fundraiser's or professional fundraising consultant's~~
 1909 registration issued under this chapter expires ~~[annually on the date of issuance]~~ one year
 1910 after the day on which the division issues the registration.

1911 ~~[(2) Each professional fund raising consultant's registration issued under this chapter~~
 1912 ~~expires annually on the date of issuance.]~~

1913 ~~[(3)] (2) A professional fundraiser or a professional fundraising consultant:~~

1914 (a) may renew a registration ~~[may be renewed-]~~ only by complying with the requirements
 1915 for obtaining the original registration~~[-]~~ ; and

1916 (b) shall submit an application to renew a registration at least 30 days before the day on
 1917 which the professional fundraiser's or the professional fundraising consultant's
 1918 registration expires.

1919 Section 38. Section **13-22-107**, which is renumbered from Section 13-22-12 is renumbered
 1920 and amended to read:

1921 **[13-22-12] 13-22-107 (Effective 05/06/26). Grounds for denial, suspension, or**
 1922 **revocation.**

1923 ~~[The director may, in-] In accordance with Chapter 2, Division of Consumer Protection,~~
 1924 and Title 63G, Chapter 4, Administrative Procedures Act, [issue an order] the division may
 1925 initiate adjudicative proceedings to deny, suspend, or revoke an application or registration[-
 1926 upon a finding that the order is in the public interest and that] if:

1927 (1) the division finds that the denial, suspension, or revocation is in the public interest; and

1928 ~~[(4)] (2)(a) the application [for] or registration [or renewal-] is incomplete or misleading in [~~
 1929 ~~any] a material respect;~~

1930 ~~[(2)] (b) the applicant or [registrant or an officer, director, agent, or employee of the~~
 1931 ~~applicant or registrant has] the applicant's principal:~~

1932 ~~[(a)] (i) [violated-] violates this chapter[- or committed a prohibited act or practice~~

1933 ~~described in this chapter]~~ , causes a violation of this chapter, allows a violation of
 1934 this chapter, or fails to satisfy the requirements of a provision of:
 1935 (A) this chapter; or
 1936 (B) a rule the division makes in accordance with this chapter;
 1937 (ii) violates Chapter 11, Utah Consumer Sales Practices Act;
 1938 (iii) is enjoined by a court, or is subject to an administrative or judicial order, if the
 1939 administrative or judicial order:
 1940 (A) includes a finding or admission of the applicant's fraud, breach of fiduciary
 1941 duty, or material misrepresentation; or
 1942 (B) is based on a finding of the applicant's lack of integrity, truthfulness, or mental
 1943 competence;
 1944 ~~[(b) been enjoined by a court, or is the subject of an administrative order issued in this or~~
 1945 ~~another state, if the injunction or order includes a finding or admission of fraud,~~
 1946 ~~breach of fiduciary duty, material misrepresentation, or if the injunction or order was~~
 1947 ~~based on a finding of lack of integrity, truthfulness, or mental competence of the~~
 1948 ~~applicant;]~~
 1949 ~~[(c)]~~ (iv) [been-] is convicted of a crime involving fraud, dishonesty, a false statement,
 1950 forgery, or theft;
 1951 ~~[(d)]~~ (v) [obtained-] obtains or [attempted] attempts to obtain a registration by
 1952 misrepresentation;
 1953 (vi) fails to provide information the division requests;
 1954 (vii) fails to pay an administrative fine that the division or an administrative order
 1955 imposes; or
 1956 (viii) fails to pay the fee to file a registration application or a renewal application.
 1957 ~~[(e) materially misrepresented or caused to be misrepresented the purpose and manner in~~
 1958 ~~which contributed funds and property will be used in connection with a solicitation;]~~
 1959 ~~[(f) caused or allowed a paid solicitor to violate a rule made or order issued under this~~
 1960 ~~chapter by the division;]~~
 1961 ~~[(g) failed to take corrective action with a solicitor that has violated this chapter or~~
 1962 ~~committed an act or practice prohibited by this chapter;]~~
 1963 ~~[(h) used, or attempted to use a name that is deceptive or is reasonably likely to cause~~
 1964 ~~confusion;]~~
 1965 ~~[(i) failed to timely file with the division a report or information required in this chapter~~
 1966 ~~or by rules made under this chapter; or]~~

1967 [~~(j) failed to pay a fine imposed by the division in accordance with Section 13-22-3.~~]
 1968 Section 39. Section **13-22-108**, which is renumbered from Section 13-22-13 is renumbered
 1969 and amended to read:

1970 **[~~13-22-13~~] 13-22-108 (Effective 05/06/26). Prohibited practices.**

1971 In connection with a charitable solicitation, each of the following acts and practices is
 1972 prohibited:

- 1973 (1) stating or implying that registration constitutes endorsement or approval by the division
 1974 or a governmental entity;
 1975 (2) violating a requirement of this chapter or a rule made under this chapter;
 1976 (3) making a false statement of a material fact or failing to state a material fact necessary to
 1977 make statements made, in the context of the circumstances under which they are made,
 1978 not misleading, whether in connection with a charitable solicitation or a filing with the
 1979 division; and
 1980 (4) violating an order issued by the division under Section [~~13-22-3~~] 13-22-102.

1981 Section 40. Section **13-22-109**, which is renumbered from Section 13-22-14 is renumbered
 1982 and amended to read:

1983 **[~~13-22-14~~] 13-22-109 (Effective 05/06/26). Accuracy not guaranteed.**

- 1984 (1)(a) By issuing a registration, the state does not guarantee the accuracy of any
 1985 representation contained in the registration, nor does [~~it~~] the state warrant that [~~any~~] a
 1986 statement made by the holder of the registration is truthful.
 1987 (b) The state makes no certification as to the charitable worthiness of [~~any organization~~]
 1988 a charitable organization on whose behalf a charitable solicitation is made nor as to
 1989 the moral character of the holder of the registration.

- 1990 (2) The following statement shall appear on each registration: "THE STATE OF UTAH
 1991 MAKES NO CERTIFICATION AS TO THE CHARITABLE WORTHINESS OF ANY
 1992 ORGANIZATION ON WHOSE BEHALF A SOLICITATION IS MADE NOR AS TO
 1993 THE MORAL CHARACTER OF THE HOLDER OF THE REGISTRATION."

1994 Section 41. Section **13-22-110**, which is renumbered from Section 13-22-15 is renumbered
 1995 and amended to read:

1996 **[~~13-22-15~~] 13-22-110 (Effective 05/06/26). Financial reports required --**
 1997 **Rulemaking.**

- 1998 (1)(a) [~~Beginning January 1, 2025, and subject-~~] Subject to Subsection (2), a charitable
 1999 organization that is a nonprofit corporation, or that is a foreign nonprofit corporation,
 2000 shall annually file with the Division of Corporations and Commercial Code an

2001 unredacted copy of the charitable organization's most ~~[recent]~~ recently filed IRS Form
 2002 990, 990-EZ, 990-N, or 990-PF.

2003 (b) Subsection (1)(a) does not apply to a nonprofit corporation or a foreign nonprofit
 2004 corporation that is not required to file a Form 990, 990-EZ, 990-N, or 990-PF with
 2005 the IRS.

2006 (c) An IRS Form 990, 990-EZ, or 990-PF for a tax year from more than three years
 2007 before the day on which the charitable organization makes the filing with the
 2008 Division of Corporations and Commercial Code does not satisfy the requirement of
 2009 Subsection (1)(a).

2010 (2)(a)(i) The division may not require a charitable organization to file Schedule B of
 2011 a form described in Subsection (1).

2012 (ii) An IRS Form 990-T is not required to be filed under this section.

2013 (b) A charitable organization that has not yet filed an IRS Form 990, 990-EZ, 990-N, or
 2014 990-PF may file a tax exempt determination letter that the charitable organization
 2015 receives from the IRS if the tax exempt determination letter is dated no more than
 2016 two years before the day on which the charitable organization files the tax exempt
 2017 determination letter with the Division of Corporations and Commercial Code.

2018 (c) If a charitable organization files a tax exempt determination letter in accordance with
 2019 Subsection (2)(b), that filing satisfies the filing requirement described in Subsection
 2020 (1).

2021 ~~(b)~~ (d) The division shall make rules, in accordance with Title 63G, Chapter 3, Utah
 2022 Administrative Rulemaking Act, to establish:

2023 (i) the manner in which a charitable organization ~~[is required to]~~ shall file the forms
 2024 described in Subsection (1); and

2025 (ii) the process by which a charitable organization ~~[is required to]~~ shall file the forms [-]
 2026 described in Subsection (1).

2027 Section 42. Section **13-22-111**, which is renumbered from Section 13-22-16 is renumbered
 2028 and amended to read:

2029 **~~[13-22-16]~~ 13-22-111 (Effective 05/06/26). Separate accounts and receipts**
 2030 **required.**

2031 (1)(a) ~~[Each]~~ A professional ~~[fund raiser]~~ fundraiser shall segregate and maintain all
 2032 contributed funds in an account held separately from the professional ~~[fund raiser's]~~
 2033 fundraiser's operating account.

2034 (b) ~~[Each]~~ A professional fundraiser shall deposit each contribution in the control or

2035 custody of the professional [~~fund raiser shall, no later than 10 days after the day on~~
 2036 ~~which the contribution is received, be deposited-~~] fundraiser into an account at a bank
 2037 or other federally insured financial institution that is in the name of the charitable
 2038 organization no later than 10 days after the day on which the professional fundraiser
 2039 receives the contribution.

2040 (c) The charitable organization shall:

2041 (i) [-]maintain and administer the account described in Subsection (1)(b); and[-shall]
 2042 (ii) have sole control of all withdrawals.

2043 (2) [~~Each-~~] A professional [fund raiser] fundraiser shall:

2044 (a) maintain a record of each contribution of money, securities, or cash equivalent
 2045 sufficient to allow the charitable organization or professional [fund raiser] fundraiser
 2046 to provide a receipt to the contributor upon request or as required by law; and

2047 (b) provide a contributor a receipt for each contribution upon request or as required by
 2048 law.

2049 (3) A professional [~~fund raiser]~~ fundraiser shall develop and maintain adequate internal
 2050 controls for receipt, management, and disbursement of money that are reasonable in
 2051 light of the charitable organization's or professional [fund raiser's] fundraiser's assets and
 2052 organizational complexity.

2053 Section 43. Section **13-22-112**, which is renumbered from Section 13-22-17 is renumbered
 2054 and amended to read:

2055 **[13-22-17] 13-22-112 (Effective 05/06/26). Written agreement required.**

2056 (1) A professional [~~fund raiser]~~ fundraiser or professional fundraising consultant may only
 2057 engage in activities on behalf of a charitable organization through written agreement
 2058 with the charitable organization.

2059 [~~(2) A professional fund raising consultant may only engage in activities on behalf of a~~
 2060 ~~charitable organization through written agreement with the organization.]~~

2061 [~~(3)~~] (2) A charitable organization may only engage the services of a professional [~~fund~~
 2062 ~~raiser]~~ fundraiser or professional [fund raising] fundraising consultant through written
 2063 agreement.

2064 [~~(4)~~] (3) A professional [~~fund raiser]~~ fundraiser or professional [fund raising] fundraising
 2065 consultant shall file each agreement described in this section with [its] the professional
 2066 fundraiser's or professional fundraising consultant's application for registration.

2067 Section 44. Section **13-22-113**, which is renumbered from Section 13-22-19 is renumbered
 2068 and amended to read:

2069 **[13-22-19] 13-22-113 (Effective 05/06/26). Reciprocal agreements.**

- 2070 (1) The division may convey or exchange information obtained under this chapter with [
2071 ~~other agencies having~~] another agency that has regulatory authority over charitable
2072 organizations.
- 2073 (2) The division may accept information that a charitable organization, [~~or~~] professional [
2074 ~~fund-raiser~~] fundraiser, or fundraising consultant files in another state or with [~~any~~] a
2075 federal agency or other organization in place of substantially similar information that is
2076 required to be filed under this chapter.

2077 Section 45. Section **13-22-114**, which is renumbered from Section 13-22-22 is renumbered
2078 and amended to read:

2079 **[13-22-22] 13-22-114 (Effective 05/06/26). Charitable sales promotions.**

2080 A commercial co-venturer shall disclose in each advertisement for a charitable sales
2081 promotion the dollar amount or percent per unit of goods or services purchased or used that
2082 will benefit the charitable organization or purpose.

2083 Section 46. Section **13-22-115**, which is renumbered from Section 13-22-23 is renumbered
2084 and amended to read:

2085 **[13-22-23] 13-22-115 (Effective 05/06/26). Fiduciary capacity.**

2086 [~~Every~~] A person soliciting, collecting, or expending [~~contributions~~] a contribution for
2087 charitable purposes, and every officer, director, trustee, or employee of [~~any~~] a person
2088 concerned with the charitable solicitation, collection, or expenditure of [~~those contributions~~] the
2089 contribution for charitable purposes, [~~shall be considered to be~~] is a fiduciary and [~~acting~~] acts
2090 in a fiduciary capacity.

2091 Section 47. Section **13-22-116**, which is renumbered from Section 13-22-24 is renumbered
2092 and amended to read:

2093 **[13-22-24] 13-22-116 (Effective 05/06/26). Fundraising campaign recordkeeping**
2094 **requirements.**

- 2095 (1) As used in this section, [~~fund-raising~~] "fundraising campaign" means a charitable
2096 solicitation activity that a professional [~~fund-raiser~~] fundraiser engages in on behalf of a
2097 charitable organization where the professional [~~fund-raiser~~] fundraiser receives a portion
2098 of the funds raised or other compensation in exchange for services.
- 2099 (2) [~~Before commencing a fund-raising campaign, a-~~] A professional [~~fund-raiser shall~~
2100 ~~submit to the division~~] fundraiser shall keep records of the following information:
- 2101 (a) [~~projected-~~] actual expenses and revenue for the fundraising campaign;
- 2102 (b) bank account information for the bank account where the professional [~~fund-raiser~~

- 2103 ~~will hold~~] fundraiser holds contributions collected in connection with the [~~fund raising~~]
 2104 fundraising campaign;
- 2105 (c) the charitable solicitation scripts that will be used for the [~~fund raising~~] fundraising
 2106 campaign;
- 2107 (d) an affirmation from the professional [~~fund-raiser~~] fundraiser that the charity [~~has~~
 2108 approved] approves the charitable solicitation materials to be used in the fund raising
 2109 campaign;[-and]
- 2110 (e) [~~names~~] the name and contact information for [~~the individuals~~] each individual
 2111 overseeing the fund raising campaign[-] ;
- 2112 (f) contributions the professional fundraiser collects during the fundraising campaign;
 2113 (g) contributions paid to the charitable organization as a result of the fundraising
 2114 campaign; and
- 2115 (h) expenses the charitable organization pays to the professional fundraiser for the
 2116 fundraising campaign.

2117 [~~(3) No later than 90 days after the day on which the fund raising campaign ends, the~~
 2118 ~~professional fund-raiser shall submit a report to the division detailing;~~]

2119 [~~(a) all contributions collected during the fund raising campaign;~~]

2120 [~~(b) all contributions paid to the charitable organization as a result of the fund raising~~
 2121 ~~campaign; and]~~

2122 [~~(c) expenses paid by the charitable organization to the professional fund-raiser for the~~
 2123 ~~fund raising campaign.]~~

2124 [~~(4)~~] (3) A professional [~~fund-raiser~~] fundraiser shall keep the records [~~related to the~~
 2125 ~~information~~] described in Subsection (2) for five years after the day on which the [~~fund~~
 2126 ~~raising~~] fundraising campaign ends.

2127 Section 48. Section **13-23-101**, which is renumbered from Section 13-23-2 is renumbered
 2128 and amended to read:

2129 **CHAPTER 23. Fitness Center Services Protection Act**

2130 **Part 1. General Provisions**

2131 **[~~13-23-2~~] 13-23-101 (Effective 05/06/26). Definitions.**

2132 As used in this chapter:

- 2133 (1) "Business enterprise" means a sole proprietorship, partnership, association, joint
 2134 venture, corporation, limited liability company, or other entity used in carrying on a
 2135 business.

- 2136 (2) "Consumer" means a purchaser of [~~health spa~~] fitness center services for consideration.
- 2137 (3) "Division" means the Division of Consumer Protection established under Section
- 2138 13-2-102.
- 2139 (4)(a) [~~Health spa~~] "Fitness center" means a business enterprise that provides access to a
- 2140 facility:
- 2141 (i) for a charge or a fee; and
- 2142 (ii) for the development or preservation of physical fitness or well-being, through
- 2143 exercise, weight control, or athletics.
- 2144 (b) [~~Health spa~~] "Fitness center" does not include:
- 2145 (i) a licensed physician who operates a facility at which the physician engages in the
- 2146 practice of medicine;
- 2147 (ii) a hospital, intermediate care facility, or skilled nursing care facility;
- 2148 (iii) a public or private school, college, or university;
- 2149 (iv) the state or a political subdivision of the state;
- 2150 (v) the United States or a political subdivision of the United States;
- 2151 (vi) a person offering instruction if the person does not:
- 2152 (A) utilize an employee or independent contractor; or
- 2153 (B) grant a consumer the use of a facility containing exercise equipment;
- 2154 (vii) a business enterprise, the primary operation of which is to teach self-defense or a
- 2155 martial art, including kickboxing, judo, or karate;
- 2156 (viii) a business enterprise, the primary operation of which is to teach or allow an
- 2157 individual to develop a specific skill rather than develop or preserve physical
- 2158 fitness, including gymnastics, tennis, rock climbing, or a winter sport;
- 2159 (ix) a business enterprise, the primary operation of which is to teach or allow an
- 2160 individual to practice yoga or Pilates;
- 2161 (x) a private employer who owns and operates a facility exclusively for the benefit of
- 2162 the employer's employees, retirees, or family members, if the operation of the
- 2163 facility:
- 2164 (A) is only incidental to the overall function and purpose of the employer's
- 2165 business; and
- 2166 (B) is offered on a nonprofit basis;
- 2167 (xi) an individual providing professional services within the scope of the individual's
- 2168 license with the Division of Professional Licensing;
- 2169 (xii) a country club;

- 2170 (xiii) a nonprofit religious, ethnic, or community organization;
- 2171 (xiv) a residential weight reduction center;
- 2172 (xv) a business enterprise that only offers virtual services;
- 2173 (xvi) a business enterprise that only offers a credit for a service that a separate
- 2174 business enterprise offers;
- 2175 (xvii) the owner of a lodging establishment, as defined in Section 29-2-102, if the
- 2176 owner only provides access to the lodging establishment's facility to:
- 2177 (A) a guest, as defined in Section 29-2-102; or
- 2178 (B) an operator or employee of the lodging establishment;
- 2179 (xviii) an association, declarant, owner, lessor, or developer of a residential housing
- 2180 complex, planned community, or development, if at least 80% of the individuals
- 2181 accessing the facility reside in the housing complex, planned community, or
- 2182 development; or
- 2183 (xix) a person offering a personal training service exclusively as an employee or
- 2184 independent contractor of a ~~[health spa]~~ fitness center.

2185 (5) ~~["Health spa"]~~ "Fitness center facility" means a facility to which a business entity

2186 provides access:

- 2187 (a) for a charge or a fee; and
- 2188 (b) for the development or preservation of physical fitness or well-being, through
- 2189 exercise~~[, weight control,]~~ or athletics.

2190 (6)(a) ~~["Health spa"]~~ "Fitness center service" means instruction, a service, a privilege, or

2191 a right that a ~~[health spa]~~ fitness center offers for sale.

2192 (b) ~~["Health spa"]~~ "Fitness center service" includes a personal training service.

2193 (7) "Personal training service" means the personalized instruction, training, supervision, or

2194 monitoring of an individual's physical fitness or well-being, through exercise~~[, weight~~

2195 ~~control,]~~ or athletics.

2196 (8) "Primary location" means the ~~[health spa]~~ fitness center facility that a ~~[health spa]~~ fitness

2197 center designates in a contract for ~~[health spa]~~ fitness center services as the ~~[health spa]~~

2198 fitness center facility the consumer in the contract will primarily use for ~~[health spa]~~

2199 fitness center services.

2200 Section 49. Section **13-23-102**, which is renumbered from Section 13-23-3 is renumbered

2201 and amended to read:

2202 **[13-23-3] 13-23-102 (Effective 05/06/26). Contracts for fitness center services.**

2203 (1)(a) A contract for the purchase of a ~~[health spa]~~ fitness center service shall be in

- 2204 writing.
- 2205 (b) The written contract described in Subsection (1)(a) shall constitute the entire
2206 agreement between the consumer and the ~~[health-spa]~~ fitness center.
- 2207 (2)(a) The ~~[health-spa]~~ fitness center shall provide the consumer with a fully completed
2208 copy of the contract required by Subsection (1):
- 2209 (i) at the time of the contract's execution; and
2210 (ii) at any time, upon the consumer's request.
- 2211 (b) The copy described in Subsection (2)(a) shall show:
- 2212 (i) the date of the transaction;
2213 (ii) the name and address of the ~~[health-spa]~~ fitness center;
2214 (iii) the name, address, and telephone number of the consumer; and
2215 (iv) the consumer's primary location.
- 2216 (3)(a) A contract described in Subsection (1):
- 2217 (i) may not have a term in excess of 36 months; and
2218 (ii) subject to Subsection (3)(b), may include an automatic renewal provision.
- 2219 (b) An automatic renewal provision described in Subsection (3)(a) is effective if notice
2220 of the automatic renewal provision is provided to the consumer no sooner than 60
2221 days before, and no later than 30 days before, the day on which the contract
2222 automatically renews.
- 2223 (c) Except for a lifetime membership sold before May 1, 1995, a ~~[health-spa]~~ fitness
2224 center may not offer a lifetime membership.
- 2225 (4) A contract described in Subsection (1) or an attachment to the contract shall clearly state
2226 each rule of the ~~[health-spa]~~ fitness center that applies to:
- 2227 (a) the consumer's use of the ~~[health-spa's]~~ fitness center's facilities and services; and
2228 (b) cancellation and refund policies of the ~~[health-spa]~~ fitness center.
- 2229 (5) A contract described in Subsection (1) shall specify which equipment or facility of the [
2230 ~~health-spa]~~ fitness center:
- 2231 (a) is omitted from the contract's coverage; or
2232 (b) may be changed at the ~~[health-spa's]~~ fitness center's discretion.
- 2233 (6) A contract described in Subsection (1) shall clearly:
- 2234 (a) state the consumer's rescission rights under Section [~~13-23-4~~] 13-23-103; and
2235 (b) provide an email address and a mailing address where the consumer can send the [
2236 ~~health-spa]~~ fitness center a notice of intent to rescind the contract.
- 2237 (7)(a) If a consumer and a ~~[health-spa]~~ fitness center enter into a contract described in

- 2238 Subsection (1) before May 4, 2022, the ~~[health-spa]~~ fitness center may:
- 2239 (i) assign the contract to another ~~[health-spa]~~ fitness center that requires the consumer
- 2240 to obtain a contracted ~~[health-spa]~~ fitness center service at a ~~[health-spa]~~ fitness
- 2241 center facility within five driving miles from the consumer's initial primary
- 2242 location; or
- 2243 (ii) change the consumer's primary location to a ~~[health-spa]~~ fitness center facility
- 2244 within five driving miles from the consumer's initial primary location.
- 2245 (b) If a consumer and a ~~[health-spa]~~ fitness center enter into a contract described in
- 2246 Subsection (1) on or after May 4, 2022, the ~~[health-spa]~~ fitness center may not:
- 2247 (i) assign the contract to another ~~[health-spa]~~ fitness center that requires the consumer
- 2248 to obtain a contracted ~~[health-spa]~~ fitness center service at a ~~[health-spa]~~ fitness
- 2249 center facility within five driving miles from the consumer's initial primary
- 2250 location, unless the ~~[health-spa]~~ fitness center that enters into the contract includes
- 2251 in the contract a disclaimer that:
- 2252 (A) is in at least 12-point, bold ~~[type]~~ font on the first page of the contract; and
- 2253 (B) states that the ~~[health-spa]~~ fitness center may assign the contract to another [
- 2254 ~~health-spa]~~ fitness center requiring the consumer to obtain a contracted [health
- 2255 ~~spa]~~ fitness center service at another facility within five driving miles from the
- 2256 consumer's initial primary location; or
- 2257 (ii) change the consumer's primary location to a ~~[health-spa]~~ fitness center facility
- 2258 within five driving miles from the consumer's initial primary location, unless the [
- 2259 ~~health-spa]~~ fitness center includes in the contract a disclaimer that:
- 2260 (A) is in at least 12-point, bold ~~[type]~~ font on the first page of the contract; and
- 2261 (B) states that the ~~[health-spa]~~ fitness center may change the consumer's primary
- 2262 location to a ~~[health-spa]~~ fitness center facility within five driving miles from
- 2263 the consumer's initial primary location.
- 2264 (8)(a) Except as permitted under Subsection (8)(b), a ~~[health-spa]~~ fitness center may not
- 2265 assign a contract for a ~~[health-spa]~~ fitness center service to a ~~[health-spa]~~ fitness center
- 2266 that requires the consumer to obtain a contracted ~~[health-spa]~~ fitness center service at
- 2267 a ~~[health-spa]~~ fitness center facility farther than five driving miles from the
- 2268 consumer's initial primary location, unless the ~~[health-spa]~~ fitness center:
- 2269 (i) provides the consumer the option to cancel the contract; and
- 2270 (ii) receives approval from the consumer to assign the contract.
- 2271 (b) A ~~[health-spa]~~ fitness center may assign a consumer's contract for a ~~[health-spa]~~

- 2272 fitness center service without complying with Subsection (8)(a), if:
- 2273 (i) during the 60-day period immediately before the day on which the [health-spa]
- 2274 fitness center assigns the consumer's contract, the consumer uses a [health-spa]
- 2275 fitness center facility operated by the assignee more frequently than the
- 2276 consumer's primary location;
- 2277 (ii) the assignee changes the consumer's primary location to the [health-spa] fitness
- 2278 center facility described in Subsection (8)(b)(i); and
- 2279 (iii) the [health-spa] fitness center has a reciprocity agreement with the assignee.
- 2280 (9)(a) Except as permitted under Subsection (9)(b), before a [health-spa] fitness center
- 2281 changes a consumer's primary location to a [health-spa] fitness center facility farther
- 2282 than five driving miles from the consumer's initial primary location, the [health-spa]
- 2283 fitness center shall provide the consumer the option to:
- 2284 (i) cancel the contract for a [health-spa] fitness center service; or
- 2285 (ii)(A) continue the contract at the new [health-spa] fitness center facility; and
- 2286 (B) designate the new [health-spa] fitness center facility as the consumer's primary
- 2287 location.
- 2288 (b) A [health-spa] fitness center may change a consumer's primary location without
- 2289 providing the consumer the option described in Subsection (9)(a), if:
- 2290 (i) during the 60-day period immediately before the day on which the [health-spa]
- 2291 fitness center changes the consumer's primary location, the consumer uses a [
- 2292 ~~health-spa~~] fitness center facility other than the consumer's primary location more
- 2293 frequently than the consumer's primary location; and
- 2294 (ii) the [health-spa] fitness center changes the consumer's primary location to the [
- 2295 ~~health-spa~~] fitness center facility described in Subsection (9)(b)(i).
- 2296 (10) The provisions of this section apply regardless of when the execution of a contract
- 2297 described in Subsection (1)(a) occurs.

2298 Section 50. Section **13-23-103**, which is renumbered from Section 13-23-4 is renumbered

2299 and amended to read:

2300 **~~[13-23-4]~~ 13-23-103 (Effective 05/06/26). Rescission.**

- 2301 (1) A consumer may rescind a contract for the purchase of a [health-spa] fitness center
- 2302 service by emailing or mailing written notice of the consumer's intent to rescind:
- 2303 (a) to the email address or mailing address the [health-spa-provided-] fitness center
- 2304 provides in the contract, [as described in] in accordance with Subsection [
- 2305 ~~13-23-3(6)(b)] 13-23-102(6)(b); and~~

2306 (b)(i) before midnight of the third business day after the day on which the consumer
 2307 and ~~[health-spa]~~ fitness center execute the contract, as recorded by timestamp or
 2308 postmark; or
 2309 (ii) if a consumer and ~~[health-spa]~~ fitness center execute the contract when the
 2310 consumer's primary location is not fully operational and available for use, before
 2311 midnight of the third business day after the day on which the consumer's primary
 2312 location becomes fully operational and available for use, as recorded by
 2313 timestamp or postmark.

2314 (2)~~[(a)]~~ A consumer who rescinds a contract under this section is entitled to a refund of
 2315 every payment the consumer made, less the reasonable value of any ~~[health-spa]~~
 2316 fitness center service the consumer actually received.

2317 ~~[(b)]~~ (3) The preparation and processing of the contract or ~~[another]~~ other document is not a [
 2318 ~~health-spa]~~ fitness center service ~~[that is deductible]~~ that the fitness center may deduct
 2319 under Subsection ~~[(2)(a)]~~ (2) from any refundable amount.

2320 ~~[(e)]~~ (4) In an enforcement action that the division initiates, a ~~[health-spa]~~ fitness center has
 2321 the burden of proving that any value the ~~[health-spa]~~ fitness center retains under
 2322 Subsection ~~[(2)(a)]~~ (2) is reasonable.

2323 ~~[(3)]~~ (5) The rescission of a contract under this section is effective upon the ~~[health-spa's]~~
 2324 fitness center's receipt of written notice of the consumer's intent to rescind the contract.

2325 Section 51. Section **13-23-104**, which is renumbered from Section 13-23-5 is renumbered
 2326 and amended to read:

2327 **[13-23-5] 13-23-104 (Effective 05/06/26). Registration -- Bond or certificate of**
 2328 **deposit required -- Penalties.**

2329 (1)~~[(a)(i)]~~ A ~~[health-spa]~~ fitness center may not operate a ~~[health-spa]~~ fitness center
 2330 facility in this state unless the ~~[health-spa]~~ fitness center registers the ~~[health-spa]~~
 2331 fitness center facility with the division in accordance with this section.

2332 ~~[(ii) Registration of a health spa facility under this chapter is effective for one year.]~~

2333 (2) To register or renew a registration for a fitness center facility, a person shall submit to
 2334 the division a registration application:

2335 (a) in a manner the division determines; and

2336 (b) that includes:

2337 (i) a registration fee in an amount the division determines in accordance with Section
 2338 63J-1-504;

2339 (ii) a designated registered agent for service of process in the state and the registered

- 2340 agent's:
- 2341 (A) name;
- 2342 (B) street address;
- 2343 (C) mailing address; and
- 2344 (D) telephone number;
- 2345 (iii) a copy of the fitness center's liability policy of insurance that:
- 2346 (A) covers the fitness center; and
- 2347 (B) is in effect at the time of the registration or registration renewal; and
- 2348 (iv) any other information that the division requires by rule that the division makes in
- 2349 accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act.
- 2350 [(iii)] (3)(a) A fitness center facility's registration is effective for one year after the day
- 2351 on which the division approves the fitness center's registration application.
- 2352 (b) To renew a [health-spa] fitness center facility registration under this section, the [
- 2353 health-spa] fitness center shall submit a registration renewal application [to the
- 2354 division] in accordance with Subsection (2) at least 30 days before the day on which
- 2355 the [health-spa] fitness center facility's registration expires.
- 2356 [(iv)] (4) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,
- 2357 the division may establish:
- 2358 [(A)] (a) the initial [health-spa] fitness center facility registration process, including the
- 2359 content of any forms;
- 2360 [(B)] (b) the [health-spa] fitness center facility registration renewal process, including the
- 2361 content of any forms; and
- 2362 [(C)] (c) a surety exemption process, including the content of any forms.
- 2363 [(b) Each health-spa registering a health-spa facility in this state shall designate a
- 2364 registered agent for receiving service of process.]
- 2365 [(c) A health-spa's registered agent shall be reasonably available from 8 a.m. until 5 p.m.
- 2366 during normal working days.]
- 2367 [(d) The division shall charge and collect a fee for registration and registration renewal
- 2368 under guidelines provided in Section 63J-1-504.]
- 2369 [(e) If a health-spa fails to submit a complete registration renewal application before the
- 2370 day on which a health-spa facility's registration expires, the health-spa shall pay a fee
- 2371 of \$25 for each month or part of a month that passes:]
- 2372 [(i) after the day on which the registration expires; and]
- 2373 [(ii) before the day on which the health-spa submits a complete registration renewal

- 2374 application.]
- 2375 [(f) The fee described in Subsection (1)(e) is in addition to the registration renewal fee
- 2376 described in Subsection (1)(d).]
- 2377 [(g) A health spa registering or renewing a registration shall provide the division a copy
- 2378 of the liability insurance policy that:]
- 2379 [(i) covers the health spa; and]
- 2380 [(ii) is in effect at the time of the registration or registration renewal.]
- 2381 [(h) If information in an application to register or renew the registration of a health spa
- 2382 facility materially changes or becomes incorrect or incomplete, the applicant shall,
- 2383 within 30 days after the day on which the information changes or becomes incorrect
- 2384 or incomplete, correct the application or submit the correct information to the
- 2385 division in a manner that the division establishes by rule made in accordance with
- 2386 Title 63G, Chapter 3, Utah Administrative Rulemaking Act.]
- 2387 (5) If a fitness center fails to submit a complete registration renewal application before the
- 2388 day on which a fitness center facility's registration expires, the fitness center shall pay a
- 2389 fee of \$25 for each month or part of a month that passes:
- 2390 (a) after the day on which the registration expires; and
- 2391 (b) before the day on which the fitness center submits a complete registration renewal
- 2392 application.
- 2393 (6) The fee described in Subsection (5) is in addition to the registration renewal fee
- 2394 described in Subsection (2)(b)(i).
- 2395 [(2)] (7)(a) Except as provided in Section [13-23-6] 13-23-105, for each [health spa]
- 2396 fitness center facility a [health spa] fitness center operates, the [health spa] fitness
- 2397 center shall obtain and maintain:
- 2398 (i) a [performance] surety bond issued by a surety authorized to transact surety
- 2399 business in this state; or
- 2400 [(ii) an irrevocable letter of credit issued by a financial institution authorized to do
- 2401 business in this state; or]
- 2402 [(iii)] (ii) a certificate of deposit in a financial institution authorized under the laws of
- 2403 this state or the United States to accept deposits from the public.
- 2404 (b) The fitness center shall make the bond[, letter of credit,] or certificate of deposit
- 2405 described in Subsection [(2)(a) shall be] (7)(a) payable to the division for the benefit
- 2406 of a consumer who incurs damages as the result of the [health spa] fitness center:
- 2407 (i) violating this chapter; or

- 2408 (ii) going out of business.
- 2409 (c)[(†)] After each consumer [~~has fully recovered~~] recovers actual damages, the
- 2410 division may recover from the surety bond[~~, letter of credit,~~] or certificate of
- 2411 deposit described in Subsection [(2)(a) ~~the costs of collecting and distributing~~
- 2412 ~~funds under this section, in an amount up to 10% of the face value of the bond,~~
- 2413 ~~letter of credit, or certificate of deposit]~~ (7)(a) any administrative fine, civil
- 2414 penalty, investigative cost, attorney fees, or other cost of collecting and
- 2415 distributing funds in accordance with this chapter.
- 2416 [(ii) ~~The total liability of the issuer of the bond, letter of credit, or certificate of~~
- 2417 ~~deposit described in this Subsection (2) may not exceed the amount of the bond,~~
- 2418 ~~letter of credit, or certificate of deposit.~~]
- 2419 [(iii) ~~A health spa shall maintain a bond, letter of credit, or certificate of deposit~~
- 2420 ~~described in this Subsection (2) in force for one year after the day on which the~~
- 2421 ~~health spa notifies the division in writing that the health spa has ceased all~~
- 2422 ~~activities regulated under this chapter at the health spa facility.]~~
- 2423 (d)[(†) ~~The division may impose a fine against a health spa that fails to comply with~~
- 2424 ~~the requirements of this Subsection (2) of up to \$100 per day that the health spa~~
- 2425 ~~remains out of compliance.]~~
- 2426 [(ii) ~~The division shall deposit each fine the division collects under this Subsection~~
- 2427 ~~(2)(d) into the Consumer Protection Education and Training Fund created in~~
- 2428 ~~Section 13-2-8.]~~
- 2429 [(3)] (8)(a) In accordance with the schedule established in Subsection [(3)(b)] (8)(b), a [~~health spa]~~
- 2430 fitness center shall base the minimum principal amount of the bond[~~, letter~~
- 2431 ~~of credit,~~] or certificate of deposit required under Subsection [(2)] (7) on:
- 2432 (i) the number of unexpired contracts for a [~~health spa]~~ fitness center service, at the
- 2433 time the [~~health spa]~~ fitness center submits the [~~health spa]~~ fitness center facility
- 2434 registration or registration renewal application, that designate the [~~health spa]~~
- 2435 fitness center facility as the consumer's primary location; or
- 2436 (ii) if at the time the [~~health spa]~~ fitness center submits the [~~health spa]~~ fitness center
- 2437 facility registration application the [~~health spa]~~ fitness center has not executed a
- 2438 contract for a [~~health spa]~~ fitness center service that designates the [~~health spa]~~
- 2439 fitness center facility as a consumer's primary location, the number of contracts
- 2440 for a [~~health spa]~~ fitness center service designating the [~~health spa]~~ fitness center
- 2441 facility as a consumer's primary location that the [~~health spa]~~ fitness center

2442 reasonably expects to execute during the [health-spa] fitness center facility's first
 2443 year of registration.

2444 (b)

2445	Principal Amount of <u>Surety Bond</u> [, Letter of Credit, or Certificate of Deposit	Number of Contracts
2446	\$5,000	100 or fewer
2447	\$10,000	101 to 250
2448	\$15,000	251 to 500
2449	35,000	501 to 1,500
2450	50,000	1,501 to 3,000
2451	75,000	3,001 or more

2452 (c) A [health-spa] fitness center shall comply with Subsections [~~(3)(a)~~] (8)(a) and (b) with
 2453 respect to all of the [health-spa's] fitness center's unexpired contracts for a [health-spa]
 2454 fitness center service that do not satisfy the criteria in Section [~~13-23-6~~] 13-23-105.

2455 [~~(4)~~] (9) A [health-spa] fitness center shall furnish a copy of the current surety bond[~~, letter~~
 2456 ~~of credit,~~] or certificate of deposit to the division before selling, offering or attempting to
 2457 sell, soliciting the sale of, or becoming a party to any contract to provide a [health-spa]
 2458 fitness center service.

2459 [~~(5)~~] (10) A [health-spa] fitness center shall:

2460 (a) maintain accurate records of:

- 2461 (i) the surety bond[~~, letter of credit,~~] or certificate of deposit; and
- 2462 (ii) of each payment made, due, or to become due to the issuer; and

2463 (b) open the records described in Subsection [~~(5)(a)~~] (10)(a) to inspection by the division
 2464 at any time during normal business hours.

2465 [~~(6)~~] (11)(a) A [health-spa] fitness center with a [health-spa] fitness center facility
 2466 registered under this section shall submit a new initial registration for the [health-spa]
 2467 fitness center facility, if the [health-spa] fitness center:

- 2468 (i) changes ownership;
- 2469 (ii) permanently ceases and then again commences operation at the [health-spa] fitness
 2470 center facility; or
- 2471 (iii) relocates the [health-spa] fitness center facility.

2472 (b) The former owner of a ~~[health spa]~~ fitness center may not release, cancel, or
 2473 terminate the owner's liability under any surety bond~~[-letter of credit,]~~ or certificate
 2474 of deposit previously filed with the division, unless:

2475 (i) the new owner ~~[has filed]~~ files a new bond~~[-letter of credit,]~~ or certificate of
 2476 deposit for the benefit of consumers covered under the previous owner's surety
 2477 bond~~[-letter of credit,]~~ or certificate of deposit; or

2478 (ii) the former owner ~~[has refunded]~~ refunds all unearned payments to consumers.

2479 ~~[(7)]~~ (12) If a ~~[health spa]~~ fitness center permanently ceases operation or relocates a ~~[health~~
 2480 spa] fitness center facility, the ~~[health spa]~~ fitness center shall provide the division notice
 2481 at least 45 days before the day on which ~~[health spa]~~ fitness center permanently ceases
 2482 operation or relocates the ~~[health spa]~~ fitness center facility.

2483 (13) A fitness center may not:

2484 (a) represent that the division or the state endorses or approves the fitness center;

2485 (b) omit from a filing with the division a material statement of fact required by this
 2486 chapter or rule the division makes in accordance with this chapter; or

2487 (c) include in a filing with the division a material statement of fact that the fitness center
 2488 or the fitness center's principal knew or should have known to be false, deceptive,
 2489 inaccurate, or misleading.

2490 (14) A fitness center commits a separate violation of this chapter for each day that the
 2491 fitness center operates a fitness center facility without registering the fitness center
 2492 facility with the division in accordance with Subsection (2).

2493 Section 52. Section **13-23-105**, which is renumbered from Section 13-23-6 is renumbered
 2494 and amended to read:

2495 **[13-23-6] 13-23-105 (Effective 05/06/26). Exemptions from surety bond or**
 2496 **certificate of deposit requirement.**

2497 (1) A ~~[health spa]~~ fitness center is exempt from Subsections ~~[13-23-5(2)]~~ 13-23-104(7)
 2498 through ~~[(5)]~~ (10) for a ~~[health spa]~~ fitness center facility, if the ~~[health spa]~~ fitness center
 2499 only offers access to a ~~[health spa]~~ fitness center service at the ~~[health spa]~~ fitness center
 2500 facility through:

2501 (a) the purchase of an individual class or session;

2502 (b) the purchase of a package:

2503 (i) with a defined number of classes or sessions; and

2504 (ii) for which the health spa may not hold more than \$150 worth of a consumer's
 2505 unused credit;

- 2506 (c) the purchase of a monthly membership or pass, payment for which the [health-spa]
 2507 fitness center does not collect from a consumer more than two months in advance;
 2508 (d) an installment contract that:
 2509 (i) provides for the consumer to make all payments due under the contract, including
 2510 a down payment, an enrollment fee, a membership fee, or any other payment to
 2511 the [health-spa] fitness center, in equal monthly installments spread over the entire
 2512 term of the contract; and
 2513 (ii) contains the following clause: "If this [health-spa] fitness center ceases operations
 2514 at or changes the consumer's primary location in violation of Utah Code
 2515 Subsection [~~13-23-3(7)~~] 13-23-102(7), (8), or (9), no further payments under this
 2516 contract shall be due to anyone, including any assignee of the contract or
 2517 purchaser of any note associated with or contained in this contract."; or
 2518 (e) a combination of [health-spa] fitness center services described in Subsections (1)(a)
 2519 through (d).
- 2520 (2) For purposes of finding the principal amount for the surety bond[~~, letter of credit,~~] or
 2521 certificate of deposit required under Section [~~13-23-5~~] 13-23-104, a [health-spa] fitness
 2522 center is not required to include in the calculation described in Subsection [~~13-23-5(3)~~]
 2523 13-23-104(8) a contract that offers access to a [health-spa] fitness center service as
 2524 described in Subsection (1).
- 2525 (3) A [health-spa] fitness center that claims exemption from Subsections [~~13-23-5(2)~~]
 2526 13-23-104(7) through [~~(5)~~] (10) or that a contract should be excluded from the
 2527 calculation described in Subsection [~~13-23-5(3)~~] 13-23-104(8) bears the burden of
 2528 proving to the division that the health spa or contract meets the relevant criteria
 2529 described in Subsection (1) or (2).

2530 Section 53. Section **13-23-106**, which is renumbered from Section 13-23-7 is renumbered
 2531 and amended to read:

2532 **[~~13-23-7~~] 13-23-106 (Effective 05/06/26). Enforcement -- Costs and attorney fees**
 2533 **-- Penalties.**

2534 [~~(1)(a) The division may, on behalf of a consumer or on the division's own behalf, file~~
 2535 ~~an action for injunctive relief, damages, or both to enforce this chapter.]~~

2536 [(b) In addition to any relief granted, the division is entitled to an award for reasonable
 2537 attorney's fees, court costs, and reasonable investigative expenses.]

2538 (1) In addition to the division's enforcement powers under Chapter 2, Division of Consumer
 2539 Protection, the division may:

2540 (a) impose an administrative fine of up to \$2,500 for a violation of this chapter; and
 2541 (b) bring an action in a court with jurisdiction to enforce a provision of this chapter.

2542 (2) In an action described in Subsection (1)(b), the court may:

2543 (a) declare that an act or practice violates a provision of this chapter;
 2544 (b) issue an injunction for a violation of this chapter;
 2545 (c) order disgorgement of any money received in violation of this chapter;
 2546 (d) order payment of disgorged money to an injured purchaser or consumer;
 2547 (e) impose a fine of up to \$2,500 for a violation of this chapter; and
 2548 (f) award any other relief that the court deems reasonable and necessary.

2549 ~~[(2)]~~ (3)(a) A person who willfully violates a provision of this chapter, either by failing
 2550 to comply with any requirement or by doing any act prohibited in this chapter, is
 2551 guilty of a class B misdemeanor.

2552 (b) Each day a person commits or permits to continue a violation described in
 2553 Subsection ~~[(2)(a) is committed or permitted to continue]~~ (3)(a) constitutes a separate
 2554 punishable offense.

2555 (c) In the case of a second offense, the person is guilty of a class A misdemeanor.

2556 (d) In the case of a third or subsequent offense, the person is guilty of a third degree
 2557 felony.

2558 ~~[(3)(a) In addition to any other penalty available under this chapter, a person who~~
 2559 ~~violates this chapter is subject to:]~~

2560 ~~[(i) a cease and desist order; and]~~

2561 ~~[(ii) an administrative fine of up to \$2,500 for each separate violation that is not a~~
 2562 ~~violation described in Subsection 13-23-5(2)(d) up to \$10,000 for any series of~~
 2563 ~~violations arising out of the same operative facts.]~~

2564 ~~[(b) The division shall deposit all administrative fines collected under this chapter into~~
 2565 ~~the Consumer Protection Education and Training Fund created in Section 13-2-8.]~~

2566 Section 54. Section **13-23-107**, which is renumbered from Section 13-23-8 is renumbered
 2567 and amended to read:

2568 **[13-23-8] 13-23-107 (Effective 05/06/26). Grounds for denial, suspension, or**
 2569 **revocation.**

2570 ~~[The director may, in-]~~ In accordance with Title 63G, Chapter 4, Administrative
 2571 Procedures Act, ~~[issue an order]~~ the director may initiate adjudicative proceedings to deny,
 2572 suspend, or revoke an application or registration ~~[upon a finding that the order is in the public~~
 2573 ~~interest and that] if:~~

- 2574 (1) the division finds that the denial, suspension, or revocation is in the public interest;
 2575 ~~[(1)]~~ (2)(a) the application for registration or renewal is incomplete or misleading in a
 2576 material respect; or
- 2577 ~~[(2)]~~ (b) the applicant or [person registered under this chapter or an officer, director,
 2578 agent, or employee of the applicant or registrant has] the applicant's principal:
- 2579 ~~[(a)]~~ (i) [violated this chapter] violates, causes a violation, allows a violation, or fails
 2580 to satisfy the requirements of a provision of:
- 2581 (A) this chapter; or
- 2582 (B) a rule the division makes in accordance with this chapter;
- 2583 ~~[(b)]~~ (ii) [violated] violates Chapter 11, Utah Consumer Sales Practices Act;
- 2584 ~~[(c)]~~ (iii) [been] is enjoined by a court, or is the subject of an administrative order
 2585 issued in this or another state, if the injunction or order:
- 2586 ~~[(i)]~~ (A) includes a finding or admission of fraud, breach of fiduciary duty, or
 2587 material misrepresentation; or
- 2588 ~~[(ii)]~~ (B) is based on a finding of lack of integrity, truthfulness, or mental
 2589 competence of the applicant;
- 2590 ~~[(d)]~~ (iv) [obtained] obtains or [attempted] attempts to obtain a registration by [
 2591 misrepresentation] misrepresenting a material fact;
- 2592 ~~[(e)]~~ (v) [failed] fails to [timely] provide information the division [with any
 2593 information required by this chapter] requests; or
- 2594 ~~[(f)]~~ (vi) [failed] fails to pay a fine imposed by the division or a court;
 2595 (vii) fails to pay the fee described in Subsection 13-23-104(2)(b)(i); or
 2596 (viii) is convicted of a crime involving theft, fraud, or dishonesty.
- 2597 (3) the applicant's or registrant's surety bond~~[, letter of credit,]~~ or certificate of deposit
 2598 ceases to be in effect;
- 2599 (4) the applicant or registrant requested an exemption from maintaining a surety bond~~[,~~
 2600 ~~letter of credit,]~~ or certificate of deposit under Section ~~[13-23-6]~~ 13-23-105, but does not
 2601 meet the requirements for exemption;
- 2602 (5) the applicant or registrant excluded from the principal amount calculation described in
 2603 Subsection ~~[13-23-5(3)]~~ 13-23-104(8) for a surety bond~~[, letter of credit,]~~ or certificate of
 2604 deposit, a contract that did not meet the requirements for exclusion described in Section [
 2605 ~~13-23-6]~~ 13-23-105; or
- 2606 (6) the applicant or registrant ceases to provide ~~[health spa]~~ fitness center services.
- 2607 Section 55. Section **13-25a-105** is amended to read:

2608 **13-25a-105 (Effective 05/06/26). Penalties -- Administrative and criminal.**

- 2609 (1) Any person who violates this chapter is subject to:
- 2610 (a) a cease and desist order; and
- 2611 (b) an administrative fine of not less than \$100 or more than \$2,500 for each separate
- 2612 violation.
- 2613 (2) Any person who violates this chapter by soliciting an on-call emergency provider while
- 2614 the on-call emergency provider is on call is subject to:
- 2615 (a) a cease and desist order; and
- 2616 (b) an administrative fine of not less than \$1,000 or more than \$2,500 for each separate
- 2617 violation.
- 2618 (3) All administrative fines collected under this chapter shall be deposited in the Consumer
- 2619 Protection Education and Training Fund created in Section ~~[13-2-8]~~ 13-2-109.
- 2620 (4) Any person who intentionally violates this chapter is guilty of a class A misdemeanor
- 2621 and may be fined up to \$2,500.
- 2622 (5) A person intentionally violates this chapter if the violation occurs after the division,
- 2623 attorney general, or a district or county attorney notifies the person by certified mail that
- 2624 the person is in violation of this chapter.

2625 Section 56. Section **13-26-101**, which is renumbered from Section 13-26-2 is renumbered

2626 and amended to read:

2627 **Part 1. General Provisions**

2628 ~~[13-26-2]~~ **13-26-101 (Effective 05/06/26). Definitions.**

2629 As used in this chapter~~[, unless the context otherwise requires]:~~

- 2630 (1) "Affiliated person" means a seller or a seller's contractor, director, employee, officer,
- 2631 owner, or partner.
- 2632 (2) "Continuity plan" means a shipment, with the prior express consent of the buyer, at
- 2633 regular intervals of similar special-interest products, in which there is no binding
- 2634 commitment period or purchase amount.
- 2635 (3) "Director" means the director of the division appointed under Section 13-2-103.
- 2636 ~~[(3)]~~ (4) "Division" means the Division of Consumer Protection created in Section 13-2-102.
- 2637 ~~[(4)]~~ (5) "Fictitious personal name" means a name other than an individual's legal name.
- 2638 (6) "Material fact" means information that a person of ordinary intelligence or prudence
- 2639 would consider important in deciding whether to accept an offer extended through a
- 2640 telephone solicitation.
- 2641 ~~[(5)]~~ (7) "Material statement" [or "material fact"] means [information] a statement a seller or

2642 a solicitor makes that a person of ordinary intelligence or prudence would consider
2643 important in deciding whether to accept an offer extended through a telephone
2644 solicitation.

2645 [(6)] (8) "Participant" means a person seeking to register or renew a registration as a seller
2646 including:

- 2647 (a) a seller;
2648 (b) an owner;
2649 (c) an officer;
2650 (d) a director;
2651 (e) a member or manager of a limited liability company;
2652 (f) a principal;
2653 (g) a trustee;
2654 (h) a general or limited partner;
2655 (i) a sole proprietor; or
2656 (j) an individual with a controlling interest in an entity.

2657 [(7)] (9) "Premium" means a gift, bonus, prize, award, certificate, or other document by
2658 which a prospective purchaser is given a right, chance, or privilege to purchase or
2659 receive goods or services with a stated or represented value of \$25 or more as an
2660 inducement to a prospective purchaser to purchase other goods or services.

2661 [(8)] (10) "Seller" means a person, or a group of persons engaged in a common effort to
2662 conduct a telephone solicitation, that:

- 2663 (a) on behalf of the person, or the group of persons engaged in a common effort to
2664 conduct a telephone solicitation:
2665 (i) makes a telephone solicitation; or
2666 (ii) causes a telephone solicitation to be made; or
2667 (b) through a [telephone-]solicitor:
2668 (i) makes a telephone solicitation; or
2669 (ii) causes a telephone solicitation to be made.

2670 (11) "Solicitor" means an individual who engages in a telephone solicitation on behalf of a
2671 seller.

2672 [(9)] (12) [~~"Subscription arrangements," "standing-~~ "Standing order arrangements," [
2673 ~~"supplements," and "series arrangements" mean products or services provided]~~ means a
2674 product or service that a person provides, with the prior express request or consent of the
2675 buyer, for a specified period of time at a price dependent on the duration of service and

2676 to complement an initial purchase.

2677 [(10)] (13)(a) "Telephone solicitation[;]" ["sale," "selling," or "solicitation of sale"]

2678 means:

2679 (i) a sale or solicitation of goods or services in which:

2680 (A)(I) the seller solicits the sale over the telephone;

2681 (II) the purchaser's agreement to purchase is made over the telephone; and

2682 (III) the purchaser, over the telephone, pays for or agrees to commit to payment

2683 for goods or services prior to or upon receipt by the purchaser of the goods

2684 or services;

2685 (B) the seller, not exempt under Section [13-26-4] 13-26-104, induces a

2686 prospective purchaser over the telephone, to make and keep an appointment

2687 that directly results in the purchase of goods or services by the purchaser that

2688 would not have occurred without the telephone solicitation and inducement by

2689 the seller;

2690 (C) the seller offers or promises a premium to a prospective purchaser if:

2691 (I) the seller induces the prospective purchaser to initiate a telephone contact

2692 with the seller; and

2693 (II) the resulting solicitation meets the requirements of this Subsection [(10)(a)]

2694 (13)(a); or

2695 (D) the seller solicits a charitable donation involving the exchange of any

2696 premium, prize, gift, ticket, subscription, or other benefit in connection with an

2697 appeal made for a charitable purpose by an organization that is not otherwise

2698 exempt under Subsection [13-26-4(2)(b)(iv)] 13-26-104(2)(b)(iv); or

2699 (ii) a [telephone solicitation as defined in Section 13-25a-102] person making or

2700 causing to be made an unsolicited telephone call, including calls made by use of

2701 an automated telephone dialing system.

2702 (b) "Telephone solicitation[;]" ["sale," "selling," or "solicitation of sale"] does not

2703 include a sale or solicitation that occurs solely through [an Internet] a website without

2704 the use of a telephone call.

2705 [(e) A solicitation of sale or telephone solicitation is considered complete when made,

2706 whether or not the person receiving the solicitation agrees to the sale or to make a

2707 charitable donation.]

2708 [(11) "Telephone solicitor" or "solicitor" means an individual who engages in a telephone

2709 solicitation on behalf of a seller.]

2710 Section 57. Section **13-26-102**, which is renumbered from Section 13-26-3 is renumbered
2711 and amended to read:

2712 ~~[13-26-3]~~ **13-26-102 (Effective 05/06/26). Registration and surety bond or**
2713 **certificate of deposit required.**

2714 (1)(a) Unless exempt under Section ~~[13-26-4]~~ 13-26-104, ~~[each]~~ a seller shall register
2715 annually with the division before engaging in telephone solicitations if:

2716 (i) the seller engages in telephone solicitations that:

2717 (A) originate in Utah; or

2718 (B) are received in Utah; or

2719 (ii) the seller, or a solicitor on behalf of the seller, conducts ~~[any business operations]~~
2720 a business operation in Utah.

2721 ~~[(b) The registration form shall designate an agent residing in this state who is~~
2722 ~~authorized by the seller to receive service of process in any action brought by this~~
2723 ~~state or a resident of this state.]~~

2724 ~~[(c) If a seller fails to designate an agent to receive service or fails to appoint a successor~~
2725 ~~to the agent, the division shall:]~~

2726 ~~[(i) deny the seller's application for an initial or renewal registration; and]~~

2727 ~~[(ii) if the application is for a renewal registration, suspend the seller's current~~
2728 ~~registration until the seller designates an agent.]~~

2729 ~~[(d) For purposes of this section only, the registered agent of a seller shall provide the~~
2730 ~~division the registered agent's proof of residency in the state in the form of:]~~

2731 ~~[(i) a valid Utah driver license;]~~

2732 ~~[(ii) a valid governmental photo identification issued to a resident of this state; or]~~

2733 ~~[(iii) other verifiable identification indicating residency in this state.]~~

2734 (2) To register as a seller, a person shall submit to the division a registration application:

2735 (a) in the manner the division determines; and

2736 (b) that includes:

2737 (i) a registration application fee in an amount the division determines in accordance
2738 with Section 63J-1-504;

2739 (ii) any information the division requires by rule the division makes in accordance
2740 with Title 63G, Chapter 3, Utah Administrative Rulemaking Act; and

2741 (iii) a designated registered agent for service of process in this state and the registered
2742 agent's:

2743 (A) name;

- 2744 (B) street address;
 2745 (C) mailing address; and
 2746 (D) telephone number.

2747 (3) A seller that is subject to this chapter shall obtain and maintain the following:

- 2748 (a) a surety bond issued by a surety authorized to transact security business in this state;
 2749 or
 2750 (b) a certificate of deposit held in this state in a financial institution authorized under the
 2751 laws of this state or the laws of the United States to accept deposits from the public.

2752 [~~(2) The division may impose an annual registration fee set in accordance with Section~~
 2753 ~~63J-1-504 that may include the cost of the criminal background check described in~~
 2754 ~~Subsection (4).]~~

2755 [~~(3)(a) Each seller subject to this chapter engaging in telephone solicitation or sales in~~
 2756 ~~this state shall obtain and maintain the following security:]~~

2757 [~~(i) a performance bond issued by a surety authorized to transact surety business in~~
 2758 ~~this state;]~~

2759 [~~(ii) an irrevocable letter of credit issued by a financial institution authorized under~~
 2760 ~~the laws of this state or the United States doing business in this state; or]~~

2761 [~~(iii) a certificate of deposit held in this state in a financial institution authorized~~
 2762 ~~under the laws of this state or the United States to accept deposits from the public.]]~~

2763 [~~(b) A seller's bond, letter of credit, or certificate of deposit shall be payable to the~~
 2764 ~~division for the benefit of any consumer who incurs damages as the result of the~~
 2765 ~~seller's violation of this chapter.]]~~

2766 [~~(c) If the consumer has first recovered full damages, the division may recover from the~~
 2767 ~~bond, letter of credit, or certificate of deposit administrative fines, civil penalties,~~
 2768 ~~investigative costs, attorney fees, and other costs of collecting and distributing funds~~
 2769 ~~under this section.]]~~

2770 [~~(d) A seller shall keep a bond, certificate of deposit, or letter of credit in force for one~~
 2771 ~~year after the day on which the seller notifies the division in writing that the seller~~
 2772 ~~has ceased all activities regulated by this chapter.]]~~

2773 [~~(e)] (4) [The seller shall post a bond, irrevocable letter of credit, or certificate of deposit in~~
 2774 ~~the amount of] The surety bond or certificate of deposit described in Subsection (3) shall~~
 2775 ~~be:~~

- 2776 (a) in the amount of:
 2777 (i) \$25,000 if:

- 2778 (A) ~~[neither]~~the seller ~~[nor any]~~ or an affiliated person has not violated this
 2779 chapter in the three-year period immediately before the day on which the seller
 2780 files the application; and
- 2781 (B) the seller has fewer than 10 employees;
- 2782 (ii) \$50,000 if:
- 2783 (A) ~~[neither]~~the seller ~~[nor any]~~ or an affiliated person has not violated this
 2784 chapter in the three-year period immediately before the day on which the seller
 2785 files the application; and
- 2786 (B) the seller has 10 or more employees; or
- 2787 (iii) \$75,000 if the seller or ~~[any]~~ an affiliated person has violated this chapter in the
 2788 three-year period immediately before the day on which the seller files the
 2789 application~~[-]~~ ; and
- 2790 (b) payable to the division for the benefit of a consumer who incurs damages as the
 2791 result of the seller's violation of this chapter.
- 2792 [~~(4) To register or renew a registration as a seller, a participant:]~~
- 2793 [~~(a) may not have been convicted of a felony in the 10-year period immediately before~~
 2794 ~~the day on which the participant files the application;]~~
- 2795 [~~(b) may not have been convicted of a misdemeanor involving moral turpitude,~~
 2796 ~~including theft, fraud, or dishonesty, in the 10-year period immediately before the~~
 2797 ~~day on which the participant files the application; and]~~
- 2798 [~~(c) shall submit to the division:]~~
- 2799 [~~(i) the participant's fingerprints, in a form acceptable to the division, for purposes of~~
 2800 ~~a criminal background check; and]~~
- 2801 [~~(ii) consent to a criminal background check by the Bureau of Criminal Identification~~
 2802 ~~created in Section 53-10-201.]~~
- 2803 (5) If the consumer recovers actual damages from an action resulting from the seller's
 2804 violation of this chapter before the division distributes the funds in the surety bond or
 2805 certificate of deposit described in Subsection (3) to the consumer in accordance with
 2806 Subsection (4)(b), the division may recover from the surety bond or certificate of deposit:
- 2807 (a) administrative fines;
- 2808 (b) civil penalties;
- 2809 (c) investigative costs;
- 2810 (d) attorney fees; and
- 2811 (e) other costs of collecting and distributing funds under this chapter.

2812 (6) A seller shall submit to the division, as part of the seller's registration application:
 2813 (a) a fingerprint card in a form the division approves;
 2814 (b) consent to a criminal background check conducted by:
 2815 (i) the Bureau of Criminal Identification created in Section 53-10-201; or
 2816 (ii) another state or federal agency that performs criminal background checks; and
 2817 (c) provide a disclosure that states whether a seller or an affiliated person has been
 2818 convicted of a felony or misdemeanor involving theft, fraud, or dishonesty, in the
 2819 10-year period immediately preceding the day on which the seller files the
 2820 application.

2821 (7) A seller shall pay the cost of:
 2822 (a) the fingerprint card described in Subsection (6)(a); and
 2823 (b) the criminal background check described in Subsection (6)(b).

2824 (8) A seller registration is effective for one year after the day on which the division
 2825 approves a seller's registration application.

2826 (9) To renew a seller registration, a seller shall submit a registration renewal application to
 2827 the division at least 30 days before the day on which the seller's registration expires.

2828 (10) Registration under this section does not constitute an approval or endorsement of the
 2829 seller by the division or the state.

2830 [~~(5) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the~~
 2831 ~~division may establish by rule the registration requirements for a seller.]~~

2832 [~~(6) If information in an application for registration or for renewal of registration as a seller~~
 2833 ~~materially changes or becomes incorrect or incomplete, the applicant shall, within 30~~
 2834 ~~days after the day on which information changes or becomes incorrect or incomplete,~~
 2835 ~~submit the correct information to the division in a manner that the division establishes~~
 2836 ~~by rule.]~~

2837 [~~(7) The division director may deny or revoke a registration under this section for any~~
 2838 ~~violation of this chapter.]~~

2839 Section 58. Section **13-26-103** is enacted to read:

2840 **13-26-103 (Effective 05/06/26). Denial, suspension, or revocation of an**
 2841 **application or registration.**

2842 In accordance with Chapter 2, Division of Consumer Protection, and Title 63G, Chapter
 2843 4, Administrative Procedures Act, the division may initiate adjudicative proceedings to deny,
 2844 suspend, or revoke an application or registration if:

2845 (1) the division finds that the denial, suspension, or revocation is in the public interest; and

- 2846 (2)(a) the registration is incomplete, false, or misleading; or
 2847 (b) the applicant or the applicant's principal:
 2848 (i) violates, causes a violation, allows a violation, or fails to satisfy the requirements
 2849 of a provision of:
 2850 (A) this chapter; or
 2851 (B) a rule the division makes in accordance with this chapter;
 2852 (ii) violates Chapter 11, Utah Consumer Sales Practices Act;
 2853 (iii) is enjoined by a court, or is the subject of an administrative or judicial order
 2854 issued in Utah or another state, if the order:
 2855 (A) includes a finding or admission of fraud, breach of fiduciary duty, or material
 2856 misrepresentation; or
 2857 (B) is based on a finding of a lack of integrity, truthfulness, or mental competence;
 2858 (iv) is convicted of a crime involving theft, fraud, or dishonesty;
 2859 (v) obtains or attempts to obtain a registration by misrepresenting a material fact;
 2860 (vi) fails to provide information the division requests;
 2861 (vii) fails to pay an administrative fine the division or an administrative or judicial
 2862 order imposes; or
 2863 (viii) fails to pay the fee to file a registration application or a renewal application.

2864 Section 59. Section **13-26-104**, which is renumbered from Section 13-26-4 is renumbered
 2865 and amended to read:

2866 **[~~13-26-4~~] 13-26-104 (Effective 05/06/26). Exemptions from registration.**

- 2867 (1) In an enforcement action initiated by the division, a person claiming an exemption has
 2868 the burden of proving that the person is entitled to the exemption.
- 2869 (2) The following are exempt from this chapter except for the requirements described in
 2870 Sections [~~13-26-8~~] 13-26-106 and [~~13-26-11~~] 13-26-108:
- 2871 (a) a broker, agent, dealer, or sales professional licensed in this state, when soliciting
 2872 sales within the scope of the broker's, agent's, dealer's, or sales professional's license;
- 2873 (b) the solicitation of sales by:
- 2874 (i) a public utility that is regulated under Title 54, Public Utilities, or by an affiliate of
 2875 the public utility;
- 2876 (ii) a newspaper of general circulation;
- 2877 (iii) a solicitation of sale made by a broadcaster licensed by a state or federal
 2878 authority;
- 2879 (iv) a nonprofit organization if no part of the net earnings from the sale inures to the

- 2880 benefit of:
- 2881 (A) a member, officer, trustee, or serving board member of the organization; or
- 2882 (B) an individual, or a family member of an individual, holding a position of
- 2883 authority or trust in the organization; and
- 2884 (v) a person who periodically publishes and delivers a catalog of the seller's
- 2885 merchandise to prospective purchasers, if the catalog:
- 2886 (A) contains the price and a written description or illustration of each item offered
- 2887 for sale;
- 2888 (B) includes the seller's business address;
- 2889 (C) includes at least 24 pages of written material and illustrations;
- 2890 (D) is distributed in more than one state; and
- 2891 (E) has an annual circulation by mailing of not less than 250,000;
- 2892 (c) a publicly traded corporation registered with the Securities and Exchange
- 2893 Commission, or a subsidiary of the publicly traded corporation;
- 2894 (d) the solicitation of a depository institution as defined in Section 7-1-103, a subsidiary
- 2895 of a depository institution, personal property broker, securities broker, investment
- 2896 adviser, consumer finance lender, or insurer subject to regulation by an official
- 2897 agency of this state or the United States;
- 2898 (e) the solicitation by a person soliciting only the sale of telephone services to be
- 2899 provided by the person or the person's employer;
- 2900 (f) the solicitation of a person relating to a transaction regulated by the Commodities
- 2901 Futures Trading Commission, if:
- 2902 (i) the person is registered with or temporarily licensed by the commission to conduct
- 2903 the activity under the Commodity Exchange Act; and
- 2904 (ii) the registration or license has not expired or been suspended or revoked;
- 2905 (g) the solicitation of a contract for the maintenance or repair of goods previously
- 2906 purchased from the person:
- 2907 (i) who is making the solicitation; or
- 2908 (ii) on whose behalf the solicitation is made;
- 2909 (h) the solicitation of previous customers of the person on whose behalf the call is made
- 2910 if the person making the call:
- 2911 (i) does not offer any premium in conjunction with a sale or offer;
- 2912 (ii) is not selling an investment or an opportunity for an investment that is not
- 2913 registered with a state or federal authority; and

- 2914 (iii) is not regularly engaged in telephone sales;
- 2915 (i) the solicitation of a sale that is an isolated transaction and not done in the course of a
- 2916 pattern of repeated transactions of a similar nature;
- 2917 (j) the solicitation of a person by a retail business that has been in operation for at least
- 2918 five years in Utah under the same name as that used in connection with telemarketing
- 2919 if the following occur on a continuing basis:
- 2920 (i) at the retail business's place of business, the retail business:
- 2921 (A) displays and offers products for sale; or
- 2922 (B) offers services for sale and provides the services at the place of business; and
- 2923 (ii) a majority of the retail business's business involves the activities described in
- 2924 Subsection (2)(j)(i);
- 2925 (k) a person primarily soliciting the sale of a magazine or periodical sold by the
- 2926 publisher or the publisher's agent through a written agreement, or printed or recorded
- 2927 material through a contractual plan, such as a book or record club, continuity plan, [
2928 ~~subscription,~~] or standing order arrangement, [~~or supplement or series arrangement~~]
- 2929 if:
- 2930 (i) the person provides the consumer with a form that the consumer may use to
- 2931 instruct the person not to ship the offered merchandise, and the arrangement is
- 2932 regulated by the Federal Trade Commission trade regulation concerning use of
- 2933 negative option plans by a person making a sale in commerce; or
- 2934 (ii)(A) the person periodically ships merchandise to a consumer who has
- 2935 consented in advance to receive the merchandise on a periodic basis; and
- 2936 (B) the consumer retains the right to cancel at any time and receive a full refund
- 2937 for the unused portion;
- 2938 (l) a telephone marketing service company that provides telemarketing sales services
- 2939 under contract to a person making a sale if:
- 2940 (i) the telephone marketing service company has been doing business regularly with
- 2941 customers in Utah for at least five years under the same business name and with
- 2942 the telephone marketing service company's principal office in the same location;
- 2943 (ii) at least 75% of the telephone marketing service company's contracts are
- 2944 performed on behalf of persons exempt from registration under this chapter; and
- 2945 (iii) neither the telephone marketing service company nor the telephone marketing
- 2946 service company's principals have been enjoined from doing business or subjected
- 2947 to criminal actions for the telephone marketing service company's or the telephone

2948 marketing company's principal's business activities in this or any other state;

2949 (m) a credit services organization that holds a current registration with the division

2950 under Chapter 21, Credit Services Organizations Act, if the credit services

2951 organization's telephone solicitations are limited to the solicitation of services

2952 regulated under Chapter 21, Credit Services Organizations Act; and

2953 (n) a provider that holds a current registration with the division under Chapter 42,

2954 Uniform Debt-Management Services Act, if the provider's telephone solicitations are

2955 limited to the solicitation of services regulated under Chapter 42, Uniform

2956 Debt-Management Services Act.

2957 Section 60. Section **13-26-105**, which is renumbered from Section 13-26-5 is renumbered

2958 and amended to read:

2959 **[13-26-5] 13-26-105 (Effective 05/06/26). Right of rescission -- Cancellation.**

2960 (1) As used in this section, "business day" means a day other than Saturday, Sunday or a
2961 federal or state holiday.

2962 (2) Before engaging in a solicitation with a consumer, a seller or a seller's solicitor shall
2963 orally advise the consumer of the seller or the seller's solicitor's:

2964 (a) legal name;

2965 (b) telephone number;

2966 (c) complete mailing address; and

2967 (d) email address.

2968 [~~(2)~~] (3)(a) Except as provided in Subsections [~~(2)(b)~~] (3)(b) and (c), in addition to any
2969 right to otherwise revoke an offer, a person who makes a purchase from a seller may
2970 cancel the sale at or before [midnight of] 11:59 p.m. on the third business day after the
2971 day on which the person receives the merchandise or premium, whichever is later,
2972 provided that the seller or the seller's solicitor advises the purchaser of the purchaser's
2973 cancellation rights under this chapter at the time the seller or seller's solicitor makes
2974 the solicitation[is made].

2975 (b) If the seller or the seller's solicitor fails to orally advise a purchaser of the right to
2976 cancel under this section at the time of a solicitation, the purchaser's right to cancel is
2977 extended to 90 days after the day on which the person receives the merchandise or
2978 premium.

2979 (c) If the seller or the seller's solicitor fails to orally advise a purchaser of the seller's or
2980 the seller's solicitor's legal name, telephone number, and complete address at the time
2981 of a solicitation, the purchaser may cancel the sale at any time.

2982 (d) Except as provided in Subsection ~~[(5)]~~ (6), a seller shall provide a full refund to a
2983 purchaser who cancels a sale in accordance with this section.

2984 ~~[(3)]~~ (4) A purchaser may cancel a sale by:

2985 (a) mailing a notice of cancellation to the seller or seller's solicitor's ~~[correct-]~~address, [
2986 ~~postage prepaid]~~ or email address the seller or seller's solicitor provides in accordance
2987 with Subsection (2); or

2988 (b) if the seller or the seller's solicitor fails to provide the purchaser with the seller's or
2989 the seller's solicitor's ~~[correct-]~~address or email address in accordance with
2990 Subsection (2), sending a written notice of cancellation to the division's office~~[-~~
2991 ~~postage prepaid]~~.

2992 ~~[(4)]~~ (5)(a) If a purchaser cancels a sale and the seller or the seller's solicitor ~~[provides~~
2993 ~~the purchaser with the seller's correct address]~~ complies with Subsection (2), the
2994 purchaser shall, within seven business days after the day on which the purchaser
2995 exercises the right to cancel, make a reasonable attempt to:

2996 (i) if the canceled sale involves durable goods, return the goods to the seller; or

2997 (ii) if the canceled sale involves expendable goods, return any unused portion of the
2998 goods to the seller.

2999 (b) If the seller or the seller's solicitor fails to ~~[provide to a purchaser the seller's correct~~
3000 ~~address]~~ provide the information required by Subsection (2), a purchaser who cancels
3001 a sale is not required to return any canceled goods to the seller.

3002 ~~[(5)]~~ (6)(a) If the purchaser who cancels a sale has used any portion of the services or
3003 goods purchased, the purchaser shall provide the seller a reasonable allowance for the
3004 value given.

3005 (b) A seller may deduct the reasonable allowance described in Subsection ~~[(5)(a)]~~ (6)(a)
3006 from any refund due the purchaser.

3007 Section 61. Section **13-26-106**, which is renumbered from Section 13-26-8 is renumbered
3008 and amended to read:

3009 **[13-26-8] 13-26-106 (Effective 05/06/26). Penalties and enforcement.**

3010 (1) In addition to the division's enforcement powers described in Chapter 2, Division of
3011 Consumer Protection:

3012 (a) the director may impose an administrative fine of up to \$2,500 for each violation of
3013 this chapter; and

3014 (b) the division may bring an action in a court with jurisdiction to enforce a provision of
3015 this chapter.

- 3016 (2) If the division brings an action in accordance with Subsection (1)(b):
- 3017 (a) the court may:
- 3018 (i) declare that an act or practice violates a provision of this chapter;
- 3019 (ii) issue an injunction for a violation of this chapter;
- 3020 (iii) order disgorgement of any money received in violation of this chapter;
- 3021 (iv) order payment of disgorged money to an injured purchaser or consumer;
- 3022 (v) impose a fine of up to \$2,500 for each violation of this chapter; or
- 3023 (vi) award any other relief that the court deems reasonable and necessary; and
- 3024 (b) if the court grants judgment or injunctive relief to the division, the court shall award
- 3025 the division:
- 3026 (i) reasonable attorney fees;
- 3027 (ii) court costs; and
- 3028 (iii) investigative fees.
- 3029 (3)(a) A person that violates an administrative or court order issued for a violation of
- 3030 this chapter is subject to a civil penalty of no more than \$5,000 for each violation.
- 3031 (b) A court may impose a civil penalty authorized under this section in a civil action
- 3032 brought by the division.
- 3033 ~~[(1)]~~ (4)(a) A seller or solicitor who violates a provision of this chapter is guilty of:
- 3034 (i) a class B misdemeanor for a first violation;
- 3035 (ii) if the seller or solicitor has one prior violation of this chapter, a class A
- 3036 misdemeanor; and
- 3037 (iii) if the seller or solicitor has two prior violations of this chapter, a third-degree
- 3038 felony.
- 3039 (b) For the purposes of Subsection ~~[(1)(a)]~~ (5)(a), a prior violation includes:
- 3040 (i) a final prior conviction;
- 3041 (ii) a final determination by a court of competent jurisdiction; or
- 3042 (iii) a final determination in an administrative adjudicative proceeding.
- 3043 ~~[(2) A person who violates a provision of this chapter is subject to a civil penalty in a court~~
- 3044 ~~of competent jurisdiction of up to \$2,500 for each violation of this chapter.]~~
- 3045 ~~[(3)]~~ (5)[(a) The division may:]
- 3046 [(i) in accordance with Title 63G, Chapter 4, Administrative Procedures Act, conduct
- 3047 an administrative proceeding to enforce the provisions of this chapter;]
- 3048 [(ii) bring a court action to enforce the provisions of this chapter; and]
- 3049 [(iii) in addition to other penalties described in this chapter, issue a cease and desist

3050 order and impose an administrative fine of up to \$2,500 for each violation of this
3051 chapter.]

3052 [(b)] For purposes of this section, each telephone solicitation ~~[made]~~ a person makes in
3053 violation of this chapter is a separate violation.

3054 [~~(4)~~] ~~The division shall deposit all administrative fines and civil penalties collected under~~
3055 ~~this chapter into the Consumer Protection Education and Training Fund created in~~
3056 ~~Section 13-2-8.~~]

3057 Section 62. Section **13-26-107**, which is renumbered from Section 13-26-10 is renumbered
3058 and amended to read:

3059 **~~[13-26-10]~~ 13-26-107 (Effective 05/06/26). Provisions of chapter not exclusive.**

3060 The remedies, duties, prohibitions, and penalties of this chapter are not exclusive and are
3061 in addition to all other causes of action, remedies, and penalties provided by law.

3062 Section 63. Section **13-26-108**, which is renumbered from Section 13-26-11 is renumbered
3063 and amended to read:

3064 **~~[13-26-11]~~ 13-26-108 (Effective 05/06/26). Prohibited practices.**

3065 (1) It is unlawful for a seller to:

3066 (a) solicit a prospective purchaser if the seller is not registered with the division or is
3067 exempt from registration under this chapter;

3068 (b) in connection with a telephone solicitation~~[or a filing with the division]~~, make or
3069 cause to be made a false ~~[material]~~ statement or fail to disclose a material fact
3070 necessary to make the seller's statement not misleading;

3071 (c) make or authorize the making of a misrepresentation to a purchaser or prospective
3072 purchaser about the seller's compliance with this chapter;

3073 (d) fail to refund within 30 days any amount due a purchaser who exercises the right to
3074 cancel under Section ~~[13-26-5]~~ 13-26-105;

3075 (e) unless the seller is exempt under Section ~~[13-26-4]~~ 13-26-104, fail to orally advise a
3076 purchaser of the purchaser's right to cancel under Section ~~[13-26-5]~~ 13-26-105;

3077 (f) employ an inmate in a correctional facility for telephone soliciting operations when
3078 the employment would give the inmate access to an individual's personal data,
3079 including the individual's name, address, telephone number, Social Security number,
3080 credit card information, or physical description; or

3081 (g) cause or permit a solicitor to violate a provision of this chapter.

3082 (2) It is unlawful for a solicitor to:

3083 (a) use a fictitious personal name in connection with a telephone solicitation;

- 3084 (b) in connection with a telephone solicitation, make or cause to be made a false material
 3085 statement or fail to disclose a material fact necessary to make the solicitor's statement
 3086 not misleading;
- 3087 (c) make a misrepresentation to a purchaser or prospective purchaser about the solicitor's
 3088 compliance with this chapter; or
- 3089 (d) unless the solicitor is exempt under Section [~~13-26-4~~] 13-26-104, fail to orally advise
 3090 a purchaser of the purchaser's right to cancel under Section [~~13-26-5~~] 13-26-105.
- 3091 (3) If a person knows or has reason to know that a seller or solicitor [~~is engaged~~] engages in
 3092 an act or practice that violates this chapter, it is unlawful for the person to:
- 3093 (a) benefit from the seller's or solicitor's services; or
- 3094 (b) provide substantial assistance or support to the seller or solicitor.
- 3095 (4) A seller or a seller's solicitor may not:
- 3096 (a) represent that the division or the state approves or endorses the seller;
- 3097 (b) omit from a filing with the division a material statement of fact required by:
- 3098 (i) this chapter; or
- 3099 (ii) a rule made by the division in accordance with this chapter; or
- 3100 (c) include in a filing with the division a material statement of fact that the seller or
 3101 seller's principal knew or should have known to be false, deceptive, inaccurate, or
 3102 misleading.
- 3103 (5) A solicitation of sale or telephone solicitation is considered complete when made,
 3104 regardless of whether the person receiving the solicitation agrees to the sale or to make a
 3105 charitable donation.
- 3106 Section 64. Section **13-28-7** is amended to read:
- 3107 **13-28-7 (Effective 05/06/26). Penalties -- Administrative and criminal.**
- 3108 (1) Any person who violates this chapter shall be subject to:
- 3109 (a) a cease and desist order; and
- 3110 (b) an administrative fine of not less than \$100 or more than \$5,000 for each separate
 3111 violation.
- 3112 (2) All administrative fines shall be deposited in the Consumer Protection Education and
 3113 Training Fund created in Section [~~13-2-8~~] 13-2-109.
- 3114 (3) Any person who intentionally violates this part is guilty of a class A misdemeanor and
 3115 may be fined up to \$10,000. A person intentionally violates this part if the violation
 3116 occurs after the division, attorney general, or a district or county attorney notifies the
 3117 person by certified mail that the person is in violation of this chapter.

3118 Section 65. Section **13-32a-102.5** is amended to read:

3119 **13-32a-102.5 (Effective 05/06/26). Administration and enforcement.**

3120 (1) The division shall administer and enforce this chapter in accordance with the authority
3121 under Title 13, Chapter 2, Division of Consumer Protection.

3122 [~~(2) The attorney general, upon request, shall give legal advice to, and act as counsel for,
3123 the division in the exercise of its responsibilities under this chapter.~~]

3124 [~~(3)~~] (2) Reasonable attorney fees, costs, and interest shall be awarded to the division in any
3125 action brought to enforce the provisions of this chapter.

3126 [~~(4)~~] (3) Municipal and county law enforcement agencies, prosecutorial agencies, and
3127 governmental agencies may enforce the criminal and civil provisions of this chapter.

3128 Section 66. Section **13-32a-106.5** is amended to read:

3129 **13-32a-106.5 (Effective 05/06/26). Confidentiality of pawn and purchase
3130 transactions.**

3131 (1) A ticket, copy of a ticket, information from a ticket, or information required under
3132 Section 13-32a-104.7 delivered to a local law enforcement agency or transmitted to the
3133 central database under Section 13-32a-106 is a protected record under Section 63G-2-305.

3134 (2) In addition to use by the issuing pawn or secondhand business or catalytic converter
3135 purchaser, the ticket, copy of a ticket, information from a ticket, or information required
3136 under Section 13-32a-104.7 may be used only by a law enforcement agency and the
3137 division and only for the law enforcement and administrative enforcement purposes of:

3138 (a) investigating possible criminal conduct involving the property delivered:

3139 (i) to the pawn or secondhand business in a pawn transaction or secondhand
3140 merchandise transaction; or

3141 (ii) to a catalytic converter purchaser in a catalytic converter purchase;

3142 (b) investigating a possible violation of the record keeping or reporting requirements of
3143 this chapter when the local law enforcement agency or the division, based on a
3144 review of the records and information received, has reason to believe that a violation
3145 has occurred;

3146 (c) responding to an inquiry from an insurance company investigating a claim for
3147 physical loss of described property by searching the central database to determine if
3148 property matching the description has been delivered to a pawn or secondhand
3149 business or catalytic converter purchaser by another person in a pawn transaction,
3150 secondhand merchandise purchase transaction, or catalytic converter purchase and if
3151 so, obtaining from the central database:

- 3152 (i) a description of the property;
- 3153 (ii) the name and address of the pawn or secondhand business or catalytic converter
- 3154 purchaser that received the property; and
- 3155 (iii) the name, address, and date of birth of the conveying individual; and
- 3156 (d) taking enforcement action under Section ~~[13-2-5]~~ 13-2-106 against a pawn or
- 3157 secondhand business or catalytic converter purchaser.
- 3158 (3) An insurance company making a request under Subsection (2)(c) shall provide the
- 3159 police report case number concerning the described property.
- 3160 (4)(a) A person may not knowingly and intentionally use, release, publish, or otherwise
- 3161 make available to any person any information obtained from the central database for
- 3162 any purpose other than those specified in Subsection (2).
- 3163 (b) Each separate violation of Subsection (4)(a) is a class B misdemeanor.
- 3164 (c) Each separate violation of Subsection (4)(a) is subject to a civil penalty not to exceed
- 3165 \$250.
- 3166 Section 67. Section **13-34-102** is amended to read:
- 3167 **13-34-102 (Effective 05/06/26). Division responsibilities.**
- 3168 (1) The division shall:
- 3169 (a) exercise ~~[its]~~ the division's enforcement powers in accordance with Chapter 2,
- 3170 Division of Consumer Protection, and this chapter;
- 3171 (b) make rules in accordance with Title 63G, Chapter 3, Utah Administrative
- 3172 Rulemaking Act, to:
- 3173 (i) establish the content of a registration statement required under this chapter;
- 3174 (ii) establish a process for reviewing and responding to complaints the division
- 3175 receives in accordance with this chapter; and
- 3176 (iii) establish a ~~[graduated-]~~fee ~~[structure-]~~in accordance with Section 63J-1-504 for
- 3177 filing a registration statement;
- 3178 (c) issue a registration certificate or state authorization certificate to a postsecondary
- 3179 school upon the division's receipt and approval of a qualifying registration statement;
- 3180 (d) maintain and publish a list of postsecondary schools to which the division has issued
- 3181 a:
- 3182 (i) registration certificate; or
- 3183 (ii) state authorization certificate; and
- 3184 (e) deposit fees established in accordance with Subsection (1)(b)(iii), and collected in
- 3185 accordance with this chapter into the Commerce Service Account created in Section

3186 13-1-2.

3187 (2) The division may:

- 3188 (a) accept a copy of an educational credential from a postsecondary school that ceases
3189 operation;
- 3190 (b) charge a reasonable fee for providing a copy of an educational credential;
- 3191 (c) upon request, provide a letter confirming that a postsecondary school is exempt from
3192 registration in accordance with Section 13-34-111; and
- 3193 (d) negotiate and enter into an interstate reciprocity agreement with another state, if in
3194 the judgment of the division, the agreement is consistent with the purposes of this
3195 chapter.

3196 Section 68. Section **13-34-103** is amended to read:

3197 **13-34-103 (Effective 05/06/26). Rulemaking authority.**

3198 In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
3199 division may make rules:

3200 (1) establishing the form and content of:

- 3201 (a) a registration statement; and
- 3202 (b) a surety bond, certificate of deposit, [~~irrevocable letter of credit,~~] or other proof of
3203 financial viability required under Section 13-34-202;

3204 (2) specifying the information a postsecondary school is required to provide with a
3205 registration statement, which may vary based upon factors including:

- 3206 (a) the certificate the postsecondary school seeks;
- 3207 (b) whether the postsecondary school is an accredited postsecondary school; and
- 3208 (c) whether the postsecondary school is a longstanding nonprofit accredited
3209 postsecondary school;

3210 (3) establishing the amount of a surety bond[;] or certificate of deposit[~~, or irrevocable letter~~
3211 ~~of credit~~] required under Section 13-34-202, not to exceed an amount equal to the tuition
3212 and fees a postsecondary school anticipates receiving during a school year;

3213 (4) providing for the execution and cancellation of the surety bond[;] or certificate of deposit[
3214 ~~, or irrevocable letter of credit~~] a postsecondary school obtains in accordance with
3215 Section 13-34-202;

3216 (5) establishing the amount of money a school may charge a student in a 12 month period to
3217 qualify for an exemption in accordance with Subsection 13-34-111(3)(d)(i)(C);

3218 (6) specifying acts or practices that:

- 3219 (a) are prohibited in accordance with Section 13-34-108; and

- 3220 (b) a postsecondary school that intends to cease operating is required to carry out;
- 3221 (7) specifying student outcomes a postsecondary school is required to disclose under
- 3222 Section 13-34-109;
- 3223 (8) specifying the electronic format in which a postsecondary school is required to maintain
- 3224 an educational credential in accordance with Section 13-34-203;
- 3225 (9) establishing the type and number of credits required to obtain a degree or diploma from
- 3226 a postsecondary school that is not an accredited postsecondary school; and
- 3227 (10) establishing:
- 3228 (a) standards for granting to a postsecondary school a state authorization certificate in
- 3229 accordance with a reciprocity agreement;
- 3230 (b) any filing, document, or fee required for a postsecondary school to obtain a state
- 3231 authorization certificate in accordance with a reciprocity agreement; and
- 3232 (c) penalties for a postsecondary school that fails to comply with rules the division
- 3233 makes under this Subsection (10).

3234 Section 69. Section **13-34-104** is amended to read:

3235 **13-34-104 (Effective 05/06/26). Enforcement powers -- Action by division --**

3236 **Referral.**

- 3237 (1)(a) In addition to the division's other enforcement powers under Chapter 2, Division
- 3238 of Consumer Protection, and elsewhere in this chapter, the division may, in response
- 3239 to a complaint or on the division's own initiative, investigate a postsecondary school
- 3240 to verify compliance with this chapter.
- 3241 (b) For the purpose of an investigation described in Subsection (1)(a), the division may:
- 3242 (i) administer an oath or affirmation;
- 3243 (ii) issue a subpoena for testimony or the production of evidence;
- 3244 (iii) visit a postsecondary school's physical location; and
- 3245 (iv) conduct an audit.
- 3246 (2)(a) The division may provide information concerning a potential violation of this
- 3247 chapter or rule made under this chapter to the attorney general, the county attorney,
- 3248 or district attorney of any county or prosecution district in which the violation or
- 3249 potential violation is occurring or has occurred.
- 3250 (b) The attorney described in Subsection (2)(a) shall investigate the information
- 3251 provided by the division and immediately prosecute or bring suit to enjoin an act
- 3252 determined to be a violation of the chapter or rule.
- 3253 (3) In addition to other penalties and remedies in this chapter, and in addition to the

- 3254 division's other enforcement powers under Section [~~13-2-6~~] 13-2-107, the division may:
- 3255 (a) issue a cease and desist order;
- 3256 (b) impose an administrative fine for a violation of this chapter as described in Section
- 3257 13-34-105; or
- 3258 (c) bring an action in a court of competent jurisdiction to enforce a provision of this
- 3259 chapter.
- 3260 (4) In an action the division brings to enforce a provision of this chapter, the court may:
- 3261 (a) declare that an act or practice violates a provision of this chapter;
- 3262 (b) issue an injunction for a violation of this chapter;
- 3263 (c) order disgorgement of money received in violation of this chapter;
- 3264 (d) order payment of disgorged money to an injured person;
- 3265 (e) impose a fine;
- 3266 (f) order payment of a fine imposed under Section 13-34-105;
- 3267 (g) order production of educational records to the division; or
- 3268 (h) award any other relief the court deems reasonable and necessary.
- 3269 (5) If a court of competent jurisdiction grants judgment or injunctive relief in the division's
- 3270 favor, the court shall award the division:
- 3271 (a) reasonable attorney fees;
- 3272 (b) court costs; and
- 3273 (c) investigative fees.
- 3274 (6) The division shall deposit all money the division receives for the payment of a fine or
- 3275 civil penalty imposed under this section into the Consumer Protection Education and
- 3276 Training Fund created in Section [~~13-2-8~~] 13-2-109.
- 3277 Section 70. Section **13-34-105** is amended to read:
- 3278 **13-34-105 (Effective 05/06/26). Penalties and remedies.**
- 3279 (1) In addition to the division's enforcement powers under Chapter 2, Division of Consumer
- 3280 Protection, and elsewhere in this chapter, the division director may, for a violation of
- 3281 this chapter:
- 3282 (a) issue a cease and desist order; and
- 3283 (b) impose an administrative fine of up to:
- 3284 (i) \$250 per day that a postsecondary school operates without an effective registration
- 3285 certificate;
- 3286 (ii) \$1,000 for each violation of Section 13-34-203;
- 3287 (iii) \$2,500 for each violation of this chapter that is not:

- 3288 (A) described in Subsections (1)(b)(i) or (ii); or
 3289 (B) an intentional violation; or
 3290 (iv) \$5,000 for each intentional violation of this chapter.
- 3291 (2) A person intentionally violates this chapter if:
- 3292 (a)(i) the violation occurs after one of the following notifies the person that the
 3293 person has violated or is violating this chapter:
- 3294 (A) the division;
 3295 (B) the attorney general; or
 3296 (C) a district attorney or county attorney; and
- 3297 (ii) the violation is the same as the violation of which the person was notified under
 3298 Subsection (2)(a)(i); or
- 3299 (b) a person violates a cease and desist order the division issues under Subsection (1)(a).
- 3300 (3) An intentional violation of this chapter is a class B misdemeanor.
- 3301 (4) The division shall deposit all money the division receives as payment for administrative
 3302 fines imposed under Subsection (1)(b) into the Consumer Protection Education and
 3303 Training Fund created in Section [~~13-2-8~~] 13-2-109.
- 3304 Section 71. Section **13-34-106** is amended to read:
- 3305 **13-34-106 (Effective 05/06/26). Denial, suspension, or revocation of registration**
 3306 **statement, registration certificate, or state authorization certificate -- Limits on**
 3307 **registration certificate and state authorization certificate.**
- 3308 (1) In accordance with Chapter 2, Division of Consumer Protection, and Title 63G, Chapter
 3309 4, Administrative Procedures Act, the division may initiate adjudicative proceedings to
 3310 deny, suspend, or revoke a registration statement, registration certificate, or state
 3311 authorization certificate if:
- 3312 (a) the division finds that the denial, suspension, or revocation is in the public interest;
 3313 and
- 3314 (b)(i) the registration statement is incomplete, false, or misleading;
 3315 (ii) the division determines that a postsecondary school's educational credential
 3316 represents undertaking or completing an educational achievement that has not
 3317 been undertaken or completed; or
- 3318 (iii) a postsecondary school or a principal of the postsecondary school[~~has~~]:
- 3319 (A) [~~violated~~] violates, [~~caused~~] causes a violation, or [~~allowed~~] allows a violation
 3320 of a provision of:
 3321 (I) this chapter;

- 3322 (II) a rule made by the division under this chapter; or
3323 (III) a commitment made in a registration statement;
3324 (B) ~~[violated-]~~ violates Chapter 11, Utah Consumer Sales Practices Act;
3325 (C) ~~[been-]~~ is enjoined by a court, or is the subject of an administrative or judicial
3326 order issued in Utah or another state, if the injunction or order:
3327 (I) includes a finding or admission of fraud, breach of fiduciary duty, or
3328 material misrepresentation; or
3329 (II) ~~[was-]~~ is based on a finding of lack of integrity, truthfulness, or mental
3330 competence;
3331 (D) ~~[been-]~~ is convicted of a crime involving theft, fraud, or dishonesty;
3332 (E) ~~[obtained-]~~ obtains or ~~[attempted]~~ attempts to obtain a registration certificate by
3333 misrepresenting any material fact;
3334 (F) ~~[failed-]~~ fails to timely file with the division a report required by:
3335 (I) this chapter; or
3336 (II) a rule ~~[made by-]~~ the division makes under this chapter;
3337 (G) ~~[failed-]~~ fails to ~~[furnish]~~ provide information ~~[requested by-]~~ the division
3338 requests;
3339 (H) ~~[failed-]~~ fails to pay an administrative fine ~~[imposed by-]~~ the division imposes
3340 under this chapter, or a fine ~~[imposed by-]~~ an administrative or judicial order in
3341 Utah or another state imposes;
3342 (I) ~~[failed-]~~ fails to demonstrate fiscal responsibility;
3343 (J) ~~[failed-]~~ fails to pay the fee required to file a registration statement;
3344 (K) ~~[failed-]~~ fails to satisfy the requirements of this chapter or rule made by the
3345 division under this chapter; or
3346 (L) ~~[failed-]~~ fails to satisfy a reasonable restriction or condition the division
3347 imposes under Subsection (2).
3348 (2) The division may impose reasonable restrictions and conditions on a postsecondary
3349 school's registration certificate or state authorization certificate if:
3350 (a) the restriction or condition protects student interests; and
3351 (b) a behavior or condition described in Subsection (1)(b) applies to the postsecondary
3352 school or the postsecondary school's principal, registration statement, or educational
3353 credential.
3354 Section 72. Section **13-34-108** is amended to read:
3355 **13-34-108 (Effective 05/06/26). Prohibited acts.**

- 3356 (1) A person may not operate a postsecondary school in this state unless:
- 3357 (a)(i) the person files with the division a registration statement for the postsecondary
- 3358 school that complies with:
- 3359 (A) the requirements of this chapter; and
- 3360 (B) rules made by the division; and
- 3361 (ii) the division issues a registration certificate to the postsecondary school; or
- 3362 (b) the postsecondary school is exempt from the requirement to submit a registration
- 3363 statement under Section 13-34-111.
- 3364 (2) A person ~~[who]~~ that operates a postsecondary school, a postsecondary school, or a
- 3365 postsecondary school's agent or principal may not:
- 3366 (a) omit from a registration statement a material statement of fact required by this
- 3367 chapter or rule ~~[made by]~~the division makes under this chapter;
- 3368 (b) include in a registration statement any material statement of fact that the person,
- 3369 postsecondary school, or the postsecondary school's principal or agent knew or
- 3370 should have known to be false, deceptive, inaccurate, or misleading;
- 3371 (c) in connection with any investigation or request for information made by the division
- 3372 in accordance with this chapter, make any material statement of fact that the person,
- 3373 postsecondary school, or agent knew or should have known to be false, deceptive,
- 3374 inaccurate, or misleading;
- 3375 (d) fail to provide a refund to a student within 30 days of receiving a valid request for a
- 3376 refund;
- 3377 (e) engage in a deceptive act or practice in connection with offering or providing
- 3378 postsecondary education;
- 3379 (f) make or cause to be made an oral, written, or visual statement or representation that
- 3380 the person who operates a postsecondary school, a postsecondary school, or a
- 3381 postsecondary school's principal or agent knows or should know is false, deceptive,
- 3382 substantially inaccurate, or misleading;~~[-or]~~
- 3383 (g) fail to comply with the requirements of this chapter or rule made under this chapter~~[-]~~ ;
- 3384 or
- 3385 (h) fail to satisfy a reasonable restriction or condition the division imposes in accordance
- 3386 with Subsection 13-34-106(2).
- 3387 (3)(a) A postsecondary school may not offer, sell, or award an educational credential
- 3388 unless the recipient of the educational credential ~~[has received]~~ receives instruction
- 3389 and successfully ~~[completed]~~ completes requirements for the educational credential

- 3390 that are commensurate with reasonable standards applicable to the educational
3391 credential.
- 3392 (b) Subsection (3)(a) does not apply to:
- 3393 (i) an educational credential that is clearly and conspicuously designated as an
3394 honorary educational credential; or
- 3395 (ii) a certificate or other award that does not designate enrollment in or successful
3396 completion of instruction or requirements to obtain a credential.
- 3397 (4) A postsecondary school's name ~~[shall]~~ may not contain ~~[any]~~ a reference that is
3398 misleading to a student or the public with respect to the type or nature of the
3399 postsecondary school's services, affiliation, or structure.
- 3400 (5) A postsecondary school's principal or agent may not misrepresent the principal's or
3401 agent's level of educational attainment or other qualification in connection with the
3402 postsecondary school's operation.
- 3403 (6) A postsecondary school may not represent that ~~[it is endorsed or approved by]~~ the
3404 division or the state endorses or approves the postsecondary school.
- 3405 (7) After a postsecondary school provides notice to the division that the postsecondary
3406 school will cease operations as described in Section 13-34-205, the postsecondary
3407 school may not:
- 3408 (a) advertise, recruit, enroll, or offer services to a new student;
- 3409 (b) charge an existing student for services beyond ~~[those]~~ the services for which the
3410 student has already paid or is obligated to pay;
- 3411 (c) fail to notify a student that the postsecondary school intends to cease operations; or
- 3412 (d) fail to comply with the requirements of Section 13-34-205.
- 3413 (8) A violation of this chapter is also a violation of Subsection 13-11-4(1).
- 3414 Section 73. Section **13-34-109** is amended to read:
- 3415 **13-34-109 (Effective 05/06/26). Required disclosures.**
- 3416 (1) As used in this section, "cooling off period" means a three-business day period during
3417 which a student may rescind an enrollment agreement and receive a refund of all money
3418 paid, except:
- 3419 (a) a reasonable application fee; and
- 3420 (b) a deposit that does not exceed 10% of the total cost of tuition for the first term.
- 3421 (2) Before a postsecondary school may enroll or accept payment from a student, the
3422 postsecondary school shall clearly and conspicuously disclose in writing to the student:
- 3423 (a) the postsecondary school's name, address, and location;

- 3424 (b) the requirements or qualifications a student is required to satisfy to enroll in the
3425 postsecondary school;
- 3426 (c) a complete description of the services for which the student will pay, including:
3427 (i) facilities, faculty, resources, or equipment that the student may use in connection
3428 with the services, or to access the services;
3429 (ii) the duration of services provided; and
3430 (iii) completion or graduation requirements;
- 3431 (d) information regarding how the postsecondary school's services relate to state
3432 licensing requirements if the services are intended to prepare a student for licensure;
- 3433 (e) tuition, fees, and any other charge or expense to be paid by the student;
- 3434 (f) a financial assistance policy, if any;
- 3435 (g) the complete terms of any financing agreement, including an income sharing or other
3436 agreement, offered to the student;
- 3437 (h) the postsecondary school's cancellation and tuition refund policy which shall include,
3438 at a minimum:
3439 (i) a cooling off period that may not end before midnight on the third business day
3440 after the latest of:
3441 (A) the day on which the student signs the enrollment agreement;
3442 (B) the day on which the student pays the postsecondary school for services, other
3443 than an application fee;
3444 (C) the day on which the student first attends the postsecondary school; or
3445 (D) the day on which the student first gains access to the postsecondary school's
3446 services; and
3447 (ii) a written description of the postsecondary school's refund policy following the
3448 cooling off period described in Subsection (2)(h)(i);
- 3449 (i)(i) whether the postsecondary school is accredited by an accrediting agency; and
3450 (ii) whether the program in which a student intends to enroll is accredited by an
3451 accrediting agency, if applicable;
- 3452 (j) the existence and amount of the postsecondary school's surety bond~~[,]~~ or certificate of
3453 deposit~~[, or irrevocable letter of credit]~~;
- 3454 (k) information regarding how to file a complaint against the postsecondary school with
3455 the division, the postsecondary school's accrediting agency, and the postsecondary
3456 school's approval or licensing entity; and
- 3457 (l) student outcomes specified in rules made by the division under Section 13-34-103.

- 3458 (3) A postsecondary school may comply with Subsection (2)(k) by placing a conspicuous
 3459 link on the postsecondary school's website that connects to:
 3460 (a) the contact information for each entity described in Subsection (2)(k) with which a
 3461 person may file a complaint; or
 3462 (b) a third party's website that states the contact information for each entity described in
 3463 Subsection (2)(k) with which a person may file a complaint.

3464 Section 74. Section **13-34-111** is amended to read:

3465 **13-34-111 (Effective 05/06/26). Exemptions.**

- 3466 (1) As used in this section, "State Authorization Reciprocity Agreement" or "SARA" means
 3467 an agreement among member states, districts, and territories establishing comparable
 3468 national standards for offering interstate postsecondary distance education courses and
 3469 programs.
- 3470 (2)(a) Except as provided in Subsection (2)(b), this chapter does not apply to a public
 3471 postsecondary school.
- 3472 (b) Notwithstanding Subsection (2)(a), the division may issue a state authorization
 3473 certificate to a public postsecondary school in accordance with Section 13-34-302.
- 3474 (3) A postsecondary school is exempt from Sections 13-34-201 through 13-34-205 if[the
 3475 postsecondary school]:
- 3476 (a)[(†)] the postsecondary school:
- 3477 (i) is an active participant institution in SARA that provides distance education to [a
 3478 person] an individual in Utah in accordance with SARA; and
 3479 (ii) does not maintain a physical presence in the state;
- 3480 (b) [~~is owned, controlled, operated, or maintained by~~] a bona fide church or religious
 3481 organization that is exempt from property taxation by this state owns, controls,
 3482 operates, or maintains the postsecondary school;
- 3483 (c) is a business organization, trade or professional association, fraternal society, or
 3484 labor organization that:
 3485 (i) sponsors or conducts postsecondary education primarily for its employees,
 3486 independent contractors, or members; and
 3487 (ii) does not advertise as a school; or
- 3488 (d) exclusively offers one or more of the following:
 3489 (i) postsecondary education:
 3490 (A)(I) that is avocational, nonvocational, or recreational;
 3491 (II) for which the postsecondary school does not represent vocational

- 3492 objectives; and
- 3493 (III) for which the postsecondary school does not grant a degree, diploma, or
- 3494 other educational credential commensurate with a degree or diploma;
- 3495 (B)(I) that is a prerequisite to obtain or maintain a license or certification
- 3496 issued by a government agency; and
- 3497 (II) through a postsecondary school that [~~is regulated and licensed, registered,~~
- 3498 ~~or otherwise approved by~~] a Utah or federal government agency regulates
- 3499 and licenses, registers, or otherwise approves to provide the education; or
- 3500 (C)(I) for which the postsecondary school charges a student less than an
- 3501 amount established by division rule in any 12-month period; and
- 3502 (II) for which the postsecondary school does not grant a degree, diploma, or
- 3503 other educational credential commensurate with a degree or diploma;
- 3504 (ii) preparation for an individual to teach courses or instruction described in
- 3505 Subsection (3)(d)(i)(A);
- 3506 (iii) courses in English as a second language or other language courses;
- 3507 (iv) instruction to advance personal development or a general professional skill:
- 3508 (A) that is not independently sufficient to prepare [~~a person~~] an individual for
- 3509 specific employment; and
- 3510 (B) for which the postsecondary school does not grant a degree, diploma, or other
- 3511 educational credential commensurate with a degree or diploma;
- 3512 (v) instruction designed to prepare an individual to run for political office, for which
- 3513 the postsecondary school does not grant a degree, diploma, or other educational
- 3514 credential commensurate with a degree or diploma;
- 3515 (vi) professional review programs, including certified public accountant or bar
- 3516 examination review and preparation courses; or
- 3517 (vii) instruction to an apprentice:
- 3518 (A) as part of an apprenticeship; and
- 3519 (B) provided by a person who voluntarily conforms to Title 35A, Chapter 6,
- 3520 Apprenticeship Act, in accordance with Section 35A-6-104.
- 3521 (4) A postsecondary school that is exempt under this section shall file a registration
- 3522 statement with the division within 30 days of the date on which the postsecondary
- 3523 school no longer qualifies for exemption.
- 3524 (5)(a) A postsecondary school that is exempt in accordance with this section may
- 3525 voluntarily submit a registration statement.

3526 (b) A postsecondary school that voluntarily submits a registration statement as described
3527 in Subsection (5)(a), and obtains a registration certificate, is not exempt from
3528 Sections 13-34-201 through 13-34-205.

3529 (6) A postsecondary school bears the burden of proving it is exempt under this section.
3530 Section 75. Section **13-34-201** is amended to read:

3531 **13-34-201 (Effective 05/06/26). Registration statement -- Registration certificate**
3532 **-- Renewal.**

3533 (1) Unless exempt under Section 13-34-111, a person shall file a registration statement and
3534 obtain a registration certificate before operating a postsecondary school in this state.

3535 (2) Before the division issues a registration certificate for a postsecondary school, the
3536 postsecondary school shall file with the division a registration statement that complies
3537 with:

3538 (a) the requirements of this chapter; and

3539 (b) rules made by the division in accordance with this chapter and Title 63G, Chapter 3,
3540 Utah Administrative Rulemaking Act.

3541 (3) A registration statement shall:

3542 (a) be submitted on a form approved by the division;

3543 (b) designate the certificate that the postsecondary school seeks;

3544 (c) state whether the postsecondary school is:

3545 (i) not accredited by an accrediting agency;

3546 (ii) an accredited postsecondary school; or

3547 (iii) a longstanding nonprofit accredited postsecondary school;

3548 (d) designate a person who is authorized to respond to an inquiry from the division; and

3549 (e) include all information required by rules made by the division in accordance with
3550 Title 63G, Chapter 3, Utah Administrative Rulemaking Act.

3551 (4) A registration statement shall be:

3552 (a) signed by the postsecondary school's owner or responsible officer; and

3553 (b) verified by an unsworn declaration in accordance with Title 78B, Chapter 18a,
3554 Uniform Unsworn Declarations Act.

3555 (5) A postsecondary school that submits a registration statement shall pay a non-refundable
3556 fee the division establishes in accordance with Sections 13-34-102 and 63J-1-504.

3557 (6)(a) The division may require a postsecondary school's principal to:

3558 (i) submit a fingerprint card in a form acceptable to the division; and

3559 (ii) consent to a criminal background check by:

- 3560 [~~(A)~~ the Federal Bureau of Investigation;]
- 3561 [~~(B)~~] (A) the Utah Bureau of Criminal Identification; or
- 3562 [~~(C)~~] (B) another state or federal agency [~~of any state~~] that performs criminal
- 3563 background checks.
- 3564 (b) The postsecondary school or the postsecondary school's principal who is the subject
- 3565 of the background check shall pay the cost of:
- 3566 (i) the fingerprint card described in Subsection (6)(a)(i); and
- 3567 (ii) the criminal background check described in Subsection (6)(a)(ii).
- 3568 (7)(a) A person shall submit a separate registration statement for each postsecondary
- 3569 school the person operates.
- 3570 (b) Notwithstanding Subsection (7)(a), a longstanding nonprofit accredited
- 3571 postsecondary school that [~~has obtained~~] obtains and holds an active registration
- 3572 certificate is not required to submit a separate registration statement for a
- 3573 postsecondary school that:
- 3574 (i) is wholly owned and operated by the longstanding nonprofit accredited
- 3575 postsecondary school;
- 3576 (ii) is disclosed on the longstanding nonprofit accredited postsecondary school's
- 3577 registration statement; and
- 3578 (iii) operates as a nonprofit organization.
- 3579 (8) A registration certificate expires:
- 3580 (a) one year after it is issued to a postsecondary school that is not an accredited
- 3581 postsecondary school; or
- 3582 (b) two years after it is issued to an accredited postsecondary school.
- 3583 (9) A registration statement, and any certificate issued in accordance with this chapter, are
- 3584 not transferable.
- 3585 (10) Notwithstanding Subsection (8), the division may extend the period for which a
- 3586 registration certificate is effective so that expiration dates are staggered throughout the
- 3587 year.
- 3588 (11) To renew a registration certificate under this section, a postsecondary school shall
- 3589 submit a registration renewal application to the division at least 30 days before the day
- 3590 on which the postsecondary school's registration expires.
- 3591 Section 76. Section **13-34-202** is amended to read:
- 3592 **13-34-202 (Effective 05/06/26). Surety requirements.**
- 3593 (1) A postsecondary school required to obtain a registration certificate in accordance with

- 3594 this chapter shall maintain, in a form and amount approved by the division:
- 3595 (a) a surety bond issued by a surety authorized to transact surety business in the state;
- 3596 (b) a certificate of deposit in a financial institution authorized under the laws of this state
- 3597 or the laws of the United States to accept deposits from the public; or
- 3598 [~~(e)~~ an irrevocable letter of credit; ~~or~~]
- 3599 [~~(d)~~ (c) other proof of financial viability specified in rules the division makes under
- 3600 Section 13-34-103.
- 3601 (2) [~~The~~] The division shall use the surety bond[;] or certificate of deposit[; or irrevocable
- 3602 letter of credit shall be used] as protection against loss of unearned tuition, tuition paid
- 3603 for credits that a student earned but that are not transferrable to a comparable
- 3604 postsecondary school, book fees, supply fees, or equipment fees:
- 3605 (a) collected by the postsecondary school from a student or another person on a student's
- 3606 behalf; or
- 3607 (b) that the student is obligated to pay.
- 3608 (3) A surety bond[;] or certificate of deposit[; ~~or irrevocable letter of credit~~] obtained in
- 3609 accordance with this section may not expire:
- 3610 (a) earlier than 60 days after the first day on which no student is enrolled in the
- 3611 postsecondary school; and
- 3612 (b) while students are enrolled in the postsecondary school.
- 3613 Section 77. Section **13-34-302** is amended to read:
- 3614 **13-34-302 (Effective 05/06/26). Registration statement for state authorization**
- 3615 **certificate -- Expiration -- Renewal.**
- 3616 (1) A postsecondary school may submit a registration statement to obtain a state
- 3617 authorization certificate if the postsecondary school is accredited by an accrediting
- 3618 agency recognized by the United States Department of Education.
- 3619 (2) To obtain a state authorization certificate, a postsecondary school shall submit a
- 3620 registration statement on a form approved by the division that includes:
- 3621 (a) proof of current accreditation from the postsecondary school's accrediting agency;
- 3622 and
- 3623 (b) all information required by division rule made in accordance with Title 63G, Chapter
- 3624 3, Utah Administrative Rulemaking Act.
- 3625 (3)(a) Except as provided in Subsection (3)(b), a state authorization certificate expires
- 3626 two years after the division issues the state authorization certificate to an accredited
- 3627 postsecondary school.

- 3628 (b) Notwithstanding Subsection (3)(a), the division may extend the period for which a
 3629 state authorization certificate is effective so that expiration dates are staggered
 3630 throughout the year.
- 3631 (4) A state authorization certificate that the division issues to a longstanding nonprofit
 3632 accredited postsecondary school:
- 3633 (a) expires two years after the division issues the state authorization certificate;
 3634 (b) establishes the postsecondary school by name as an educational institution in
 3635 accordance with 34 C.F.R. Sec. 600.9(a)(1)(i);
 3636 (c) makes the postsecondary school independent of the state system of higher education;
 3637 and
 3638 (d) authorizes the postsecondary school to operate educational programs in the state that
 3639 are beyond secondary education, including programs that lead to a degree or
 3640 certificate.
- 3641 (5) A state authorization certificate that the division issues to a public postsecondary school
 3642 does not expire.
- 3643 (6) A postsecondary school may satisfy Subsection (2)(a) by demonstrating to the division
 3644 that the postsecondary school is:
- 3645 (a) within a grace period provided by the United States Department of Education for
 3646 obtaining new accreditation; or
 3647 (b) otherwise considered by the United States Department of Education to have
 3648 recognized accreditation.
- 3649 (7) To renew a state authorization certificate under this section, a postsecondary school
 3650 shall submit a registration statement to the division at least 30 days before the day on
 3651 which the postsecondary school's state authorization expires.
- 3652 Section 78. Section **13-41-202** is amended to read:
- 3653 **13-41-202 (Effective 05/06/26). Enforcement -- Penalty.**
- 3654 (1) The division shall enforce this chapter.
- 3655 (2) In determining whether to investigate, contact, or request information from a person in
 3656 the enforcement of this chapter, the division shall consider:
- 3657 (a) whether a complaint, information, or evidence reasonably justifies further division
 3658 inquiry;
 3659 (b) the burden contact, investigation, or providing information places on the person;
 3660 (c) the result of a previous investigation of the person, including whether the previous
 3661 investigation suggests that the person did not violate this chapter;

- 3662 (d) whether the person may benefit from receiving information about requirements
3663 under this chapter; and
- 3664 (e) the potential gravity of harm to consumers, considering price, availability, and
3665 volume of a good or service.
- 3666 (3) In enforcing this chapter, the division may not publicly disclose the identity of a person
3667 the division investigates unless:
- 3668 (a) the person's identity is a matter of public record in an enforcement proceeding; or
3669 (b) the person consents to public disclosure.
- 3670 (4) In determining whether to impose penalties against a person who violates this chapter,
3671 the division shall consider:
- 3672 (a) the person's cost of doing business not accounted for in the total cost to the person
3673 for the good or service, including costs associated with a decrease in the supply
3674 available to a person who relies on a high volume of sales;
- 3675 (b) the person's efforts to comply with this chapter;
- 3676 (c) whether the average price charged by the person during the 30-day period
3677 immediately preceding the day on which the state of emergency is declared is
3678 artificially deflated because the good or service was on sale for a lower price than the
3679 person customarily charges for the good or service; and
- 3680 (d) any other factor that the division considers appropriate.
- 3681 (5)(a) If the division finds that a person has violated, or is violating, this chapter, the
3682 division may:
- 3683 (i) issue a cease and desist order; and
3684 (ii) subject to Subsection (5)(b), impose an administrative fine for each violation of
3685 this chapter.
- 3686 (b) Each instance of charging an excessive price under Section 13-41-201 constitutes a
3687 separate violation, but in no case shall the administrative fine imposed under
3688 Subsection (5)(a) exceed double the excessive portion of the price the person charged.
- 3689 (6) The division may sue in a court of competent jurisdiction to enforce an order under
3690 Subsection (5).
- 3691 (7) In a suit brought under Subsection [~~(5)~~] (6), if the division prevails, the court may award
3692 the division:
- 3693 (a) court costs;
3694 (b) attorney fees; and
3695 (c) the division's costs incurred in the investigation of the violation of this chapter.

3696 (8) All money received through an administrative fine imposed, or judgment obtained,
 3697 under this section shall be deposited in the Consumer Protection Education and Training
 3698 Fund created by Section ~~[13-2-8]~~ 13-2-109.

3699 Section 79. Section **13-42-102** is amended to read:

3700 **13-42-102 (Effective 05/06/26). Definitions.**

3701 ~~[In]~~ As used in this chapter:

3702 ~~[(1) "Administrator" means the Division of Consumer Protection.]~~

3703 ~~[(2)]~~ (1) "Affiliate":

3704 (a) with respect to an individual, means:

3705 (i) the spouse of the individual;

3706 (ii) a sibling of the individual or the spouse of a sibling;

3707 (iii) an individual or the spouse of an individual who is a lineal ancestor or lineal
 3708 descendant of the individual or the individual's spouse;

3709 (iv) an aunt, uncle, great aunt, great uncle, first cousin, niece, nephew, grandniece, or
 3710 grandnephew, whether related by the whole or the half blood or adoption, or the
 3711 spouse of any of them; or

3712 (v) any other individual occupying the residence of the individual; and

3713 (b) with respect to an entity, means:

3714 (i) a person that directly or indirectly controls, is controlled by, or is under common
 3715 control with the entity;

3716 (ii) an officer of, or an individual performing similar functions with respect to, the
 3717 entity;

3718 (iii) a director of, or an individual performing similar functions with respect to, the
 3719 entity;

3720 ~~(iv) [subject to adjustment of the dollar amount pursuant to Subsection 13-42-132(6),]~~
 3721 a person that receives or received more than \$25,000 from the entity for debt
 3722 management services in either the current year or the preceding year~~[-or]~~ ;

3723 ~~(v)~~ (v) ~~[-]~~ a person that owns more than 10% of, or an individual who is employed by or
 3724 is a director of, a person that receives or received more than \$25,000 from the
 3725 entity for debt management services in either the current year or the preceding
 3726 year;

3727 ~~[(v)]~~ (vi) an officer or director of, or an individual performing similar functions with
 3728 respect to, a person described in Subsection ~~[(2)(b)(i)]~~ (1)(b)(i);

3729 ~~[(vi)]~~ (vii) the spouse of, or an individual occupying the residence of, an individual

3730 described in Subsections ~~[(2)(b)(i)]~~ (1)(b)(i) through ~~[(v)]~~ (vi); or
3731 ~~[(vii)]~~ (viii) an individual who has the relationship specified in Subsection ~~[(2)(a)(iv)]~~
3732 (1)(a)(iv) or (v) to an individual or the spouse of an individual described in
3733 Subsections ~~[(2)(b)(i)]~~ (1)(b)(i) through ~~[(v)]~~ (vi).

3734 ~~[(3)]~~ (2) "Agreement" means an agreement between a provider and an individual for the
3735 performance of debt-management services.

3736 ~~[(4)]~~ (3) "Bank" means a financial institution, including a commercial bank, savings bank,
3737 savings and loan association, credit union, and trust company, engaged in the business of
3738 banking, chartered under federal or state law, and regulated by a federal or state banking
3739 regulatory authority.

3740 ~~[(5)]~~ (4) "Business address" means the physical location of a business, including the name
3741 and number of a street.

3742 ~~[(6)]~~ (5) "Certified counselor" means an individual certified by a training program or
3743 certifying organization, ~~[approved by]~~ the [administrator] division approves, that
3744 authenticates the competence of ~~[individuals]~~ each individual providing education and
3745 assistance to other individuals in connection with debt-management services.

3746 ~~[(7)]~~ (6) "Concessions" means assent to repayment of a debt on terms more favorable to an
3747 individual than the terms of the contract between the individual and a creditor.

3748 ~~[(8)]~~ (7) "Day" means a calendar day.

3749 ~~[(9)]~~ (8) "Debt-management services" means services as an intermediary between an
3750 individual and one or more creditors of the individual for the purpose of obtaining
3751 concessions, but does not include:

3752 (a) legal services ~~[provided]~~ an attorney provides in an attorney-client relationship if:

3753 (i) ~~[the services are provided by an attorney who]~~ the attorney who provides the legal
3754 services:

3755 (A) is licensed or otherwise authorized to practice law in this state; and

3756 (B) provides legal services in representing the individual in the individual's
3757 relationship with a creditor; and

3758 (ii) there is no intermediary between the individual and the creditor other than the
3759 attorney or an individual under the direct supervision of the attorney;

3760 (b) accounting services ~~[provided]~~ a certified public accountant provides in an
3761 accountant-client relationship if:

3762 (i) the ~~[services are provided by a certified public accountant who]~~ certified public
3763 accountant who provides the accounting services:

- 3764 (A) is licensed to provide accounting services in this state; and
 3765 (B) provides accounting services in representing the individual in the individual's
 3766 relationship with a creditor; and
 3767 (ii) there is no intermediary between the individual and the creditor other than the
 3768 accountant or an individual under the direct supervision of the accountant; or
 3769 (c) financial-planning services ~~[provided]~~ a member of a financial-planning profession
 3770 provides in a financial planner-client relationship ~~[by a member of a~~
 3771 ~~financial-planning profession]~~if:
 3772 (i) the ~~[administrator]~~ division, by rule, determines that ~~[members are]~~ a member of
 3773 that financial-planning profession is:
 3774 (A) licensed by this state;
 3775 (B) subject to a disciplinary mechanism;
 3776 (C) subject to a code of professional responsibility; and
 3777 (D) subject to a continuing education requirement; and
 3778 (ii) there is no intermediary between the individual and the creditor other than the [
 3779 ~~financial planner]~~ member of a financial-planning profession or an individual
 3780 under the direct supervision of the [~~financial planner]~~ member of a
 3781 financial-planning profession.
 3782 (9) "Division" means the Division of Consumer Protection established in Section 13-2-102.
 3783 (10) "Entity" means a person other than an individual.
 3784 (11) "Good faith" means honesty in fact and the observance of reasonable standards of fair
 3785 dealing.
 3786 (12) "Lead generator" means a person ~~[who]~~ that, in the regular course of business~~[-]~~ ;
 3787 (a) ~~[-]~~supplies a provider with the name of a potential customer~~[-]~~ ;
 3788 (b) ~~[-]~~directs a communication of an individual to a provider~~[-]~~ ; or
 3789 (c) ~~[-]~~otherwise refers a customer to a provider.
 3790 (13)(a) "Person" means:
 3791 (i) ~~[-]~~an individual~~[-]~~ ;
 3792 (ii) a corporation~~[-]~~ ;
 3793 (iii) a business trust~~[-]~~ ;
 3794 (iv) an estate~~[-]~~ ;
 3795 (v) a trust~~[-]~~ ;
 3796 (vi) a partnership~~[-]~~ ;
 3797 (vii) a limited liability company~~[-]~~ ;

- 3798 (viii) an association[;] ;
- 3799 (ix) a joint venture[;] ; or
- 3800 (x) [-]any other legal or commercial entity.
- 3801 (b) [~~The term~~] "Person" does not include:
- 3802 (i) [-]a public corporation[;] ;
- 3803 (ii) a government[;] ; or
- 3804 (iii) a governmental subdivision, agency, or instrumentality.
- 3805 (14) "Plan" means a program or strategy in which a provider furnishes debt-management
- 3806 services to an individual and which includes a schedule of payments to be made by or on
- 3807 behalf of the individual and used to pay debts owed by the individual.
- 3808 (15) "Principal amount of the debt" means the amount of a debt at the time of an agreement.
- 3809 (16) "Provider" means a person that provides, offers to provide, or agrees to provide
- 3810 debt-management services directly or through others.
- 3811 (17) "Record" means information that is inscribed on a tangible medium or that is stored in
- 3812 an electronic or other medium and is retrievable in perceivable form.
- 3813 (18) "Settlement fee" means a charge imposed on or paid by an individual in connection
- 3814 with a creditor's assent to accept in full satisfaction of a debt an amount less than the
- 3815 principal amount of the debt.
- 3816 (19) "Sign" means, with present intent to authenticate or adopt a record:
- 3817 (a) to execute or adopt a tangible symbol; or
- 3818 (b) to attach to or logically associate with the record an electronic sound, symbol, or
- 3819 process.
- 3820 (20) "State" means a state of the United States, the District of Columbia, Puerto Rico, the
- 3821 United States Virgin Islands, or any territory or insular possession subject to the
- 3822 jurisdiction of the United States.
- 3823 (21) "Trust account" means an account held by a provider that is:
- 3824 (a) established in a bank in which deposit accounts are insured;
- 3825 (b) separate from other accounts of the provider or its designee;
- 3826 (c) designated as a trust account or other account designated to indicate that the money
- 3827 in the account is not the money of the provider or its designee; and
- 3828 (d) used to hold money of one or more individuals for disbursement to creditors of the
- 3829 individuals.
- 3830 Section 80. Section **13-42-103** is amended to read:
- 3831 **13-42-103 (Effective 05/06/26). Exempt agreements and persons.**

3832 [(1) This chapter does not apply to an agreement with an individual who the provider has
3833 no reason to know resides in this state at the time of the agreement.]

3834 [(2)] (1) This chapter does not apply to a provider to the extent that the provider:

3835 (a) provides or agrees to provide debt-management, educational, or counseling services
3836 to an individual who the provider has no reason to know resides in this state at the
3837 time the provider agrees to provide the services; or

3838 (b) receives no compensation for debt-management services from or on behalf of the
3839 individuals to whom [it] the provider provides the services or from their creditors.

3840 [(3)] (2) This chapter does not apply to the following persons or their employees when the
3841 person or the employee is engaged in the regular course of the person's business or
3842 profession:

3843 (a) a judicial officer, a person acting under an order of a court or an administrative
3844 agency, or an assignee for the benefit of creditors;

3845 (b) a bank;

3846 (c) an affiliate, as defined in Subsection [~~13-42-102(2)(b)(i)~~] 13-42-102(1)(b)(i), of a
3847 bank if the affiliate is regulated by a federal or state banking regulatory authority; or

3848 (d) a title insurer, escrow company, or other person that provides bill-paying services if
3849 the provision of debt-management services is incidental to the bill-paying services.

3850 Section 81. Section **13-42-104** is amended to read:

3851 **13-42-104 (Effective 05/06/26). Registration required.**

3852 (1) Except as otherwise provided in Subsection (2), a provider may not provide
3853 debt-management services to an individual who [it] the provider reasonably should know
3854 resides in this state at the time [it] the provider agrees to provide the services, unless the
3855 provider is registered under this chapter.

3856 (2) If a provider is registered under this chapter, Subsection (1) does not apply to an
3857 employee or agent of the provider.

3858 (3) The [~~administrator~~] division shall maintain and publicize a list of the names of all
3859 registered providers.

3860 Section 82. Section **13-42-105** is amended to read:

3861 **13-42-105 (Effective 05/06/26). Application for registration -- Form, fee, and**
3862 **accompanying documents.**

3863 (1) An application for registration as a provider shall be in a form [~~prescribed by the~~
3864 ~~administrator~~] the division approves.

3865 (2) Subject to adjustment of dollar amounts [~~pursuant to~~] in accordance with Subsection

- 3866 13-42-132(6), an application for registration as a provider shall be accompanied by:
- 3867 (a) the fee [~~established by the administrator~~] the division establishes in accordance with
- 3868 Section 63J-1-504;
- 3869 (b) the bond required by Section 13-42-113;
- 3870 (c) identification of all trust accounts subject to Section 13-42-122 and an irrevocable
- 3871 consent authorizing the [~~administrator~~] division to review and examine the trust
- 3872 accounts;
- 3873 (d) evidence of insurance in the amount of \$250,000:
- 3874 (i) against the risks of dishonesty, fraud, theft, and other misconduct on the part of
- 3875 the applicant or a director, employee, or agent of the applicant;
- 3876 (ii) issued by an insurance company authorized to do business in this state and rated
- 3877 at least A or equivalent by a nationally recognized rating organization [~~approved~~
- 3878 by the administrator] the division approves;
- 3879 (iii) with a deductible not exceeding \$5,000;
- 3880 (iv) payable to the applicant and this state for the benefit of the residents of this state,
- 3881 as [~~their~~] the applicant's interests may appear; and
- 3882 (v) not subject to cancellation by the applicant or the insurer until 60 days after
- 3883 written notice has been given to the [~~administrator~~] division;
- 3884 (e) a record consenting to the jurisdiction of this state containing:
- 3885 (i) the name, business address, and other contact information of [~~its~~] the applicant's
- 3886 registered agent in this state for purposes of service of process; or
- 3887 (ii) the appointment of the [~~administrator~~] division as agent of the provider for
- 3888 purposes of service of process; and
- 3889 (f) if the applicant is organized as a not-for-profit entity or has obtained tax exempt
- 3890 status under the Internal Revenue Code, 26 U.S.C. Sec. 501, evidence of
- 3891 not-for-profit or tax-exempt status, or both.
- 3892 (3)(a) The [~~administrator~~] division may waive or reduce the insurance requirement in
- 3893 Subsection (2)(d) if the provider does not:
- 3894 (i) maintain control of a trust account or receive money paid by an individual [~~pursuant to~~] in accordance with a plan for distribution to creditors;
- 3895 (ii) make payments to creditors on behalf of individuals;
- 3896 (iii) collect fees by means of automatic payment from individuals; and
- 3897 (iv) execute any powers of attorney that may be utilized by the provider to collect
- 3898 fees from or expend funds on behalf of an individual.
- 3899

3900 (b) A waiver or reduction in insurance requirements ~~[allowed by]the [administrator]~~
 3901 division allows under Subsection (3)(a) shall balance the reduction in risk ~~[posed by]~~
 3902 a provider poses by meeting the ~~[stated]~~requirements of Subsection (2)(d) against
 3903 any continued need for insurance against employee and director dishonesty.

3904 Section 83. Section **13-42-106** is amended to read:

3905 **13-42-106 (Effective 05/06/26). Application for registration -- Required**
 3906 **information.**

3907 An applicant shall sign an application for registration as a provider ~~[shall be signed]~~
 3908 under penalty of perjury and include in the application:

3909 (1) the applicant's name, principal business address and telephone number, and all other
 3910 business addresses in this state, ~~[electronic-mail]~~ email addresses, and ~~[Internet]~~website
 3911 addresses;

3912 (2) ~~[all names-]~~ each name under which the applicant conducts business;

3913 (3)(a) the address of each location in this state at which the applicant will provide
 3914 debt-management services; or

3915 (b) ~~[-]~~a statement that the applicant will ~~[have no such location]~~ not have a location
 3916 where the applicant will provide debt-management services;

3917 (4) the name and home address of each officer and director of the applicant and each person
 3918 that owns at least 10% of the applicant;

3919 (5) identification of ~~[every]~~ each jurisdiction in which, during the five years immediately
 3920 preceding the application:

3921 (a) the applicant or any of ~~[its]~~ the applicant's officers or directors ~~[has been]~~ was licensed
 3922 or registered to provide debt-management services; or

3923 (b) ~~[individuals have resided-]~~ an individual resided when ~~[they]~~ the individual received
 3924 debt-management services from the applicant;

3925 (6) a statement describing, to the extent ~~[it is known or should be known by the applicant]~~
 3926 the applicant knows or should know, any material civil or criminal judgment or litigation
 3927 and any material administrative or enforcement action by a governmental agency in any
 3928 jurisdiction against~~[-]~~ :

3929 (a) the applicant~~[-]~~ ;

3930 (b) ~~[-]~~any of ~~[its]~~ the applicant's officers, directors, owners, or agents~~[-]~~ ; or

3931 (c) ~~[-]~~any person ~~[who]~~ that is authorized to have access to the trust account required by
 3932 Section 13-42-122;

3933 (7) the applicant's financial statements, audited by an accountant licensed to conduct audits,

- 3934 for each of the two years immediately preceding the application or, if [it] the applicant
3935 has not been in operation for the two years preceding the application, for the period of [
3936 its] the applicant's existence;
- 3937 (8) evidence of accreditation by an independent accrediting organization [~~approved by~~]the [
3938 administrator] division approves;
- 3939 (9) evidence that, no later than 12 months after initial employment, each of the applicant's
3940 counselors becomes certified as a certified counselor;
- 3941 (10) a description of the three most commonly used educational programs that the applicant
3942 provides or intends to provide to individuals who reside in this state and a copy of any
3943 materials [~~used~~] the applicant uses or [~~to be used~~] will use in [~~those programs~~] the
3944 educational programs;
- 3945 (11) a description of the applicant's financial analysis and initial budget plan, including any
3946 form or electronic model, [~~used~~] the applicant uses to evaluate the financial condition of
3947 individuals;
- 3948 (12) a copy of each form of agreement that the applicant will use with individuals who
3949 reside in this state;
- 3950 (13) the schedule of fees and charges that the applicant will use with individuals who reside
3951 in this state;
- 3952 (14) at the applicant's expense, the results of a criminal records check, including
3953 fingerprints, conducted within the immediately preceding 12 months, covering every
3954 officer of the applicant and every employee or agent of the applicant who is authorized
3955 to have access to the trust account required by Section 13-42-122;
- 3956 (15) the names and addresses of [~~all employers~~] each employer of each director during the
3957 10 years immediately preceding the day on which the applicant submits the application;
- 3958 (16) a description of any ownership interest of at least 10% by a director, owner, or
3959 employee of the applicant in:
- 3960 (a) [~~any~~] an affiliate of the applicant; or
3961 (b) [~~any~~] an entity that provides products or services to the applicant or [~~any~~] an
3962 individual relating to the applicant's debt-management services;
- 3963 (17) a statement of the amount of compensation of the applicant's five most highly
3964 compensated employees for each of the three years immediately preceding the
3965 application or, if [it] the applicant has not been in operation for the three years preceding
3966 the application, for the period of [its] the applicant's existence;
- 3967 (18) the identity of each director who is an affiliate, as defined in Subsection [

3968 ~~13-42-102(2)(a)~~ 13-42-102(1)(a) or ~~[(2)(b)(i)]~~ (1)(b)(i), (ii), (iv), (v), (vi), ~~[(vii), or~~
 3969 (viii) of the applicant; and

3970 (19) any other information that the ~~[administrator]~~ division reasonably requires to perform
 3971 the ~~[administrator's]~~ division's duties under Section 13-42-109.

3972 Section 84. Section **13-42-107** is amended to read:

3973 **13-42-107 (Effective 05/06/26). Application for registration -- Obligation to**
 3974 **update information.**

3975 An applicant or registered provider shall notify the ~~[administrator]~~ division no later than
 3976 10 days after ~~[a]~~ the day on which the change in the information specified in Subsection
 3977 13-42-105(2)(d) or (f) or Subsection 13-42-106(1), (3), (6), (12), or (13) occurs.

3978 Section 85. Section **13-42-108** is amended to read:

3979 **13-42-108 (Effective 05/06/26). Application for registration -- Public information.**

3980 Except for the information required by Subsections 13-42-106(7), (14), and (17) and the
 3981 addresses required by Subsection 13-42-106(4), the ~~[administrator]~~ division shall make the
 3982 information in an application for registration as a provider available to the public.

3983 Section 86. Section **13-42-109** is amended to read:

3984 **13-42-109 (Effective 05/06/26). Certification of registration -- Issuance or denial.**

3985 (1) Except as otherwise provided in Subsections (2) and (3), the ~~[administrator]~~ division
 3986 shall issue a certificate of registration as a provider to a person that complies with
 3987 Sections 13-42-105 and 13-42-106.

3988 (2) The ~~[administrator]~~ division may deny registration if:

3989 (a) the application contains information that is materially erroneous or incomplete;

3990 (b) an officer, director, or owner of the applicant has been convicted of a crime, or
 3991 suffered a civil judgment, involving dishonesty or the violation of state or federal
 3992 securities laws;

3993 (c) the applicant or any of ~~[its]~~ the applicant's officers, directors, or owners has defaulted
 3994 in the payment of money collected for others; or

3995 (d) the ~~[administrator]~~ division finds that the financial responsibility, experience,
 3996 character, or general fitness of the applicant or ~~[its]~~ the applicant's owners, directors,
 3997 employees, or agents does not warrant belief that the business will be operated in
 3998 compliance with this chapter.

3999 (3) The ~~[administrator]~~ division shall deny registration if:

4000 (a) the application is not accompanied by the fee ~~[established by the administrator]~~ the
 4001 division establishes in accordance with Section 63J-1-504; or

4002 (b) with respect to an applicant that is organized as a not-for-profit entity or has obtained
 4003 tax-exempt status under the Internal Revenue Code, 26 U.S.C. ~~[Section]~~ Sec. 501, the
 4004 applicant's board of directors is not independent of the applicant's employees and
 4005 agents.

4006 (4) Subject to adjustment of the dollar amount ~~[pursuant to]~~ in accordance with Subsection
 4007 13-42-132(6), a board of directors is not independent for purposes of Subsection (3) if
 4008 more than one-fourth of ~~[its]~~ the applicant's members:

4009 (a) are affiliates of the applicant, as defined in Subsection ~~[13-42-102(2)(a)]~~
 4010 13-42-102(1)(a) or ~~[13-42-102(2)(b)(i)]~~ 13-42-102(1)(b)(i), (ii), (iv), (v), (vi), ~~[or]~~ (vii),
 4011 or (viii); or

4012 (b) ~~[after the date 10 years-]~~ within 10 years before the day on which the applicant's
 4013 member first [becoming a director-] became a director of the applicant, ~~[were-]~~ the
 4014 applicant's member was employed by or [directors] a director of a person that
 4015 received from the applicant more than \$25,000 in either the current year or the
 4016 preceding year.

4017 Section 87. Section **13-42-110** is amended to read:

4018 **13-42-110 (Effective 05/06/26). Certificate of registration -- Timing.**

4019 (1) The ~~[administrator]~~ division shall approve or deny an initial registration as a provider no
 4020 later than 120 days after ~~[an application is filed]~~ the day on which the applicant files the
 4021 applicant's application.

4022 (2) ~~[–]~~In connection with a request ~~[pursuant to]~~ in accordance with Subsection
 4023 13-42-106(19) for additional information, the ~~[administrator]~~ division may extend the
 4024 120-day period for not more than 60 days.

4025 (3) ~~[–]~~Within seven days after ~~[denying]~~ the day on which the division denies an
 4026 application, the [administrator] division, in [a record] writing, shall inform the applicant
 4027 of the reasons for the denial.

4028 ~~[(2)]~~ (4) If the ~~[administrator]~~ division denies an application for registration as a provider or
 4029 does not act on an application within the time ~~[prescribed in Subsection (1)]~~ described in
 4030 this section, the applicant may appeal and request a hearing ~~[pursuant to]~~ in accordance
 4031 with Title 63G, Chapter 4, Administrative Procedures Act.

4032 ~~[(3)]~~ (5) Subject to Subsection 13-42-111(4) and Section 13-42-134, a registration as a
 4033 provider is valid for one year after the day on which the division issues a certificate of
 4034 registration.

4035 Section 88. Section **13-42-111** is amended to read:

- 4036 **13-42-111 (Effective 05/06/26). Renewal of registration.**
- 4037 (1) A provider shall obtain a renewal of ~~[its]~~ the provider's registration annually.
- 4038 (2) ~~[A provider]~~ To obtain a renewal of the provider's registration a provider shall:
- 4039 (a) submit an application for renewal of registration as a provider [shall be] in a form [
- 4040 prescribed by the administrator, signed under penalty of perjury, and:] the division
- 4041 approves;
- 4042 (b) sign the application for renewal under penalty of perjury;
- 4043 ~~[(a)]~~ (c) ~~[be filed]~~ file the application for renewal no fewer than 30 days and no more
- 4044 than 60 days before the day on which the provider's current registration expires;
- 4045 ~~[(b)]~~ (d) ~~[be accompanied by]~~ accompany the application for renewal with:
- 4046 (i) ~~[-]the fee [established by the administrator]~~ the division establishes in accordance
- 4047 with Section 63J-1-504; and
- 4048 (ii) ~~[-]the bond required by Section 13-42-113;~~
- 4049 ~~[(e)]~~ (e) ~~[contain the matter]~~ include in the application for renewal of registration:
- 4050 (i) the information required for initial registration as a provider by Subsections
- 4051 13-42-106(8) and (9); and
- 4052 (ii) ~~[-]a financial statement, audited by an accountant licensed to conduct audits, for~~
- 4053 the applicant's fiscal year immediately preceding the day on which the applicant
- 4054 submits the application for renewal;
- 4055 ~~[(d)]~~ (f) disclose in the application for renewal any [changes] change in the information
- 4056 contained in the applicant's application for registration or [its] the applicant's
- 4057 immediately previous application for renewal, [as] if applicable; and
- 4058 ~~[(e)]~~ (g) in the application for renewal:
- 4059 (i) supply evidence of insurance in an amount equal to the larger of \$250,000 or the
- 4060 highest daily balance in the trust account required by Section 13-42-122 during
- 4061 the six-month period immediately [preceeding] before the day on which the
- 4062 provider submits the application for renewal:
- 4063 ~~[(i)]~~ (A) against risks of dishonesty, fraud, theft, and other misconduct on the part
- 4064 of the applicant or a director, employee, or agent of the applicant;
- 4065 ~~[(ii)]~~ (B) issued by an insurance company authorized to do business in this state
- 4066 and rated at least A- or equivalent by a nationally recognized rating
- 4067 organization approved by the [administrator] division;
- 4068 ~~[(iii)]~~ (C) with a deductible not exceeding \$5,000;
- 4069 ~~[(iv)]~~ (D) payable to the applicant and this state for the benefit of the residents of

- 4070 this state, as their interests may appear; and
4071 [~~(v)~~] (E) not subject to cancellation by the applicant or the insurer until 60 days
4072 after the day on which written notice has been given to the [administrator]
4073 division;
- 4074 [~~(f)~~] (ii) disclose the total amount of money received by the applicant [~~pursuant to~~] in
4075 accordance with plans during the preceding 12 months from or on behalf of
4076 individuals who reside in this state and the total amount of money distributed to
4077 creditors of those individuals during that period;
- 4078 [~~(g)~~] (iii) disclose, to the best of the applicant's knowledge, the gross amount of
4079 money accumulated during the preceding 12 months [~~pursuant to~~] in accordance
4080 with plans by or on behalf of individuals who reside in this state and with whom
4081 the applicant has agreements; and
- 4082 [~~(h)~~] (iv) provide any other information that the [administrator] division reasonably
4083 requires to perform the [administrator's] division's duties under this section.
- 4084 (3) Except for the information required by Subsections 13-42-106(7), (14), and (17) and the
4085 addresses required by Subsection 13-42-106(4), the [administrator] division shall make
4086 the information in an application for renewal of registration as a provider available to the
4087 public.
- 4088 (4) If a registered provider files a timely and complete application for renewal of
4089 registration, the registration remains effective until the [administrator] division, in a
4090 record, notifies the applicant of a denial and states the reasons for the denial.
- 4091 (5)(a) If the [administrator] division denies an application for renewal of registration as a
4092 provider, the applicant, no later than 30 days after receiving notice of the denial, may
4093 appeal and request a hearing [~~pursuant to~~] in accordance with Title 63G, Chapter 4,
4094 Administrative Procedures Act.
- 4095 (b) [~~-~~] Subject to Section 13-42-134, while the appeal is pending the applicant shall
4096 continue to provide debt-management services to individuals with whom [~~it~~] the
4097 applicant has agreements.
- 4098 (c) [~~-~~] If the denial is affirmed, subject to the [administrator's] division's order and
4099 Section 13-42-134, the applicant shall continue to provide debt-management services
4100 to individuals with whom [~~it~~] the applicant has agreements until, with the approval of
4101 the [administrator] division, [~~it~~] the applicant transfers the agreements to another
4102 registered provider or returns to the individuals all unexpended money that is under
4103 the applicant's control.

- 4104 (6)(a) The ~~[administrator]~~ division may waive or reduce the insurance requirement in
 4105 Subsection ~~[(2)(e)]~~ (2)(g) if the provider does not:
- 4106 (i) maintain control of a trust account or receive money paid by an individual [
 4107 ~~pursuant to]~~ in accordance with a plan for distribution to creditors;
 - 4108 (ii) make payments to creditors on behalf of individuals;
 - 4109 (iii) collect fees by means of automatic payment from individuals; and
 - 4110 (iv) execute any powers of attorney that ~~[may be utilized by the provider]~~ the provider
 4111 may utilize to collect fees from or expend funds on behalf of an individual.
- 4112 (b) A waiver or reduction in insurance requirements ~~[allowed by the administrator]~~ the
 4113 division allows under Subsection (6)(a) shall balance the reduction in risk posed by a
 4114 provider ~~[meeting the]~~ that meets the stated requirements against any continued need
 4115 for insurance against employee and director dishonesty.

4116 Section 89. Section **13-42-112** is amended to read:

4117 **13-42-112 (Effective 05/06/26). Registration in another state -- Rulemaking.**

- 4118 (1)(a) Subject to rules made by the ~~[administrator]~~ division, if a provider holds a license
 4119 or certificate of registration in another state authorizing ~~[it]~~ the provider to provide
 4120 debt-management services, the provider may submit a copy of that license or
 4121 certificate and the application for ~~[it]~~ that license or certificate instead of an
 4122 application in the form ~~[prescribed by]~~ described in Subsection 13-42-105(1), Section
 4123 13-42-106, or Subsection 13-42-111(2).
- 4124 (b) The ~~[administrator]~~ division shall accept the application and the license or certificate
 4125 from the other state as an application for registration as a provider or for renewal of
 4126 registration as a provider, as appropriate, in this state if:
- 4127 (i) the application in the other state contains information substantially similar to or
 4128 more comprehensive than that required in an application submitted in this state;
 - 4129 (ii) the applicant provides the information required by Subsections 13-42-105(2)(d)
 4130 and 13-42-106(1), (3), (7), (10), (12), and (13);
 - 4131 (iii) the applicant, under penalty of perjury, certifies that the information contained in
 4132 the application is current or, to the extent it is not current, supplements the
 4133 application to make the information current; and
 - 4134 (iv) the applicant files a surety bond or substitute in accordance with Section
 4135 13-42-113 or 13-42-114 that is solely payable or available to this state and to
 4136 individuals who reside in this state.
- 4137 (2) The ~~[administrator]~~ division, in accordance with Title 63G, Chapter 3, Utah

4138 Administrative Rulemaking Act, shall make rules designating the states in which a
4139 provider may have a license or certificate that ~~[may be submitted]~~ an applicant may
4140 submit to the ~~[administrator]~~ division in compliance with this section.

4141 Section 90. Section **13-42-113** is amended to read:

4142 **13-42-113 (Effective 05/06/26). Surety bond required.**

4143 (1) Except as otherwise provided in Section 13-42-114, a provider that is required to be
4144 registered under this chapter shall file a surety bond with the ~~[administrator]~~ division,
4145 which shall:

4146 (a) be in effect during the period of registration and for two years after the day on which
4147 the provider ceases providing debt-management services to individuals in this state;
4148 and

4149 (b) run to this state for the benefit of this state and of individuals who reside in this state
4150 when ~~[they]~~ the individuals agree to receive debt-management services from the
4151 provider, as ~~[their]~~ the individuals' interests may appear.

4152 (2) Subject to adjustment of the dollar amount ~~[pursuant to]~~ in accordance with Subsection
4153 13-42-132(6), a surety bond filed ~~[pursuant to]~~ in accordance with Subsection (1) shall:

4154 (a) be in the amount of \$100,000;

4155 (b) be issued by a ~~[bonding-,]surety[, or insurance company]~~ company authorized to do
4156 business in this state and rated at least A- by a nationally recognized rating
4157 organization; and

4158 (c) have payment conditioned on noncompliance of the provider or its agent with this
4159 chapter.

4160 (3)(a) If the principal amount of a surety bond is reduced by payment of a claim or a
4161 judgment, the provider shall immediately notify the ~~[administrator]~~ division and, no
4162 later than 30 days after ~~[notice by the administrator]~~ the day on which the division
4163 gives notice to the provider, file a new or additional surety bond in an amount to
4164 comply with the \$100,000 requirement.

4165 (b) ~~[-]~~If for any reason a surety terminates a bond, the provider shall immediately file a
4166 new surety bond in the amount of \$100,000.

4167 (4) The ~~[administrator]~~ division or an individual may obtain satisfaction out of the surety
4168 bond procured ~~[pursuant to]~~ in accordance with this section if:

4169 (a) the ~~[administrator]~~ division assesses expenses under Subsection 13-42-132(2)(a),
4170 issues a final order under Subsection 13-42-133(1)(b), or recovers a final judgment
4171 under Subsection 13-42-133(1)(d) or (e) or Subsection 13-42-133(4); or

4172 (b) an individual recovers a final judgment [~~pursuant to~~] in accordance with Subsection
4173 13-42-135(1), Subsection 13-42-135(2), or Subsection 13-42-135(3)(a), (b), or (d).

4174 (5) If claims against a surety bond exceed or are reasonably expected to exceed the amount
4175 of the bond, the [~~administrator~~] division, on the initiative of the [~~administrator~~] division
4176 or on petition of the surety, shall, unless the proceeds are adequate to pay all costs,
4177 judgments, and claims, distribute the proceeds in the following order:

4178 (a) to satisfaction of a final order or judgment under Subsection 13-42-133(1)(a), (d), or
4179 (e) or Subsection 13-42-133(4);

4180 (b) to final judgments recovered by individuals [~~pursuant to~~] in accordance with
4181 Subsection 13-42-135(1), Subsection 13-42-135(2), or Subsection 13-42-135(3)(a),
4182 (b) or (d), pro rata;

4183 (c) to claims of individuals established to the satisfaction of the [~~administrator~~] division,
4184 pro rata; and

4185 (d) if a final order or judgment is issued under Subsection 13-42-133(1), to the expenses
4186 charged [~~pursuant to~~] in accordance with Subsection 13-42-132(2)(a).

4187 Section 91. Section **13-42-114** is amended to read:

4188 **13-42-114 (Effective 05/06/26). Bond required -- Substitute.**

4189 (1) Instead of the surety bond required by Section 13-42-113, a provider, with the approval
4190 of the [~~administrator~~] division and in the amount required by Subsection (2), may deliver
4191 to the [~~administrator~~] division:

4192 (a) an irrevocable letter of credit, issued or confirmed by a bank [~~approved by the~~
4193 administrator] the division approves, payable on presentation of a certificate by the [~~administrator~~]
4194 division stating that the provider or [its] the provider's agent has not
4195 complied with this chapter; or

4196 (b) bonds or other obligations of the United States or guaranteed by the United States or
4197 bonds or other obligations of this state or a political subdivision of this state, to be:

4198 (i) deposited and maintained with a bank [~~approved by the administrator~~] the division
4199 approves for this purpose; and

4200 (ii) delivered by the bank to the [~~administrator~~] division on presentation of a
4201 certificate by the [~~administrator~~] division stating that the provider or [its] provider's
4202 agent has not complied with this chapter.

4203 (2) If a provider furnishes a substitute [~~pursuant to~~] in accordance with Subsection (1),
4204 Subsections 13-42-113(1), (3), (4), and (5) apply to the substitute.

4205 Section 92. Section **13-42-118** is amended to read:

- 4206 **13-42-118 (Effective 05/06/26). Communication by electronic or other means.**
- 4207 (1) ~~[It]~~ As used in this section:
- 4208 (a) "Consumer" means an individual who seeks or obtains goods or services that are
- 4209 used primarily for personal, family, or household purposes.
- 4210 (b) "Federal act" means the Electronic Signatures in Global and National Commerce
- 4211 Act, 15 U.S.C. ~~[Section]~~ Sec. 7001 et seq.
- 4212 (2) A provider may satisfy the requirements of Section 13-42-117, 13-42-119, or 13-42-127
- 4213 by means of the ~~[Internet]~~ internet or other electronic means if the provider obtains a
- 4214 consumer's consent in the manner provided by Section 101(c)(1) of the federal act.
- 4215 (3) ~~[The]~~ A provider shall present the disclosures and materials required by Sections
- 4216 13-42-117, 13-42-119, and 13-42-127 ~~[shall be presented]~~ in a form that is capable of
- 4217 being accurately reproduced for later reference.
- 4218 (4) With respect to disclosure by means of ~~[an Internet]~~ a website, the disclosure of the
- 4219 information required by Subsection 13-42-117(4) shall appear on one or more screens
- 4220 that:
- 4221 (a) contain no other information; and
- 4222 (b) ~~[the]~~ an individual is able to see before proceeding to assent to formation of an
- 4223 agreement.
- 4224 (5) At the time of providing the materials and agreement required by Subsections
- 4225 13-42-117(3) and (4), Section 13-42-119, and Section 13-42-127, a provider shall
- 4226 inform the individual that on electronic, telephonic, or written request, ~~[it]~~ the provider:
- 4227 (a) ~~[-]~~ will send the individual a written copy of the materials~~[-]~~ ; and
- 4228 (b) ~~[-]~~ shall comply with a request as provided in Subsection (6).
- 4229 (6)(a) If ~~[a]~~ an individual requests that a provider~~[-is requested]~~, before the expiration of
- 4230 90 days after the day on which an agreement is completed or terminated, ~~[to]~~ send the
- 4231 individual a written copy of the materials required by Subsections 13-42-117(3) and
- 4232 (4), Section 13-42-119, or Section 13-42-127, the provider shall send ~~[them]~~ the
- 4233 materials at no charge no later than three business days after the day on which the
- 4234 provider receives the request~~[-]~~ .
- 4235 (b) ~~[-but the]~~ Notwithstanding Subsection (6)(a), a provider ~~[need not]~~ is not required to
- 4236 comply with a request more than once per calendar month or if ~~[it]~~ the provider
- 4237 reasonably believes the individual makes the request ~~[is made]~~ for purposes of
- 4238 harassment.
- 4239 (c) ~~[-]~~ If an individual makes a request ~~[is made]~~ more than 90 days after the day on

4240 which an agreement is completed or terminated, the provider shall send within a
4241 reasonable time a written copy of the materials requested.

4242 (7) A provider that maintains [~~an Internet~~] a website shall disclose on the home page of [~~its~~]
4243 the provider's website or on a page that is clearly and conspicuously connected to the
4244 home page by a link that clearly reveals [~~its~~] the website's contents:

4245 (a) [~~its~~] the provider's name and all names under which [~~it~~] the provider does business;

4246 (b) [~~its~~] the provider's principal business address, telephone number, and electronic-mail
4247 address, if any; and

4248 (c) the names of [~~its~~] the provider's principal officers.

4249 (8) Subject to Subsection (9), if a consumer who [~~has consented~~] consents to electronic
4250 communication in the manner provided by Section 101 of the federal act withdraws
4251 consent as provided in the federal act, a provider may terminate [~~its~~] the provider's
4252 agreement with the consumer.

4253 (9)(a) If a provider wishes to terminate an agreement with a consumer [~~pursuant to~~] in
4254 accordance with Subsection (8), [~~it~~] the provider shall notify the consumer that [~~it~~] the
4255 provider will terminate the agreement unless the consumer, no later than 30 days
4256 after [~~receiving~~] the day on which the consumer receives the notification, consents to
4257 electronic communication in the manner provided in Section 101(c) of the federal act.[-]

4258 (b) If the consumer consents to electronic communication as described in Subsection
4259 (9)(a), the provider may terminate the agreement only as permitted by Subsection
4260 13-42-119(1)(f)(iv)(D).

4261 Section 93. Section **13-42-119** is amended to read:

4262 **13-42-119 (Effective 05/06/26). Form and contents of agreement.**

4263 (1) An agreement shall:

4264 (a) be in a record;

4265 (b) be dated and signed by the provider and the individual;

4266 (c) include the name of the individual and the address where the individual resides;

4267 (d) include the name, business address, and telephone number of the provider;

4268 (e) be delivered to the individual immediately upon formation of the agreement; and

4269 (f) disclose:

4270 (i) the services [~~to be provided~~] the provider will provide;

4271 (ii) the amount, or method of determining the amount, of all fees, individually
4272 itemized, [~~to be paid by the individual~~] the individual will pay;

4273 (iii) the schedule of payments to be made by or on behalf of the individual, including

- 4274 the amount of each payment, the date on which each payment is due, and an
4275 estimate of the date of the final payment;
- 4276 (iv) if a plan provides for regular periodic payments to creditors:
- 4277 (A) each creditor of the individual to which the provider will make payment[~~will~~
4278 ~~be made~~], the amount owed to each creditor, and any concessions the provider
4279 reasonably believes each creditor will offer;
- 4280 (B) the schedule of expected payments to each creditor, including the amount of
4281 each payment and the date on which [~~it will be made~~] the provider will make
4282 the payment;
- 4283 (C) each creditor that the provider believes will not participate in the plan and to
4284 which the provider will not direct payment; and
- 4285 (D) that the provider may terminate the agreement for good cause, upon return of
4286 unexpended money of the individual;
- 4287 (v) if a plan contemplates the settlement of the individual's debt for less than the
4288 principal amount of the debt, an estimate of:
- 4289 (A) the duration of the plan based on all enrolled debts;
- 4290 (B) the length of time before the individual may reasonably expect a settlement
4291 offer; and
- 4292 (C) the amount of savings needed to accrue before the individual may reasonably
4293 expect a settlement offer, expressed as either a dollar amount or a percentage,
4294 for each enrolled debt;
- 4295 (vi) how the provider will comply with [~~its~~] the provider's obligations under
4296 Subsection 13-42-127(1);
- 4297 (vii) that the individual may terminate the agreement at any time by giving written or
4298 electronic notice, and that, if notice of termination is given, the individual will
4299 receive all unexpended money that the provider or [~~its~~] the provider's designee [~~has~~
4300 ~~received~~] receives from or on behalf of the individual for payment of a credit and,
4301 except to the extent they have been earned, the provider's fees;
- 4302 (viii) that the individual may contact the [~~administrator~~] division with any questions
4303 or complaints regarding the provider; and
- 4304 (ix) the address, telephone number, and [~~Internet~~] email address or website of the [~~administrator~~]
4305 division.
- 4306 (2) For purposes of Subsection (1)(e), delivery of an electronic record occurs when:
- 4307 (a) [~~it is made~~] the provider makes the electronic record available in a format in which

- 4308 the individual may retrieve, save, and print ~~[it]~~ the electronic record; and
- 4309 (b) [-] the provider notifies the individual ~~[is notified-]~~ that [it] the electronic record is
- 4310 available.
- 4311 (3) If the ~~[administrator]~~ division supplies the provider with any information required under
- 4312 Subsection (1)(f)(ix), the provider may comply with that requirement only by disclosing
- 4313 the information ~~[supplied by-]~~ the [administrator] division supplies.
- 4314 (4) An agreement shall provide that:
- 4315 (a) the individual authorizes any bank in which the provider or ~~[its]~~ the provider's agent
- 4316 has established a trust account to disclose to the [administrator] division any financial
- 4317 records relating to the trust account; and
- 4318 (b) the provider will ~~[notify]~~ provide a notice to the individual no later than five business
- 4319 days after [learning] the day on which a creditor learns of a creditor's final decision to
- 4320 reject or withdraw from a plan and that [this] the notice will include:
- 4321 (i) the identity of the creditor; and
- 4322 (ii) the right of the individual to modify or terminate the agreement.
- 4323 (5) An agreement may not:
- 4324 (a) provide for application of the law of ~~[any]~~ a jurisdiction other than the United States
- 4325 and this state;
- 4326 (b) except as permitted by Section 2 of the Federal Arbitration Act, 9 U.S.C. ~~[Section]~~
- 4327 Sec. 2, or Title 78B, Chapter 11, Utah Uniform Arbitration Act, contain a provision
- 4328 that modifies or limits otherwise available forums or procedural rights, including the
- 4329 right to trial by jury, that are generally available to the individual under law other
- 4330 than this chapter;
- 4331 (c) contain a provision that restricts the individual's remedies under this chapter or law
- 4332 other than this chapter; or
- 4333 (d) contain a provision that:
- 4334 (i) limits or releases the liability of ~~[any]~~ a person for not performing the agreement or
- 4335 for violating this chapter; or
- 4336 (ii) indemnifies ~~[any]~~ a person for liability arising under the agreement or this chapter.
- 4337 (6) A provision in an agreement which violates Subsection (4) or (5) is void.
- 4338 Section 94. Section **13-42-121** is amended to read:
- 4339 **13-42-121 (Effective 05/06/26). Required language.**
- 4340 (1) Unless the [administrator] division, by rule, provides otherwise, the disclosures and
- 4341 documents required by this chapter shall be in English.

4342 (2) ~~[-]~~If a provider communicates with an individual primarily in a language other than
4343 English, the provider shall furnish a translation in the other language of the disclosures
4344 and documents required by this chapter.

4345 Section 95. Section **13-42-122** is amended to read:

4346 **13-42-122 (Effective 05/06/26). Trust account.**

4347 (1)(a) ~~[A]~~ A provider shall hold all money paid to [a] the provider by or on behalf of an
4348 individual for distribution to creditors [pursuant to] in accordance with a plan [is held]
4349 in a trust account.

4350 (b) ~~[-]~~No later than two business days after ~~[receipt]~~ the day on which the provider
4351 receives the money, the provider shall deposit the money in a trust account
4352 established for the benefit of individuals to whom the provider ~~[is furnishing]~~
4353 furnishes debt-management services.

4354 (2) A provider whose agreement contemplates the settlement of an individual's debt for less
4355 than the principal amount of the debt may request or require the individual to place
4356 money in an account ~~[to be used]~~ the provider uses to pay a creditor or the provider's
4357 fees, or both, if:

4358 (a) the provider holds the money [is held] in an insured account at a bank;

4359 (b) the individual owns the money held in the account;

4360 (c) ~~[-and is paid]~~ the provider pays the individual any interest accrued on the account;

4361 ~~[(e)]~~ (d) the entity administering the account is not the provider or an affiliate of the
4362 provider, unless the affiliate is described in Subsection [13-42-102(2)(b)(iv)]
4363 13-42-102(1)(b)(iv);

4364 ~~[(d)]~~ (e) the entity administering the account does not give or accept any money or other
4365 compensation in exchange for a referral of business involving debt-management
4366 services; and

4367 ~~[(e)]~~ (f) the individual may terminate the agreement at any time without penalty and on
4368 termination [must] shall receive all money in the account, other than money earned by
4369 the provider in [compliance] accordance with this section.

4370 (3) If an agreement contemplates the reduction of finance charges or fees for late payment,
4371 default, or delinquency, and the provider complies with Subsection (1), the provider may
4372 request or require the individual to make payment to be used for both distribution to
4373 creditors and payment of the provider's fees.

4374 (4)(a) Money ~~[held in]~~ a provider holds in trust [by a provider] is not property of the
4375 provider or ~~[its]~~ the provider's designee.

4376 (b) ~~[-]~~The money is not available to creditors of the provider or designee, except an
4377 individual from whom or on whose behalf the provider received money, to the extent
4378 that the provider has not disbursed the money ~~[has not been disbursed]~~ to creditors of
4379 the individual.

4380 (5) A provider shall:

4381 (a) maintain separate records of account for each individual to whom the provider ~~[is~~
4382 ~~furnishing]~~ furnishes debt-management services;

4383 (b) disburse money paid by or on behalf of the individual to creditors of the individual as
4384 disclosed in the agreement, except that:

4385 (i) the provider may delay payment to the extent that a payment by the individual is
4386 not final; and

4387 (ii) if a plan provides for regular periodic payments to creditors, the disbursement
4388 shall comply with the due dates established by each creditor; and

4389 (c) promptly correct ~~[any payments]~~ a payment that ~~[are not made]~~ the provider does not
4390 make or that ~~[are misdirected]~~ the provider misdirects as a result of an error by the
4391 provider or other person in control of the trust account and reimburse the individual
4392 for any costs or fees imposed by a creditor as a result of the failure to pay or
4393 misdirection.

4394 (6) A provider may not commingle money in a trust account established for the benefit of
4395 individuals to whom the provider ~~[is furnishing]~~ furnishes debt-management services
4396 with money of ~~[other persons]~~ another person.

4397 (7) A trust account shall at all times have a cash balance equal to the sum of the balances of
4398 each individual's account.

4399 (8)(a) If a provider has established a trust account ~~[pursuant to]~~ in accordance with
4400 Subsection (1), the provider shall reconcile the trust account at least once a month.~~[-]~~

4401 (b) The reconciliation shall compare the cash balance in the trust account with the sum
4402 of the balances in each individual's account.

4403 (c) ~~[-]~~If the provider or ~~[its]~~ the provider's designee has more than one trust account,
4404 each trust account shall be individually reconciled.

4405 (9)(a) If a provider discovers, or has a reasonable suspicion of, embezzlement or other
4406 unlawful appropriation of money held in trust, the provider immediately shall notify
4407 the ~~[administrator]~~ division by a method ~~[approved by the administrator]~~ the division
4408 approves.

4409 (b) ~~[-]~~Unless the ~~[administrator]~~ division by rule provides otherwise, no later than five

4410 days ~~[thereafter]~~ after the provider notifies the division in accordance with Subsection
4411 (9)(a), the provider shall give notice to the ~~[administrator]~~ division describing the
4412 remedial action ~~[taken or to be taken]~~ the provider takes or will take.

4413 (10) If an individual terminates an agreement or ~~[it becomes reasonably apparent to]~~ a
4414 provider determines that a plan has failed, the provider shall promptly refund to the
4415 individual all money paid by or on behalf of the individual ~~[which has not been]~~ that the
4416 provider has not paid to creditors, less fees that are payable to the provider under Section
4417 13-42-123.

4418 (11)(a) Before relocating a trust account from one bank to another, a provider shall
4419 inform the ~~[administrator]~~ division of the name, business address, and telephone
4420 number of the new bank.

4421 (b) ~~[-]~~As soon as practicable, the provider shall inform the ~~[administrator]~~ division of the
4422 account number of the trust account at the new bank.

4423 Section 96. Section **13-42-123** is amended to read:

4424 **13-42-123 (Effective 05/06/26). Fees and other charges.**

4425 (1) A provider may not impose directly or indirectly a fee or other charge on an individual
4426 or receive money from or on behalf of an individual for debt-management services
4427 except as permitted by this section.

4428 (2) A provider may not impose charges or receive payment for debt-management services
4429 until the provider and the individual ~~[have signed]~~ sign an agreement that complies with
4430 Sections 13-42-119 and 13-42-128.

4431 (3)(a) If an individual assents to an agreement, a provider may not impose a fee or other
4432 charge for educational, counseling, or similar services, except as otherwise provided
4433 in this section and Subsection 13-42-128(4).

4434 (b) ~~[-]~~The ~~[administrator]~~ division may authorize a provider to charge a fee based on the
4435 nature and extent of the services ~~[furnished by]~~ the provider furnishes.

4436 (4)(a) Subsections (4)(b) through (d) are subject to adjustment of dollar amounts [
4437 ~~pursuant to]~~ in accordance with Subsection 13-42-132(6).

4438 (b) If an individual assents to a plan that contemplates that ~~[creditors]~~ a creditor will
4439 reduce finance charges or fees for late payment, default, or delinquency, the provider
4440 may charge:

4441 (i) a fee not exceeding \$50 for consultation, obtaining a credit report, setting up an
4442 account, and ~~[the like]~~ other similar services; and

4443 (ii) a monthly service fee, not to exceed \$10 times the number of accounts remaining

- 4444 in a plan at the time the fee is assessed, but not more than \$50 in any month.
- 4445 (c) If an individual assents to an agreement that contemplates that creditors will settle
- 4446 debts for less than the principal amount of the debt, a provider may not request or
- 4447 receive payment of ~~[any]~~ a fee or consideration for the provider's service unless:
- 4448 (i) the provider ~~[has renegotiated, settled, reduced, or otherwise altered]~~ renegotiates,
- 4449 settles, reduces, or otherwise alters the terms of at least one debt under an
- 4450 agreement ~~[executed by]~~ the individual executes;
- 4451 (ii) the individual ~~[has made]~~ makes at least one payment ~~[pursuant to that]~~ in
- 4452 accordance with the agreement between the individual and the creditor or debt
- 4453 collector; and
- 4454 (iii) the fee or consideration for ~~[any]~~ an individual debt that ~~[is renegotiated, settled,~~
- 4455 ~~reduced, or otherwise altered]~~ an individual renegotiates, settles, reduces, or
- 4456 otherwise alters:
- 4457 (A) bears the same proportion to the total fee for renegotiating, settling, reducing,
- 4458 or altering the terms of the entire debt as the individual debt amount at the time
- 4459 the debt was enrolled in the service bears to the entire debt amount at the time
- 4460 the debt was enrolled in the service; or
- 4461 (B) is a percentage of the amount saved as a result of the renegotiation, settlement,
- 4462 reduction, or alteration, as calculated under Subsection (4)(e), ~~[which~~
- 4463 ~~percentage]~~ that may not change from one individual debt to another.
- 4464 (d)(i) Except as otherwise provided in Subsection 13-42-128(4), if an individual does
- 4465 not assent to an agreement, a provider may receive for educational and counseling
- 4466 services ~~[it]~~ the provider provides to the individual a fee not exceeding \$100 or,
- 4467 with the approval of the ~~[administrator]~~ division, a larger fee.
- 4468 (ii) ~~[-]~~The ~~[administrator]~~ division may approve a fee larger than \$100 if the nature
- 4469 and extent of the educational and counseling services warrant the larger fee.
- 4470 (e) For purposes of Subsection (4)(c)(iii)(B), the amount saved is calculated as the
- 4471 difference between the amount owed at the time the debt is enrolled in the service
- 4472 and the amount actually paid to satisfy the debt.
- 4473 (5) If, before the expiration of 90 days after the completion or termination of educational or
- 4474 counseling services, an individual assents to an agreement, the provider shall refund to
- 4475 the individual ~~[any]~~ a fee ~~[paid pursuant to]~~ an individual pays in accordance with
- 4476 Subsection (4)(d).
- 4477 (6) Except as otherwise provided in Subsections (3) and (4), if an agreement contemplates

4478 that creditors will settle an individual's debts for less than the principal amount of the
4479 debt:

4480 (a) compensation for services in connection with settling a debt shall be reasonable and
4481 clearly disclosed in the agreement; and

4482 (b) a fee for settling a debt may be collected only as the debt is settled.

4483 (7) Subject to adjustment of the dollar amount [~~pursuant to~~] in accordance with Subsection
4484 13-42-132(6), if a payment to a provider by an individual under this chapter is
4485 dishonored, a provider may impose a reasonable charge on the individual, not to exceed
4486 the lesser of \$25 and the amount permitted by law other than this chapter.

4487 Section 97. Section **13-42-128** is amended to read:

4488 **13-42-128 (Effective 05/06/26). Prohibited acts and practices.**

4489 (1) A provider may not, directly or indirectly:

4490 (a) include a secured debt in a plan, except as authorized by law other than this chapter;

4491 (b) misappropriate or misapply money [~~held~~] the provider holds in trust;

4492 (c) settle a debt on behalf of an individual, unless the individual assents to the settlement
4493 after the creditor [~~has assented~~] assents to the settlement;

4494 (d) take a power of attorney that authorizes [~~it~~] the provider to settle a debt;

4495 (e) exercise or attempt to exercise a power of attorney after an individual [~~has terminated~~]
4496 terminates an agreement;

4497 (f) initiate a transfer from an individual's account at a bank or with another person unless
4498 the transfer is:

4499 (i) a return of money to the individual; or

4500 (ii) before termination of an agreement, properly authorized by the agreement and
4501 this chapter, and for:

4502 (A) payment to one or more creditors [~~pursuant to~~] in accordance with an
4503 agreement; or

4504 (B) payment of a fee;

4505 (g) offer a gift or bonus, premium, reward, or other compensation to an individual for
4506 executing an agreement;

4507 (h) offer, pay, or give a gift or bonus, premium, reward, or other compensation to a lead
4508 generator or other person for referring a prospective customer, if the person making
4509 the referral:

4510 (i) has a financial interest in the outcome of debt-management services provided to
4511 the customer, unless neither the provider nor the person making the referral

- 4512 communicates to the prospective customer the identity of the source of the
4513 referral; or
- 4514 (ii) compensates its employees on the basis of a formula that incorporates the number
4515 of individuals the employee refers to the provider;
- 4516 (i) receive a bonus, commission, or other benefit for referring an individual to a person;
- 4517 (j) structure a plan in a manner that would result in a negative amortization of any of an
4518 individual's debts, unless a creditor that is owed a negatively amortizing debt agrees
4519 to refund or waive the finance charge on payment of the principal amount of the debt;
- 4520 (k) compensate ~~[its]~~ the provider's employees on the basis of a formula that incorporates
4521 the number of individuals the employee induces to enter into agreements;
- 4522 (l) settle a debt or lead an individual to believe that a payment to a creditor is in
4523 settlement of a debt to the creditor unless, at the time of settlement, the individual
4524 receives a certification by the creditor that the payment:
- 4525 (i) is in full settlement of the debt; or
- 4526 (ii) is part of a settlement plan, the terms of which are included in the certification,
4527 that, if completed according to its terms, will satisfy the debt;
- 4528 (m) make a representation that:
- 4529 (i) the provider will furnish money to pay bills or prevent attachments;
- 4530 (ii) payment of a certain amount will permit satisfaction of a certain amount or range
4531 of indebtedness; or
- 4532 (iii) participation in a plan will or may prevent litigation, garnishment, attachment,
4533 repossession, foreclosure, eviction, or loss of employment;
- 4534 (n) misrepresent that it is authorized or competent to furnish legal advice or perform
4535 legal services;
- 4536 (o) represent in ~~[its]~~ the provider's agreements, disclosures required by this chapter,
4537 advertisements, or ~~[Internet-]~~website that ~~[it]~~ the provider is:
- 4538 (i) a not-for-profit entity unless ~~[it]~~ the provider is organized and properly operating
4539 as a not-for-profit entity under the law of the state in which ~~[it]~~ the provider was
4540 formed; or
- 4541 (ii) a tax-exempt entity unless ~~[it has received-]~~ the provider receives certification of
4542 tax-exempt status from the Internal Revenue Service and ~~[is properly operating]~~
4543 properly operates as a not-for-profit entity under the law of the state in which ~~[it]~~
4544 the provider was formed;
- 4545 (p) take a confession of judgment or power of attorney to confess judgment against an

- 4546 individual;
- 4547 (q) employ an unfair, unconscionable, or deceptive act or practice;
- 4548 (r) knowingly omit any material information or material aspect of any provider's service,
- 4549 including:
- 4550 (i) the amount of money or the percentage of the debt amount that an individual may
- 4551 save by using the provider's service;
- 4552 (ii) the amount of time necessary to achieve the results that the provider represents as
- 4553 achievable;
- 4554 (iii) the amount of money or the percentage of each outstanding debt that the
- 4555 individual is required to accumulate before the provider will:
- 4556 (A) initiate an attempt with the individual's creditors or debt collectors to
- 4557 negotiate, settle, or modify the terms of the individual's debt; or
- 4558 (B) make a bona fide offer to negotiate, settle, or modify the terms of the
- 4559 individual's debt;
- 4560 (iv) the effect of the service on:
- 4561 (A) an individual's creditworthiness; or
- 4562 (B) collection efforts of the individual's creditors or debt collectors;
- 4563 (v) the percentage or number of individuals who achieve the results that the provider
- 4564 represents are achievable; and
- 4565 (vi) whether a nonprofit entity offers or provides a provider's service~~[is offered or~~
- 4566 ~~provided by a nonprofit entity]~~; or
- 4567 (s) make or use ~~[any]~~ an untrue or a misleading statement:
- 4568 (i) to the ~~[administrator]~~ division; or
- 4569 (ii) in the provision of services subject to this chapter.
- 4570 (2) If a provider furnishes debt-management services to an individual, the provider may not,
- 4571 directly or indirectly:
- 4572 (a) purchase a debt or obligation of the individual;
- 4573 (b) receive from or on behalf of the individual:
- 4574 (i) a promissory note or other negotiable instrument other than a check or a demand
- 4575 draft; or
- 4576 (ii) a post-dated check or demand draft;
- 4577 (c) lend money or provide credit to the individual, unless the loan or credit is:
- 4578 (i) a deferral of a settlement fee at no additional expense to the individual; or
- 4579 (ii) through an affiliate that is licensed separately from the provider;

- 4580 (d) obtain a mortgage or other security interest from any person in connection with the
4581 services provided to the individual;
- 4582 (e) except as permitted by federal law, disclose the identity or identifying information of
4583 the individual or the identity of the individual's creditors, except to:
- 4584 (i) the ~~[administrator]~~ division, on proper demand;
- 4585 (ii) a creditor of the individual, to the extent necessary to secure the cooperation of
4586 the creditor in a plan; or
- 4587 (iii) the extent necessary to administer the plan;
- 4588 (f) except as otherwise provided in Subsection 13-42-123(4)(c), provide the individual
4589 less than the full benefit of a compromise of a debt arranged by the provider;
- 4590 (g) charge the individual for or provide credit or other insurance, coupons for goods or
4591 services, membership in a club, access to computers or the Internet, or any other
4592 matter not directly related to debt-management services or educational services
4593 concerning personal finance, except to the extent such services are expressly
4594 authorized by the ~~[administrator]~~ division; or
- 4595 (h) furnish legal advice or perform legal services, unless the person furnishing that
4596 advice to or performing those services for the individual is licensed to practice law.
- 4597 (3) This chapter does not authorize any person to engage in the practice of law.
- 4598 (4) A provider may not receive a gift or bonus, premium, reward, or other compensation,
4599 directly or indirectly, for advising, arranging, or assisting an individual in connection
4600 with obtaining, an extension of credit or other service from a lender or service provider,
4601 except:
- 4602 (a) for educational or counseling services required in connection with a
4603 government-sponsored program; or
- 4604 (b) as authorized in Subsection 13-42-123(4)(d).
- 4605 (5) Unless a person supplies goods, services, or facilities generally and supplies ~~[them]~~ the
4606 goods, services, or facilities to the provider at a cost no greater than the cost the person
4607 generally charges to others, a provider may not purchase goods, services, or facilities
4608 from the person if an employee or a person that the provider should reasonably know is
4609 an affiliate of the provider:
- 4610 (a) owns more than 10% of the person; or
- 4611 (b) is an employee or affiliate of the person.
- 4612 (6) A provider may not:
- 4613 (a) represent that the division or the state endorses the provider;

- 4614 (b) omit from a filing with the division a material statement of fact required by this
 4615 chapter or rule the division makes in accordance with this chapter; or
 4616 (c) include in a filing with the division a material statement of fact that the provider or
 4617 the provider's principal knows or should know is false, deceptive, inaccurate, or
 4618 misleading.

4619 Section 98. Section **13-42-129** is amended to read:

4620 **13-42-129 (Effective 05/06/26). Notice of litigation.**

4621 No later than 30 days after the day on which a provider ~~[has been]~~ is served with notice
 4622 of a civil action for a violation of this chapter by or on behalf of an individual who resides in
 4623 this state at either the time of an agreement or the time the notice is served, the provider shall
 4624 notify the ~~[administrator]~~ division in a record that ~~[it]~~ the provider has been sued.

4625 Section 99. Section **13-42-132** is amended to read:

4626 **13-42-132 (Effective 05/06/26). Powers of the division.**

4627 (1) The ~~[administrator]~~ division may:

- 4628 (a) ~~[-]~~act on ~~[its]~~ the division's own initiative or in response to complaints~~[-and may]~~ ;
 4629 (b) receive complaints~~[-]~~ ;
 4630 (c) take action to obtain voluntary compliance with this chapter~~[-]~~ ;
 4631 (d) ~~[-]~~refer cases to the attorney general~~[-]~~ ; and
 4632 (e) ~~[-]~~seek or provide remedies as provided in this chapter.

4633 (2)(a) The ~~[administrator]~~ division may investigate and examine, in this state or

4634 elsewhere, by subpoena or otherwise, the activities, books, accounts, and records of:

- 4635 (i) ~~[-]~~a person that provides or offers to provide debt-management services~~[-]~~ ; or
 4636 (ii) ~~[-]~~a person to which a provider~~[-has delegated its]~~ delegates the provider's
 4637 obligations under an agreement or this chapter, to determine compliance with this
 4638 chapter.

4639 (b) ~~[-Information]~~ The division may not disclose information that identifies [individuals
 4640 who have agreements-] an individual who has an agreement with the provider [may
 4641 not be disclosed-] to the public.

4642 (c) ~~[-]~~In connection with ~~[the investigation]~~ an investigation described under this
 4643 Subsection (2), the [administrator] division may:

- 4644 ~~[(a)]~~ (i) charge the person ~~[the reasonable expenses necessarily incurred]~~ any
 4645 reasonable expense the division incurs to conduct the examination;
 4646 ~~[(b)]~~ (ii) require or permit a person to file a statement under oath as to ~~[all the facts~~
 4647 and circumstances] each fact and circumstances of a matter ~~[to be investigated]~~ the

- 4648 division investigates; and
- 4649 [(e)] (iii) seek a court order authorizing seizure from a bank at which the person
- 4650 maintains ~~[an account contemplated by]~~ a trust account described in Section
- 4651 13-42-122, any or all money, books, records, accounts, and other property of the
- 4652 provider that ~~[is in the control of]~~ the bank controls and relates to ~~[individuals who~~
- 4653 reside] an individual who resides in this state.
- 4654 (3) The ~~[administrator]~~ division may adopt rules to implement the provisions of this chapter
- 4655 in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act.
- 4656 (4) The ~~[administrator]~~ division may:
- 4657 (a) ~~[-]~~enter into ~~[cooperative arrangements]~~ a cooperative arrangement with ~~[any other]~~ a
- 4658 federal or state agency ~~[having]~~ that has authority over providers; and
- 4659 (b) ~~[- may]~~exchange with ~~[any of those agencies]~~ a federal or state agency information
- 4660 about a provider, including information ~~[obtained]~~ the division obtains during an
- 4661 examination of the provider.
- 4662 (5) The ~~[administrator]~~ division shall establish fees in accordance with Section 63J-1-504 [~~to be paid by providers]~~ that a provider shall pay for the expense of administering this
- 4663 chapter.
- 4664 (6)(a) The ~~[administrator]~~ division, by rule, shall adopt dollar amounts instead of those
- 4665 specified in Sections 13-42-102, 13-42-105, 13-42-109, 13-42-113, 13-42-123,
- 4666 13-42-133, and 13-42-135 to reflect inflation, as measured by:
- 4667 (i) ~~[-]~~the United States Bureau of Labor Statistics Consumer Price Index for All
- 4668 Urban Consumers; or~~[-]~~
- 4669 (ii) if ~~[that index]~~ the United States Bureau of Labor Statistics Consumer Price Index
- 4670 for All Urban Consumers is not available, another index ~~[adopted by rule by the~~
- 4671 administrator] the division adopts by rule.
- 4672 (b) ~~[-]~~The ~~[administrator]~~ division shall adopt a base year and adjust the dollar amounts,
- 4673 effective on July 1 of each year, if the change in the index from the base year, as of
- 4674 December 31 of the preceding year, is at least 10%.
- 4675 (c) ~~[-]~~The division shall round the dollar amount ~~[shall be rounded]~~ to the nearest \$100,
- 4676 except that the division shall round the amounts in Section 13-42-123 ~~[shall be~~
- 4677 rounded] to the nearest dollar.
- 4678 (7) The ~~[administrator]~~ division shall notify registered providers of any change in dollar
- 4679 amounts made ~~[pursuant to]~~ in accordance with Subsection (6) and make that
- 4680 information available to the public.
- 4681

4682 Section 100. Section **13-42-133** is amended to read:

4683 **13-42-133 (Effective 05/06/26). Administrative remedies.**

4684 (1) The ~~[administrator]~~ division may enforce this chapter and rules ~~[adopted]~~ the division
4685 adopts under this chapter by taking one or more of the following actions:

4686 (a) ordering a provider, lead generator, person administering an account ~~[pursuant to]~~ in
4687 accordance with Subsection 13-42-122(2), or director, employee, or other agent of a
4688 provider to cease and desist from ~~[any violations]~~ a violation;

4689 (b) ordering a provider, lead generator, person administering an account ~~[pursuant to]~~ in
4690 accordance with Subsection 13-42-122(2), or person that ~~[has caused]~~ causes a
4691 violation to correct the violation, including making restitution of money or property
4692 to a person aggrieved by a violation;

4693 (c) subject to adjustment of the dollar amount ~~[pursuant to]~~ in accordance with
4694 Subsection 13-42-132(6), imposing on a provider, lead generator, person
4695 administering an account ~~[pursuant to]~~ in accordance with Subsection 13-42-122(2),
4696 or other person that violates or causes a violation an administrative fine not
4697 exceeding \$10,000 for each violation;

4698 (d) prosecuting a civil action to:

4699 (i) enforce an order; or

4700 (ii) obtain restitution or equitable relief, or both; or

4701 (e) intervening in an action brought under Section 13-42-135.

4702 (2) Subject to adjustment of the dollar amount ~~[pursuant to]~~ in accordance with Subsection
4703 13-42-132(6), if a person violates or knowingly authorizes, directs, or aids in the
4704 violation of a final order ~~[issued]~~ the division issues under Subsection (1)(a) or (b), the [
4705 ~~administrator]~~ division may impose an administrative fine not exceeding \$20,000 for
4706 each violation.

4707 (3) The ~~[administrator]~~ division may maintain an action to enforce this chapter in any
4708 county.

4709 (4) The ~~[administrator]~~ division may recover the reasonable costs of enforcing the chapter
4710 under Subsections (1) through (3), including attorney fees based on the hours [
4711 ~~reasonably expended]~~ the division reasonably expends and the hourly rates for attorneys
4712 of comparable experience in the community.

4713 (5) In determining the amount of an administrative fine ~~[to impose]~~ the division imposes
4714 under Subsection (1) or (2), the ~~[administrator]~~ division director shall consider:

4715 (a) ~~[-]~~ the seriousness of the violation[-];

- 4716 (b) ~~[-]the good faith of the violator[;]~~ ;
- 4717 (c) ~~[-any]~~ a previous ~~[violations]~~ violation by the violator[;] ;
- 4718 (d) ~~[-]the deleterious effect of the violation on the public[;]~~ ;
- 4719 (e) ~~[-]the net worth of the violator[;]~~ ; and
- 4720 (f) ~~[-]any other factor the [administrator]~~ division director considers relevant to the
- 4721 determination of the administrative fine.

4722 ~~[(6) All money received through administrative fines imposed under this chapter shall be~~

4723 ~~deposited in the Consumer Protection Education and Training Fund created by Section~~

4724 ~~13-2-8.]~~

4725 Section 101. Section **13-42-134** is amended to read:

4726 **13-42-134 (Effective 05/06/26). Suspension, revocation, or nonrenewal of**

4727 **registration.**

4728 (1) In this section, "insolvent" means a provider:

- 4729 (a) ~~[having generally ceased]~~ ceases to pay debts in the ordinary course of business other
- 4730 than as a result of good-faith dispute;
- 4731 (b) ~~[being]~~ is unable to pay debts as ~~[they]~~ the debts become due; or
- 4732 (c) ~~[being]~~ is insolvent within the meaning of the federal bankruptcy law, 11 U.S.C. Sec.
- 4733 101 et seq.

4734 (2) The ~~[administrator]~~ division may suspend, revoke, or deny renewal of a provider's

4735 registration if:

- 4736 (a) a fact or condition exists that, if ~~[it]~~ the fact or condition had existed when the
- 4737 registrant applied for registration as a provider, would have been a reason for the
- 4738 division denying the registration;
- 4739 (b) the provider ~~[has committed]~~ commits a material violation of this chapter or a rule or
- 4740 order of the ~~[administrator]~~ division under this chapter;
- 4741 (c) the provider is insolvent;
- 4742 (d) the provider, an employee or affiliate of the provider, a lead generator for the
- 4743 provider, a person administering an account for the provider ~~[pursuant to]~~ in
- 4744 accordance with Subsection 13-42-122(2), or a person to ~~[whom]~~ which the provider [~~has~~
- 4745 ~~delegated its]~~ delegates the provider's obligations under an agreement or this
- 4746 chapter:
- 4747 (i) ~~[-has refused]~~ refuses to permit the ~~[administrator]~~ division to make an examination
- 4748 authorized by this chapter[;] ;
- 4749 (ii) ~~[-failed]~~ fails to comply with Subsection 13-42-132(2)(b) no later than 15 days

4750 after the day on which the division makes a request[;] in accordance with Section
4751 13-42-132; or

4752 (iii) [~~made~~] makes a material misrepresentation or omission in complying with
4753 Subsection 13-42-132(2)(b); or

4754 (e) the provider [~~has not responded~~] fails to respond within a reasonable time and in an
4755 appropriate manner to [~~communications~~] a communication from the [~~administrator~~]
4756 division.

4757 (3) If a provider becomes insolvent, the provider shall continue to provide
4758 debt-management services to an individual with whom the provider has an agreement
4759 until:

4760 (a) with the [~~administrator's~~] division's approval, the provider transfers the agreement to
4761 another registered provider; or

4762 (b) the provider returns to the individual all unexpended money that is under the
4763 provider's control.

4764 (4) If a provider [~~does not~~] fails to comply with Subsection 13-42-122(8) or if the [~~administrator~~]
4765 division otherwise finds that the public health or safety or general welfare
4766 requires emergency action, the [~~administrator~~] division may order a summary suspension
4767 of the provider's registration, effective on the date [~~specified~~] the division specifies in the
4768 order.

4769 (5) If the [~~administrator~~] division suspends, revokes, or denies renewal of the registration of
4770 a provider, the [~~administrator~~] division may seek a court order authorizing seizure of any
4771 or all of the money in a trust account required by Section 13-42-122, books, records,
4772 accounts, and other property of the provider which are located in this state.

4773 (6) If the [~~administrator~~] division suspends or revokes a provider's registration, the provider
4774 may appeal and request a hearing [~~pursuant to~~] in accordance with Title 63G, Chapter 4,
4775 Administrative Procedures Act.

4776 Section 102. Section **13-42-135** is amended to read:

4777 **13-42-135 (Effective 05/06/26). Private enforcement.**

4778 (1) If an individual voids an agreement [~~pursuant to~~] in accordance with Subsection
4779 13-42-125(2), the individual may recover in a civil action all money paid or deposited
4780 by or on behalf of the individual [~~pursuant to~~] in accordance with the agreement, except
4781 amounts paid to [~~creditors~~] a creditor, in addition to the recovery under Subsections (3)(c)
4782 and (d).

4783 (2) If an individual voids an agreement [~~pursuant to~~] in accordance with Subsection

4784 13-42-125(1), the individual may recover in a civil action three times the total amount of
 4785 the fees, charges, money, and payments [~~made by the individual~~] the individual makes to
 4786 the provider, in addition to the recovery under Subsection (3)(d).

4787 (3) Subject to Subsection (4), an individual with respect to whom a provider or other person
 4788 violates this chapter may recover in a civil action from the provider, the person, and any
 4789 person that [~~caused~~] causes the violation:

4790 (a) compensatory damages for injury, including noneconomic injury, caused by the
 4791 violation;

4792 (b) except as otherwise provided in Subsection (4) and subject to adjustment of the
 4793 dollar amount [~~pursuant to~~] in accordance with Subsection 13-42-132(6), with respect
 4794 to a violation of Section 13-42-117, 13-42-119, 13-42-120, 13-42-121, 13-42-122,
 4795 13-42-123, 13-42-124, 13-42-126, or 13-42-127, or Subsection 13-42-128(1), (2), or
 4796 (4), the greater of the amount recoverable under Subsection (3)(a) or \$5,000;

4797 (c) punitive damages; and

4798 (d) reasonable attorney fees and costs.

4799 (4) In a class action, except for a violation of Subsection 13-42-128(1)(f), the minimum
 4800 damages provided in Subsection (3)(b) do not apply.

4801 (5)(a) A provider is not liable under this section for a violation of this chapter if the
 4802 provider proves that the violation was not intentional and resulted from a good-faith
 4803 error notwithstanding the maintenance of procedures [~~reasonably adapted~~] the
 4804 provider reasonably adopts to avoid the error.

4805 (b) [~~-~~]An error of legal judgment with respect to a provider's obligations under this
 4806 chapter is not a good-faith error as described in this Subsection (5).

4807 (c) [~~-~~]If, in connection with a violation, the provider [~~has received~~] receives more money
 4808 than authorized by an agreement or this chapter, the defense provided by this
 4809 Subsection (5) is not available unless the provider refunds the excess no later than
 4810 two business days [~~of learning~~] after the day on which the provider learns of the
 4811 violation.

4812 (6) The [~~administrator~~] division shall assist an individual in enforcing a judgment against
 4813 the surety bond or other security provided under Section 13-42-113 or 13-42-114.

4814 Section 103. Section **13-49-102** is amended to read:

4815 **13-49-102 (Effective 05/06/26). Definitions.**

4816 As used in this chapter:

4817 (1) "Client" means a person who receives services from or enters into an agreement to

4818 receive services from an immigration consultant.

4819 (2) "Compensation" means anything of economic value that ~~[is paid, loaned, granted, given,~~
 4820 ~~donated, or transferred]~~ a person pays, loans, grants, gives, donates, or transfers to [a]
 4821 another person, directly or indirectly, for or in consideration of:

4822 (a) services;

4823 (b) personal or real property; or

4824 (c) another thing of value.

4825 [~~(3) "Department" means the Department of Commerce.~~]

4826 [~~(4)~~ (3) "Division" means the Division of Consumer Protection ~~[in the department]~~
 4827 established in Section 13-2-102.

4828 [~~(5)~~ (4) "Immigration consultant" means an individual who provides nonlegal assistance or
 4829 advice on an immigration matter including:

4830 (a) completing a document ~~[provided by]~~ a federal or state agency provides, but not
 4831 advising a person as to the person's answers on the document;

4832 (b) translating a person's answer to a question posed in a document ~~[provided by]~~ a
 4833 federal or state agency provides;

4834 (c) securing for a person supporting documents, such as a birth certificate, that may be
 4835 necessary to complete a document ~~[provided by]~~ a federal or state agency provides;

4836 (d) submitting a completed document on a person's behalf and at the person's request to
 4837 the United States Citizenship and Immigration Services; or

4838 (e) for ~~[valuable consideration]~~ compensation, referring a person to ~~[a]~~ another person
 4839 who could undertake legal representation activities in an immigration matter.

4840 [~~(6)~~ (5) "Immigration matter" means a proceeding, filing, or action affecting the
 4841 immigration or citizenship status of a person that arises under:

4842 (a) immigration and naturalization law;

4843 (b) executive order or presidential proclamation; or

4844 (c) action of the United States Citizenship and Immigration Services, the United States
 4845 Department of State, or the United States Department of Labor.

4846 Section 104. Section **13-49-201** is amended to read:

4847 **13-49-201 (Effective 05/06/26). Requirement to be registered as an immigration**
 4848 **consultant -- Exemptions.**

4849 (1)~~[(a)]~~ Except as provided in Subsection ~~[(1)(b)]~~ (2), an individual may not engage ~~[in~~
 4850 ~~an activity of an immigration consultant]~~ in an activity described in Subsection
 4851 13-49-102(4) for compensation unless the individual is registered under this chapter.

4852 ~~[(b)]~~ (2) Except for Subsections ~~[13-49-303(3)]~~ 13-49-303(3), (4), and ~~[(4)]~~ (5), this chapter
 4853 does not apply to an individual authorized:

4854 ~~[(i)]~~ (a) to practice law in this state; or

4855 ~~[(ii)]~~ (b) by federal law to represent an individual before the Board of Immigration
 4856 Appeals or the United States Citizenship and Immigration Services.

4857 ~~[(2)]~~ (3) An immigration consultant may only offer nonlegal assistance or advice in an
 4858 immigration matter.

4859 Section 105. Section **13-49-202** is amended to read:

4860 **13-49-202 (Effective 05/06/26). Application for registration -- Renewal.**

4861 (1) To register as an immigration consultant an individual shall submit to the division a
 4862 registration application:

4863 (a) ~~[submit an annual application in a form prescribed by]~~ in the manner the division
 4864 determines; and

4865 (b) ~~[pay an annual]~~ that includes:

4866 (i) a registration application fee ~~[determined by the department]~~ in an amount the
 4867 division determines in accordance with Section 63J-1-504~~[-which includes]~~ ;

4868 (ii) ~~[-]the costs of the criminal background check required~~ by Subsection [
 4869 ~~(1)(e)]~~ (2)(c); and

4870 (iii) any information that the division requires by rule the division makes in
 4871 accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act.

4872 (2) An applicant for registration as an immigration consultant shall:

4873 ~~[(e)]~~ (a) ~~[have good moral character in that the individual has]~~ not have been convicted of:

4874 (i) a felony; or

4875 (ii) a misdemeanor involving theft, fraud, or dishonesty within the [~~last~~]10 years~~[-a~~
 4876 misdemeanor involving theft, fraud, or dishonesty] immediately preceding the day
 4877 on which the applicant submits the applicant's application or renewal application;

4878 ~~[(d)]~~ (b) submit fingerprint cards in a form acceptable to the division at the time the [
 4879 application is filed] applicant files the application;~~[-and]~~

4880 ~~[(e)]~~ (c) consent to a fingerprint background check of the individual by:

4881 (i) ~~[-]the Utah Bureau of Criminal Identification~~~~[-regarding the application.];~~ or

4882 (ii) another state agency or federal agency that performs criminal background checks;
 4883 and

4884 (d) not have violated Chapter 11, Utah Consumer Sales Practices Act.

4885 ~~[(2)]~~ (3) The division shall register an individual who qualifies under this chapter as an

4886 immigration consultant.

4887 (4) An immigration consultant shall update registration information no later than 30 days
 4888 after the day on which information the immigration consultant provides on the
 4889 immigration consultant's application becomes incorrect or incomplete.

4890 (5) Registration of an immigration consultant under this chapter is effective for one year
 4891 after the day on which the division registers an individual as an immigration consultant.

4892 (6) To renew an immigration consultant registration under this section, an immigration
 4893 consultant shall submit a registration renewal application to the division at least 30 days
 4894 before the day on which the immigration consultation's registration expires.

4895 (7) Registration with the division does not constitute an approval or endorsement of an
 4896 immigration consultant by the division or the state.

4897 Section 106. Section **13-49-204** is amended to read:

4898 **13-49-204 (Effective 05/06/26). Bonds -- Exemption -- Statements dependent on**
 4899 **posting bond.**

4900 (1) An immigration consultant shall [~~post a cash bond or surety bond~~] maintain the
 4901 following in a form the division approves, and in the amount of \$50,000:

4902 (a) [~~in the amount of \$50,000; and~~] a surety bond issued by a surety authorized to
 4903 transact security business in this state; or

4904 (b) a certificate of deposit in a financial institution authorized under the laws of this state
 4905 or the United States to accept deposits from the public.

4906 [~~(b)~~] (2) A surety bond or certificate of deposit described in Subsection (1) shall be payable
 4907 to the division for the benefit of any person damaged by a fraud, misstatement,
 4908 misrepresentation, unlawful act, omission, or failure to provide services of an
 4909 immigration consultant, or an agent, representative, or employee of an immigration
 4910 consultant.

4911 [~~(2) A bond required under this section shall be:~~]

4912 [(a) ~~in a form approved by the division; and~~]

4913 [(b) ~~conditioned upon the faithful compliance of an immigration consultant with this~~
 4914 ~~chapter and division rules.]~~

4915 [(3) ~~An immigration consultant shall keep the bond required under this section in force for~~
 4916 ~~one year after the immigration consultant's registration expires or the immigration~~
 4917 ~~consultant notifies the division in writing that the immigration consultant has ceased all~~
 4918 ~~activities regulated under this chapter.]~~

4919 [(4)] (3)(a) If a surety bond [~~posted by~~] or certificate of deposit an immigration consultant

4920 posts under this section is canceled due to the immigration consultant's negligence,
4921 the division may assess a \$300 reinstatement fee.

4922 (b) ~~[No]~~ A person may not withdraw a part of a surety bond [posted by] or certificate of
4923 deposit an immigration consultant [under] posts in accordance with this section[may
4924 be withdrawn]:

4925 (i) during the one-year period the registration under this chapter is in effect; or

4926 (ii) while a revocation proceeding is pending against the immigration consultant.

4927 ~~[(5)]~~ (4)(a) A surety bond [posted under this section by] or certificate of deposit an

4928 immigration consultant posts in accordance with this section may be forfeited if the
4929 immigration consultant's registration under this chapter is revoked.

4930 (b) Notwithstanding Subsection ~~[(5)(a)]~~ (4)(a), the division may make a claim against a
4931 surety bond or certificate of deposit posted by an immigration consultant for money
4932 owed the division under this chapter without the division first revoking the
4933 immigration consultant's registration.

4934 ~~[(6)]~~ (5) An individual may not disseminate by any means a statement indicating that the
4935 individual is an immigration consultant, engages in the business of an immigration
4936 consultant, or proposes to engage in the business of an immigration consultant, unless
4937 the individual [has posted] posts a surety bond or certificate of deposit under this section
4938 that [is maintained] the individual maintains throughout the period covered by the
4939 statement.

4940 ~~[(7)]~~ (6) An immigration consultant may not make or authorize the making of an oral or
4941 written reference to the immigration consultant's compliance with the bonding
4942 requirements of this section except as provided in this chapter.

4943 (7) The division may claim an immigration consultant's surety bond or certificate of deposit
4944 for the benefit of any client who incurs damages as the result of the immigration
4945 consultant's failure to comply with this chapter.

4946 (8) After the client recovers full damages, the division may recover from the surety bond or
4947 certificate of deposit any administrative fines, civil penalties, investigative costs,
4948 attorney fees, and other costs of collecting and distributing funds in accordance with this
4949 section.

4950 Section 107. Section **13-49-301** is amended to read:

4951 **13-49-301 (Effective 05/06/26). Requirements for written contract -- Prohibited**
4952 **statements.**

4953 (1)(a) Before an immigration consultant may provide services to a client, the

- 4954 immigration consultant shall provide the client with a written contract.
- 4955 (b) ~~[-]~~The contents of ~~[the]~~ a written contract described in this Subsection (1) shall
- 4956 comply with this section and rules ~~[made by]~~the division makes in accordance with
- 4957 Title 63G, Chapter 3, Utah Administrative Rulemaking Act.
- 4958 ~~[(b)]~~ (c) A client may cancel a written contract on or before midnight of the third
- 4959 business day after ~~[execution of]~~ the day on which the immigration consultant and
- 4960 client execute the written contract, excluding weekends and state and federal holidays.
- 4961 (2) A written contract under this section shall be stated in both English and in the client's
- 4962 native language.
- 4963 (3) A written contract under this section shall:
- 4964 (a) state the purpose for which the client has hired the immigration consultant~~[-has been~~
- 4965 hired];
- 4966 (b) state the one or more services ~~[to be performed]~~ the immigration consultant will
- 4967 perform;
- 4968 (c) state the price for a service ~~[to be performed]~~ the immigration consultant will perform;
- 4969 (d) include a statement printed in ~~[10-point]~~ 12-point boldface ~~[type]~~ font that the
- 4970 immigration consultant is not an attorney and may not perform the legal services that
- 4971 an attorney performs;
- 4972 (e) with regard to a document ~~[to be prepared by]~~the immigration consultant prepares:
- 4973 (i) list the document ~~[to be prepared]~~ the immigration consultant will prepare;
- 4974 (ii) explain the purpose of the document;
- 4975 (iii) explain the process ~~[to be followed]~~ the immigration consultant will follow in
- 4976 preparing of the document;
- 4977 (iv) explain the action ~~[to be taken by]~~the immigration consultant will take;
- 4978 (v) state the agency or office where the immigration consultant will file each
- 4979 document~~[-will be filed]~~; and
- 4980 (vi) state the approximate processing times according to current published agency
- 4981 guidelines;
- 4982 (f) include a provision stating that the person may report complaints relating to an
- 4983 immigration consultant to the:
- 4984 (i) division, including a ~~[toll-free]~~telephone number and ~~[Internet web site]~~ website;
- 4985 and
- 4986 (ii) Office of Immigrant Assistance of the United States Department of Justice,
- 4987 including a ~~[toll-free]~~telephone number and ~~[Internet]~~website;

- 4988 (g) include a provision stating that a person may report complaints concerning the
 4989 unauthorized practice of law [~~may be reported~~] to the Utah State Bar, including a [
 4990 ~~toll-free~~] telephone number and [~~Internet~~] website; and
- 4991 (h) in accordance with Subsection [~~(1)(b)~~] (1)(c), include a provision stating in [~~bold~~]
 4992 12-point boldface font on the first page of the written contract in both English and in
 4993 the client's native language in accordance with Subsection (2): "You may cancel this
 4994 contract on or before midnight of the third business day after execution of the written
 4995 contract."

4996 (4) A written contract may not contain a provision relating to the following:

- 4997 (a) a guarantee or promise, unless the immigration consultant has some basis in fact for
 4998 making the guarantee or promise; or
- 4999 (b) a statement that the immigration consultant can or will obtain a special favor from or
 5000 has special influence with the United States Citizenship and Immigration Services, or
 5001 any other governmental agency, employee, or official, that may have a bearing on a
 5002 client's immigration matter.

5003 (5) An immigration consultant may not make a statement described in Subsection (4) orally
 5004 to a client.

5005 (6) A written contract is void if not written in accordance with this section.

5006 Section 108. Section **13-49-302** is amended to read:

5007 **13-49-302 (Effective 05/06/26). Accounting for services -- Receipts.**

5008 (1)(a) An immigration consultant shall provide a signed receipt to a client for each
 5009 payment [~~made by that~~] that the client, or a person acting on the client's behalf, makes.

5010 (b) [~~-~~]The receipt described in Subsection (1)(a) shall be typed or computer generated
 5011 on the immigration consultant's letterhead.

5012 (2) An immigration consultant shall make a statement of accounting for the services
 5013 rendered and payments made:

- 5014 (a) in the client's native language;
- 5015 (b) to the client every two months;
- 5016 (c) that is typed or computer generated on the immigration consultant's letterhead;
- 5017 (d) that lists the individual charges and total charges for services; and
- 5018 (e) that lists the payments [~~made by~~]the client makes.

5019 Section 109. Section **13-49-303** is amended to read:

5020 **13-49-303 (Effective 05/06/26). Notice to be displayed -- Disclosure to be**
 5021 **provided in writing.**

5022 ~~[(1) An immigration consultant shall conspicuously display in the immigration consultant's~~
5023 ~~office a notice that shall be at least 12 by 20 inches with boldface type or print with each~~
5024 ~~character at least one inch in height and width in English and in the native language of~~
5025 ~~the immigration consultant's clientele, that contains the following information:]~~
5026 ~~[(a) the full name, address, and evidence of compliance with any applicable bonding~~
5027 ~~requirement including the bond number;]~~
5028 ~~[(b) a statement that the immigration consultant is not an attorney; and]~~
5029 ~~[(c) the name of each immigration consultant employed at each location.]~~
5030 ~~[(2)]~~ (1)~~[(a)]~~ Before providing ~~[any services]~~ a service, an immigration consultant shall
5031 provide a client with a written disclosure in the native language of the client that
5032 includes the following:
5033 ~~[(i)]~~ (a) the immigration consultant's name, address, and telephone number;
5034 ~~[(ii)]~~ (b) the immigration consultant's agent for service of process;
5035 ~~[(iii)]~~ (c) evidence of the immigration consultant's compliance with any applicable [
5036 bonding] surety bond or certificate of deposit requirement, including the bond number
5037 or certificate of deposit number;~~[-and]~~
5038 ~~[(iv)]~~ (d) a list of the services that the immigration consultant provides and the current
5039 and total fee for each service~~[-]~~ ; and
5040 (e) a statement that the immigration consultant:
5041 (i) is not an attorney; and
5042 (ii) may not charge a client a fee for the referral of the client to another person for a
5043 service that the immigration consultant cannot or will not provide to the client.
5044 ~~[(b)]~~ (2) An immigration consultant shall obtain the signature of the client verifying that the
5045 client received the written disclosures described in Subsection ~~[(2)(a)]~~ (1) before ~~[a-]~~ the
5046 immigration consultant provides a service~~[is provided]~~.
5047 (3)~~[(a)]~~ Except as provided in ~~[Subsections (3)(b) and (3)(e)]~~ Subsection (4), an
5048 immigration consultant who prints, displays, publishes, distributes, or broadcasts, or
5049 who causes to be printed, displayed, published, distributed, or broadcasted, ~~[any]~~ an
5050 advertisement for services as an immigration consultant, shall include in ~~[that]~~ the
5051 advertisement a clear and conspicuous statement that the immigration consultant is
5052 not an attorney.
5053 ~~[(b)]~~ (4)(a) Subsection ~~[(3)(a)]~~ (3) does not apply to an immigration consultant who is not
5054 licensed as an attorney in ~~[any]~~ a state or territory of the United States, but is
5055 authorized by federal law to represent ~~[persons]~~ a person before the Board of

5056 Immigration Appeals or the United States Citizenship and Immigration Services.

5057 (b) ~~[-]~~A person described in this Subsection ~~[(3)(b)]~~ (4) shall include in an advertisement
 5058 for services as an immigration consultant a clear and conspicuous statement that the
 5059 immigration consultant is not an attorney, but is authorized by federal law to
 5060 represent ~~[persons]~~ a person before the Board of Immigration Appeals or the United
 5061 States Citizenship and Immigration Services.

5062 ~~[(c) Subsection (3)(a) does not apply to a person who is not an active member of the
 5063 Utah State Bar, but is an attorney licensed in another state or territory of the United
 5064 States and is admitted to practice before the Board of Immigration Appeals or the
 5065 United States Citizenship and Immigration Services. A person described in this
 5066 Subsection (3)(c) shall include in any advertisement for immigration services a clear
 5067 and conspicuous statement that the person is not an attorney licensed to practice law
 5068 in this state, but is an attorney licensed in another state or territory of the United
 5069 States, and is authorized by federal law to represent persons before the Board of
 5070 Immigration Appeals or the United States Citizenship and Immigration Services.]~~

5071 ~~[(4)]~~ (5) If an advertisement subject to this section is in a language other than English, the
 5072 statement required by Subsection (3) shall be in the same language as the advertisement.

5073 Section 110. Section **13-49-305** is amended to read:

5074 **13-49-305 (Effective 05/06/26). Documents -- Treatment of original documents.**

5075 (1)(a) An immigration consultant shall deliver to a client a copy of a document [
 5076 ~~completed~~] the immigration consultant completes on behalf of the client.

5077 (b) ~~[-]~~An immigration consultant shall include on a document ~~[delivered]~~ the
 5078 immigration consultant delivers to a client the name and address of the immigration
 5079 consultant.

5080 (2) An immigration consultant shall retain a copy of a document of a client for not less than
 5081 three years from the ~~[date of]~~ day on which the immigration consultant makes the last
 5082 service to the client.

5083 (3)~~[(a)]~~ An immigration consultant shall return to a client ~~[all original documents]~~ each
 5084 original document that the client ~~[has provided]~~ provides to the immigration
 5085 consultant in support of the client's application including:

5086 (a) an original birth certificate~~[-]~~ ;

5087 (b) ~~[-]~~ a rental agreement~~[-]~~ ;

5088 (c) ~~[-]~~ a utility bill~~[-]~~ ;

5089 (d) ~~[-]~~ an employment document~~[-]~~ ;

5090 (e) [-]a registration document issued by the Division of Motor Vehicles[-] ; or
 5091 (f) [-]a passport.

5092 ~~[(b)] (4) [An] An immigration consultant shall return to the client an original document that [~~
 5093 ~~does not need] is not required~~ to be submitted to immigration authorities as an original
 5094 document ~~[shall be returned by the immigration consultant]~~ immediately after ~~[making]~~
 5095 ~~the immigration consultant makes a copy.~~

5096 Section 111. Section **13-49-306** is enacted to read:

5097 **13-49-306 (Effective 05/06/26). Denial, suspension, or revocation of an**
 5098 **application or registration.**

5099 In accordance with Chapter 2, Division of Consumer Protection, and Title 63G, Chapter
 5100 4, Administrative Procedures Act, the division may initiate adjudicative proceedings to deny,
 5101 suspend, or revoke an application or registration if:

5102 (1) the division finds that the denial, suspension, or revocation is in the public interest; and
 5103 (2)(a) the registration is incomplete, false, or misleading; or

5104 (b) the applicant:

5105 (i) violates, causes a violation, allows a violation, or fails to satisfy the requirements
 5106 of a provision of:

5107 (A) this chapter; or

5108 (B) a rule the division makes in accordance with this chapter;

5109 (ii) violates Chapter 11, Utah Consumer Sales Practices Act;

5110 (iii) is enjoined by a court, or is the subject of an administrative order or judicial
 5111 order issued in Utah or another state, if the order:

5112 (A) includes a finding or admission of fraud, breach of fiduciary duty, or material
 5113 misrepresentation; or

5114 (B) is based on a finding of lack of integrity, truthfulness, or mental competence;

5115 (iv) is convicted of a crime involving theft, fraud, or dishonesty;

5116 (v) obtains or attempts to obtain a registration by misrepresenting a material fact;

5117 (vi) fails to provide information the division requests;

5118 (vii) fails to pay an administrative fine that the division or an administrative or
 5119 judicial order imposes; or

5120 (viii) fails to pay the fee to file a registration application or a renewal application.

5121 Section 112. Section **13-49-401** is amended to read:

5122 **13-49-401 (Effective 05/06/26). Unlawful acts.**

5123 (1) It is unlawful for an immigration consultant to:

- 5124 (a) make a false or misleading statement to a client while providing [services] a service
 5125 to [~~that~~] the client;
- 5126 (b) make a guarantee or promise to a client, unless the guarantee or promise is in writing
 5127 and the immigration consultant has some basis in fact for making the guarantee or
 5128 promise;
- 5129 (c) make a statement that the immigration consultant can or will obtain a special favor
 5130 from or has special influence with the United States Citizenship and Immigration
 5131 Services, or any other governmental agency, employee, or official, that may have a
 5132 bearing on a client's immigration matter;[~~-or~~]
- 5133 (d) charge a client a fee for the referral of the client to another person for services that
 5134 the immigration consultant cannot or will not provide to the client[~~-~~] ;
- 5135 (e) represent that the division or the state endorses the immigration consultant;
- 5136 (f) omit from a filing with the division a material statement of fact this chapter or a rule
 5137 the division makes in accordance with this chapter requires; or
- 5138 (g) include in a filing with the division a material statement of fact that the immigration
 5139 consultant or immigration consultant's principal knows or should know is false,
 5140 deceptive, inaccurate, or misleading.
- 5141 (2) An immigration consultant may not translate a document or other information in a way
 5142 that falsely represents or implies that the immigration consultant is an attorney.
- 5143 [~~(2) A sign describing the prohibition described in Subsection (1)(d) shall be conspicuously~~
 5144 ~~displayed in the office of an immigration consultant.]~~
- 5145 Section 113. Section **13-49-402** is amended to read:
- 5146 **13-49-402 (Effective 05/06/26). Violations -- Actions by division.**
- 5147 [(1) ~~The division may make an investigation the division considers necessary to determine~~
 5148 ~~whether a person is violating, has violated, or is about to violate this chapter or any rule~~
 5149 ~~made or order issued under this chapter. As part of the investigation, the division may:]~~
- 5150 [(a) ~~require a person to file a statement in writing;~~]
- 5151 [(b) ~~administer oaths, subpoena witnesses and compel their attendance, take evidence,~~
 5152 ~~and examine under oath any person in connection with an investigation; and]~~
- 5153 [(c) ~~require the production of any books, papers, documents, merchandise, or other~~
 5154 ~~material relevant to the investigation.]~~
- 5155 [(2) ~~A person who violates this chapter is subject to:]~~
- 5156 [(a) ~~a cease and desist order; and]~~
- 5157 [(b) ~~an administrative fine of not less than \$1,000 or more than \$5,000 for each separate~~

- 5158 violation.]
- 5159 [~~(3) An administrative fine shall be deposited in the Consumer Protection Education and~~
- 5160 ~~Training Fund created in Section 13-2-8.]~~
- 5161 (1) In addition to the division's enforcement powers described in Chapter 2, Division of
- 5162 Consumer Protection:
- 5163 (a) the division director may impose an administrative fine of up to \$2,500 for a
- 5164 violation of this chapter; and
- 5165 (b) the division may bring an action in a court with jurisdiction to enforce a provision of
- 5166 this chapter.
- 5167 (2) In a court action the division brings to enforce a provision of this chapter, the court may:
- 5168 (a) declare that an act or practice violates a provision of this chapter;
- 5169 (b) issue an injunction for a violation of this chapter;
- 5170 (c) order disgorgement of any money received in violation of this chapter;
- 5171 (d) order payment of disgorged money to an injured purchaser or consumer;
- 5172 (e) impose a fine of up to \$2,500 for each violation of this chapter; or
- 5173 (f) award any other relief that the court deems reasonable and necessary.
- 5174 [~~(4)~~] (3)(a) A person ~~[who]~~ that intentionally violates this chapter:
- 5175 (i) is guilty of a class A misdemeanor; and
- 5176 (ii) may be fined up to \$10,000.
- 5177 (b) A person intentionally violates this part if the violation occurs after the division,
- 5178 attorney general, or a district or county attorney notifies the person by certified mail
- 5179 that the person is in violation of this chapter.
- 5180 Section 114. Section **13-49-403** is amended to read:
- 5181 **13-49-403 (Effective 05/06/26). Action by attorney general or district or county**
- 5182 **attorney.**
- 5183 [~~(4)~~] Upon referral from the division, the attorney general or ~~[any]~~ a district or county
- 5184 attorney may:
- 5185 [~~(a)~~] (1) bring an action for temporary or permanent injunctive or other relief in ~~[any court~~
- 5186 ~~of competent jurisdiction]~~ a court with jurisdiction for ~~[any]~~ a violation of this part;
- 5187 [~~(b)~~] (2) bring an action in ~~[any court of competent]~~ a court with jurisdiction for the
- 5188 collection of penalties authorized under Subsection [~~13-49-402(2)~~] 13-49-402(2); or
- 5189 [~~(e)~~] (3) bring an action under Subsection [~~13-49-402(4)~~] 13-49-402(3).
- 5190 [(2) A court may, upon entry of final judgment, award restitution when appropriate to any
- 5191 person suffering loss because of a violation of this part if proof of loss is submitted to

5192 ~~the satisfaction of the court.]~~

5193 Section 115. Section **13-49-404** is amended to read:

5194 **13-49-404 (Effective 05/06/26). Recovery of losses.**

5195 In addition to any other remedies, a person ~~[suffering]~~ that suffers pecuniary loss because
5196 of a violation by another person of this chapter may bring an action in ~~[any court of competent]~~
5197 a court with jurisdiction and may recover:

- 5198 (1) the greater of \$500 or twice the amount of the pecuniary loss; and
5199 (2) court costs and reasonable attorney fees as ~~[determined by the court]~~ the court determines.

5200 Section 116. Section **13-51-102** is amended to read:

5201 **13-51-102 (Effective 05/06/26). Definitions.**

5202 (1) "Division" means the Division of Consumer Protection ~~[within the Department of~~
5203 Commerce] established in Section 13-2-102.

5204 (2) "Prearranged ride" means a period of time that:

5205 (a) begins when the transportation network driver ~~[has accepted]~~ accepts a passenger's
5206 request for a ride through the transportation network company's software application;
5207 and

5208 (b) ends when the passenger exits the transportation network driver's vehicle.

5209 (3) "Software application" means an ~~[Internet-connected]~~ internet-connected software
5210 platform, including a mobile application, that a transportation network company uses to:

- 5211 (a) connect a transportation network driver to a passenger; and
5212 (b) process passenger requests.

5213 (4) "Transportation network company" means an entity that:

5214 (a) uses a software application to connect a passenger to a transportation network driver
5215 providing transportation network services;

5216 (b) is not:

5217 (i) a taxicab, as that term is defined in Section 53-3-102; or

5218 (ii) a motor carrier, as that term is defined in Section 72-9-102; and

5219 (c) except in certain cases involving a motor vehicle with a level four or five automated
5220 driving system, as defined in Section 41-26-102.1, does not own, control, operate, or
5221 manage the vehicle used to provide the transportation network services.

5222 (5) "Transportation network driver" means:

5223 (a) an individual who:

5224 (i) pays a fee to a transportation network company, and, in exchange, receives a
5225 connection to a potential passenger from the transportation network company;

- 5226 (ii) operates a motor vehicle that:
- 5227 (A) the individual owns, leases, or is authorized to use; and
- 5228 (B) the individual uses to provide transportation network services; and
- 5229 (iii) receives, in exchange for providing a passenger a ride, compensation that
- 5230 exceeds the individual's cost to provide the ride; or
- 5231 (b) a level four or five automated driving system, as that term is defined in Section
- 5232 41-26-102.1, when the automated driving system [is operating] operates the vehicle
- 5233 and is used to provide a passenger a ride in exchange for compensation.
- 5234 (6) "Transportation network services" means, for a transportation network driver providing
- 5235 services through a transportation network company:
- 5236 (a) providing a prearranged ride; or
- 5237 (b) being engaged in a waiting period.
- 5238 (7) "Waiting period" means a period of time when:
- 5239 (a) a transportation network driver is logged into a transportation network company's
- 5240 software application; and
- 5241 (b) the transportation network driver is not engaged in a prearranged ride.

5242 Section 117. Section **13-51-104** is amended to read:

5243 **13-51-104 (Effective 05/06/26). Registration -- Division audits -- Fines.**

- 5244 (1) A person may not operate a transportation network company without registering with
- 5245 the division [~~under~~] in accordance with Subsection (2).
- 5246 (2) To register as a transportation network company, a person shall submit to the division a
- 5247 registration application:
- 5248 (a) in a form the division approves; and
- 5249 (b) that includes:
- 5250 (i) a registration application fee in an amount the division determines in accordance
- 5251 with Section 63J-1-504;
- 5252 (ii) a designated registered agent for service of process in the state and the registered
- 5253 agent's:
- 5254 (A) name;
- 5255 (B) street address;
- 5256 (C) mailing address; and
- 5257 (D) telephone number; and
- 5258 (iii) a copy of the transportation network company's:
- 5259 (A) policy of insurance, including each amendment and endorsement to the policy

- 5260 in accordance with Section 13-51-108;
- 5261 (B) drug and alcohol use policy required under Section 13-51-106;
- 5262 (C) discrimination policy required under Subsection 13-51-105(6); and
- 5263 (D) any information that the division requires by rule that the division makes in
- 5264 accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act.
- 5265 ~~[(2)]~~ (3) The division shall register a person to operate a transportation network company if:
- 5266 (a) the person:
- 5267 (i) demonstrates to the division that the person meets the definition of a transportation
- 5268 network company under Section 13-51-102; and
- 5269 (ii) pays a registration fee in an amount determined by the division in accordance
- 5270 with Section 63J-1-504; and
- 5271 (b) the division determines that the person complies with the operating requirements for
- 5272 a transportation network company described in this chapter.
- 5273 (4) To renew a transportation network company registration under this section, a
- 5274 transportation network company shall submit a registration renewal application to the
- 5275 division at least 30 days before the day on which the transportation network company's
- 5276 registration expires in accordance with Subsection (8).
- 5277 (5) A transportation network company shall update registration information within 30 days
- 5278 after the day on which information the transportation network company provides on the
- 5279 application becomes incorrect or incomplete.
- 5280 (6) Registration with the division does not constitute an approval or endorsement of the
- 5281 provider by the division or the state.
- 5282 (7) A transportation network company may not:
- 5283 (a) represent that the division or the state endorses or approves the transportation
- 5284 network company;
- 5285 (b) omit from a filing with the division a material statement of fact that this chapter or a
- 5286 rule the division makes in accordance with this chapter requires; or
- 5287 (c) include in a filing with the division a material statement that the transportation
- 5288 network company or transportation network company's principal knows or should
- 5289 know is false, deceptive, inaccurate, or misleading.
- 5290 (8) Registration of a transportation network company under this chapter is effective for one
- 5291 year after the day on which the division issues the registration in accordance with
- 5292 Subsection (3).
- 5293 ~~[(3) A transportation network company's registration under Subsection (2) is:]~~

5294 [(a) valid until one year after the day on which the transportation network company
5295 registers with the division; and]

5296 [(b) renewable if the transportation network company meets the requirements of
5297 Subsection (2).]

5298 [(4) The division may audit the records of a transportation network company, including a
5299 random sample of the transportation network company's records related to transportation
5300 network drivers:]

5301 [(a) no more than twice per year;]

5302 [(b) at a location agreed to by the division and the transportation network company; and]

5303 [(c) notwithstanding Subsection (4)(a), at any time to investigate a complaint.]

5304 [(5) The division may fine a transportation network company up to \$500 for each violation
5305 of this chapter.]

5306 Section 118. Section **13-51-104.1** is enacted to read:

5307 **13-51-104.1** (Effective 05/06/26). **Denial, suspension, or revocation of an**
5308 **application or registration.**

5309 In accordance with Chapter 2, Division of Consumer Protection, and Title 63G, Chapter
5310 4, Administrative Procedures Act, the division may initiate adjudicative proceedings to deny,
5311 suspend, or revoke an application or registration if:

5312 (1) the division finds that the denial, suspension, or revocation is in the public interest; and

5313 (2)(a) the registration is incomplete, false, or misleading; or

5314 (b) the applicant or the applicant's principal:

5315 (i) violates, causes a violation, allows a violation, or fails to satisfy the requirements
5316 of a provision of:

5317 (A) this chapter; or

5318 (B) a rule the division makes in accordance with this chapter;

5319 (ii) violates Chapter 11, Utah Consumer Sales Practices Act;

5320 (iii) is enjoined by a court, or is the subject of an administrative or judicial order
5321 issued in Utah or another state, if the order:

5322 (A) includes a finding or admission of fraud, breach of fiduciary duty, or material
5323 misrepresentation; or

5324 (B) is based on a finding of a lack of integrity, truthfulness, or mental competence;

5325 (iv) is convicted of a crime involving theft, fraud, or dishonesty;

5326 (v) obtains or attempts to obtain a registration by misrepresenting a material fact;

5327 (vi) fails to provide information the division requests;

5328 (vii) fails to pay an administrative fine the division or an administrative or judicial
 5329 order imposes; or

5330 (viii) fails to pay the fee to file a registration application or a renewal application.

5331 Section 119. Section **13-51-105** is amended to read:

5332 **13-51-105 (Effective 05/06/26). Operating requirements.**

5333 (1) A transportation network company shall maintain an agent for service of process in the
 5334 state [~~and shall notify the division of the name and address of the agent~~] in accordance
 5335 with Subsection 13-51-104(2).

5336 (2) A transportation network company may collect, on behalf of a transportation network
 5337 driver, a fare for a prearranged ride if the transportation network company:

5338 (a) posts the method for calculating the fare on the transportation network company's
 5339 software application;

5340 (b) provides a passenger the rate [~~used~~] the transportation network company uses to
 5341 calculate the fare for a prearranged ride; and

5342 (c) allows a passenger the option to obtain an estimated fare for a prearranged ride
 5343 before the passenger enters a transportation network driver's vehicle.

5344 (3) For [~~each~~] a prearranged ride, a transportation network company shall:

5345 (a) before a passenger enters a transportation network driver's vehicle, display on the
 5346 transportation network company's software application a picture of the transportation
 5347 network driver;

5348 (b) shortly after the prearranged ride is complete, transmit an electronic receipt to the
 5349 passenger that lists:

5350 (i) the prearranged ride's origin and destination;

5351 (ii) the prearranged ride's total time and distance; and

5352 (iii) an itemization of the total fare the passenger [~~paid~~] pays, if any; and

5353 (c) allow a passenger to notify a transportation network driver if a passenger has skis, a
 5354 snowboard, other oversize luggage, or child restraint device.

5355 (4) A transportation network driver may not, while providing transportation network
 5356 services:

5357 (a) provide a ride to an individual who requests the ride by a means other than a
 5358 transportation network company's software application;

5359 (b) solicit or accept cash payments from a passenger; or

5360 (c) accept [~~any~~] a means of payment other than payment through a transportation
 5361 network company's software application.

- 5362 (5) A transportation network company shall maintain a record of:
- 5363 (a) all trips, for a minimum of five years after the day on which the trip [~~occurred~~] occurs;
- 5364 and
- 5365 (b) all information in a transportation network company's possession regarding a
- 5366 transportation network driver, for a minimum of five years after the day on which the
- 5367 transportation network driver last provided transportation network services using the
- 5368 transportation network company's software application.
- 5369 (6) A transportation network company shall adopt a policy that prohibits unlawful
- 5370 discrimination with respect to a passenger and shall:
- 5371 (a) provide a copy of the policy to each transportation network driver; or
- 5372 (b) post the policy on the transportation network company's website.
- 5373 (7)(a) A transportation network driver shall accommodate:
- 5374 (i) a service animal; or
- 5375 (ii) an individual with a physical disability.
- 5376 (b) A transportation network driver or transportation network company may not impose
- 5377 an additional charge to provide the accommodations described in Subsections (7)(a)
- 5378 and (8).
- 5379 (8) A transportation network company shall:
- 5380 (a) allow a passenger to request a prearranged ride in a wheelchair-accessible vehicle;
- 5381 and
- 5382 (b) if a wheelchair-accessible vehicle is not available to a passenger who requests a
- 5383 wheelchair-accessible vehicle under Subsection (8)(a), direct the passenger to a
- 5384 transportation service that provides wheelchair-accessible service, if available.
- 5385 (9) A transportation network company shall disclose to a transportation network driver:
- 5386 (a) a description of the insurance coverage the transportation network company provides
- 5387 the transportation network driver while the transportation network driver is providing
- 5388 transportation network services, including the insurance coverage's liability limit;
- 5389 (b) that the transportation network company's [~~personal~~]automobile insurance policy
- 5390 may not provide coverage to the transportation network driver during a waiting
- 5391 period or a prearranged ride;
- 5392 (c) that if the vehicle the transportation network driver uses to provide transportation
- 5393 network services has a lien against the vehicle, the transportation network driver is
- 5394 required to notify the lienholder that the transportation network driver is using the
- 5395 vehicle to provide transportation network services; and

5396 (d) that using a vehicle with a lien against the vehicle to provide transportation network
5397 services may violate the transportation network driver's contract with the lienholder.

5398 (10) A transportation network company and the transportation network company's insurer
5399 shall, for an incident that occurs while a transportation network driver is providing
5400 transportation network services:

5401 (a) cooperate with a liability insurer that insures the vehicle the transportation network
5402 driver uses to provide the transportation network services;

5403 (b) provide, to the liability insurer, the precise date and time that an incident occurred,
5404 including the precise time when a driver logged in or out of the transportation
5405 network company's software application; and

5406 (c) provide the information described in Subsection (10)(b) to a liability insurer no later
5407 than 10 business days after the day on which the liability insurer requests the
5408 information from the transportation network company.

5409 (11) If a transportation network company's insurer insures a vehicle with a lien against the
5410 vehicle, and the transportation network company's insurer covers a claim regarding the
5411 vehicle under comprehensive or collision coverage, the transportation network company
5412 shall direct the transportation network company's insurer to issue the payment for the
5413 claim:

5414 (a) directly to the person that [~~is repairing~~] conducts the repair on the vehicle; or

5415 (b) jointly to the owner of the vehicle and the primary lienholder.

5416 Section 120. Section **13-51-110** is enacted to read:

5417 **13-51-110 (Effective 05/06/26). Enforcement powers of the division.**

5418 (1) In addition to the division's enforcement powers described in Chapter 2, Division of
5419 Consumer Protection:

5420 (a) the division director may impose an administrative fine of up to \$2,500 for each
5421 violation of this chapter; and

5422 (b) the division may bring an action in a court with jurisdiction to enforce a provision of
5423 this chapter.

5424 (2) If the division brings an action in accordance with Subsection (1)(b):

5425 (a) the court may:

5426 (i) declare that an act or practice violates a provision of this chapter;

5427 (ii) issue an injunction for a violation of this chapter;

5428 (iii) order disgorgement of any money received in violation of this chapter;

5429 (iv) order payment of disgorged money to an injured purchaser or consumer;

- 5430 (v) impose a fine of up to \$2,500 for each violation of this chapter; or
 5431 (vi) award any other relief that the court deems reasonable and necessary; and
 5432 (b) if the court grants judgment or injunctive relief to the division, the court shall award
 5433 the division:
 5434 (i) reasonable attorney fees;
 5435 (ii) court costs; and
 5436 (iii) investigative fees.

5437 Section 121. Section **13-52-102** is amended to read:

5438 **CHAPTER 52. Residential Solar Energy Consumer Protection Act**

5439 **13-52-102 (Effective 05/06/26). Definitions.**

5440 As used in this chapter:

- 5441 (1) "Actual energy production" means the average kilowatt-hours produced and measured
 5442 by the residential solar energy system during the 12 consecutive months immediately
 5443 following the residential solar energy system's activation.
- 5444 (2) "Customer" means a person ~~[who]~~ that, for primarily personal, family, or household
 5445 purposes:
 5446 (a) purchases, or is solicited to purchase, a residential solar energy system under a
 5447 system purchase agreement;
 5448 (b) leases, or is solicited to lease, a residential solar energy system under a system lease
 5449 agreement; or
 5450 (c) purchases, or is solicited to purchase, electricity under a power purchase agreement.
- 5451 (3) "Division" means the Division of Consumer Protection, established in ~~[Section 13-2-1]~~
 5452 Section 13-2-102.
- 5453 (4)(a) "Employee" means an individual whose compensation for federal income tax
 5454 purposes is reported, or is required to be reported, on a W-2 form the employer issues.
 5455 (b) "Employee" does not include an independent contractor whose manner and means of
 5456 work performance are not subject to direction, supervision, or instruction from the
 5457 person who ~~[employed]~~ employs the independent contractor.
- 5458 (5) "Estimated energy production" means the solar retailer's estimate, measured by
 5459 kilowatt-hour, of how much energy the residential solar energy system will produce.
- 5460 (6) "Nameplate capacity" means the sum of the maximum rated outputs of all electrical
 5461 generating equipment under specific conditions ~~[designated by]~~ the manufacturer
 5462 designates, as indicated on the nameplate physically attached to the equipment.
- 5463 (7) "Participant" means an owner, officer, director, member or manager of a limited liability

- 5464 company, principal, trustee, general or limited partner, sole proprietor, or an individual,
5465 with a controlling interest in an entity.
- 5466 (8) "Power purchase agreement" means an agreement:
- 5467 (a) between a customer and a solar retailer;
- 5468 (b) for the customer's purchase of electricity [~~generated by~~] that a residential solar energy
5469 system owned by the solar retailer generates; and
- 5470 (c) that provides for the customer to make payments over a term of at least five years.
- 5471 (9)(a) "Residential solar energy system" means a solar energy system that:
- 5472 (i) is installed in the state;
- 5473 (ii) generates electricity primarily for on-site consumption for personal, family, or
5474 household purposes;
- 5475 (iii) is situated on no more than four units of residential real property; and
- 5476 (iv) has an electricity delivery capacity that exceeds one kilowatt.
- 5477 (b) "Residential solar energy system" does not include a generator that:
- 5478 (i) produces electricity; and
- 5479 (ii) is intended for occasional use.
- 5480 (10) "Sales representative" means an individual who:
- 5481 (a)(i) enters into a business relationship with a solar retailer to sell or attempt to sell a
5482 residential solar energy system through direct contact with customers and
5483 potential customers; and
- 5484 (ii) as part of the business relationship described in Subsection (10)(a), is
5485 compensated, in whole or in part, by commission; or
- 5486 (b) sets appointments or discusses the benefits of solar energy with a potential customer
5487 on behalf of a solar retailer.
- 5488 (11) "Solar agreement" means a system purchase agreement, a system lease agreement, or a
5489 power purchase agreement.
- 5490 (12) "Solar energy system" means a system or configuration of solar energy devices that
5491 collects and uses solar energy to generate electricity.
- 5492 (13) "Solar retailer" means a person who:
- 5493 (a) sells or proposes to sell a residential solar energy system to a customer under a
5494 system purchase agreement;
- 5495 (b) owns the residential solar energy system that is the subject of a system lease
5496 agreement or proposed system lease agreement; or
- 5497 (c) sells or proposes to sell electricity to a customer under a power purchase agreement.

- 5498 (14) "System lease agreement" means an agreement:
5499 (a) under which a customer leases a residential solar energy system from a solar retailer;
5500 and
5501 (b) that provides for the customer to make payments over a term of at least five years for
5502 the lease of the residential solar energy system.

5503 (15) "System purchase agreement" means an agreement under which a customer purchases
5504 a residential solar energy system from a solar retailer.

5505 Section 122. Section **13-52-202** is amended to read:

5506 **13-52-202 (Effective 05/06/26). Contents of disclosure statement for any solar**
5507 **agreement.**

5508 If a solar retailer is proposing to enter any solar agreement with a potential customer, the
5509 disclosure statement required in Subsection 13-52-201(1) shall include:

- 5510 (1) a statement indicating that operations or maintenance services are not included as part
5511 of the solar agreement, if those services are not included as part of the solar agreement;
5512 (2) if the solar retailer provides any written estimate of the savings the potential customer is
5513 projected to realize from the residential solar energy system:
5514 (a)(i) the estimated projected savings over the life of the solar agreement; and
5515 (ii) at the discretion of the solar retailer, the estimated projected savings over any
5516 longer period not to exceed the anticipated 20-year useful life of the residential
5517 solar energy system;
5518 (b) any material assumptions used to calculate estimated projected savings and the
5519 source of those assumptions, including:
5520 (i) if an annual electricity rate increase is assumed, the rate of the assumed increase,
5521 which may not be greater than 3%, and the solar retailer's basis for the assumption
5522 of the rate increase;
5523 (ii) the potential customer's eligibility for or receipt of tax credits or other
5524 governmental or utility incentives;
5525 (iii) residential solar energy system production data, including production
5526 degradation;
5527 (iv) the residential solar energy system's eligibility for interconnection under any net
5528 metering or similar program;
5529 (v) electrical usage and the residential solar energy system's designed offset of the
5530 electrical usage;
5531 (vi) historical utility costs paid by the potential customer;

- 5532 (vii) any rate escalation affecting a payment between the potential customer and the
5533 solar retailer; and
- 5534 (viii) the costs associated with replacing equipment making up part of the residential
5535 solar energy system or, if those costs are not assumed, a statement indicating that
5536 those costs are not assumed; and
- 5537 (c) three separate statements in capital letters in close proximity to any written estimate
5538 of projected savings, with substantially the following form and content:
- 5539 (i) "THIS IS AN ESTIMATE. UTILITY RATES MAY GO UP OR DOWN AND
5540 ACTUAL SAVINGS, IF ANY, MAY VARY. HISTORICAL DATA ARE NOT
5541 NECESSARILY REPRESENTATIVE OF FUTURE RESULTS. FOR
5542 FURTHER INFORMATION REGARDING RATES, CONTACT YOUR
5543 LOCAL UTILITY OR THE STATE PUBLIC SERVICE COMMISSION.";
- 5544 (ii) "ESTIMATES OF ENERGY PRODUCTION GENERATED BY A
5545 RESIDENTIAL SOLAR ENERGY SYSTEM MAY VARY. THE
5546 RESIDENTIAL SOLAR ENERGY SYSTEM MAY PRODUCE MORE OR
5547 LESS THAN THE ESTIMATED ENERGY PRODUCTION."; and
- 5548 (iii) "TAX AND OTHER FEDERAL, STATE, AND LOCAL INCENTIVES VARY
5549 AS TO REFUNDABILITY AND ARE SUBJECT TO CHANGE OR
5550 TERMINATION BY LEGISLATIVE OR REGULATORY ACTION, WHICH
5551 MAY IMPACT SAVINGS ESTIMATES. CONSULT A TAX PROFESSIONAL
5552 FOR MORE INFORMATION.";
- 5553 (3) a notice stating: "Legislative or regulatory action may affect or eliminate your ability to
5554 sell or get credit for any excess power generated by the solar energy system, and may
5555 affect the price or value of that power.";
- 5556 (4) the notice described in Subsection 13-11-4(2)(m) or Subsection [~~13-26-5(2)(a)~~
5557 13-26-105(3)(a)], if applicable;
- 5558 (5) a statement describing the solar energy system and indicating the solar energy system
5559 design assumptions, including the make and model of the solar panels and inverters,
5560 solar energy system size, positioning of the panels on the customer's property, estimated
5561 first-year energy production, and estimated annual energy production degradation,
5562 including the overall percentage degradation over the term of the solar agreement or, at
5563 the solar retailer's option, over the estimated useful life of the solar energy system;
- 5564 (6) a description of any warranty, representation, or guarantee of energy production of the
5565 solar energy system;

- 5566 (7) the approximate start and completion dates for the installation of the solar energy
5567 system;
- 5568 (8) the statement: "The solar retailer may not begin installation of the system until at least
5569 four business days after the day on which the solar retailer and customer enter into a
5570 contract.";
- 5571 (9)(a) a statement indicating whether the solar retailer may transfer any warranty or
5572 maintenance obligations related to the solar energy system to a third party; and
- 5573 (b) if the solar retailer may transfer any warranty or maintenance obligations related to
5574 the solar energy system, the statement: "The maintenance and repair obligations
5575 under your contract may be assigned or transferred without your consent to a third
5576 party who will be bound to all the terms of the contract. If a transfer occurs, you will
5577 be notified of any change to the address, email address, or phone number to use for
5578 questions or payments or to request solar energy system maintenance or repair.";
- 5579 (10) if the solar retailer will not obtain customer approval to connect the solar energy
5580 system to the customer's utility, a statement to that effect and a description of what the
5581 customer must do to interconnect the solar energy system to the utility;
- 5582 (11) a description of any roof penetration warranty or other warranty that the solar retailer
5583 provides the customer or a statement, in bold capital letters, that the solar retailer does
5584 not provide any warranty;
- 5585 (12) a statement indicating whether the solar retailer will make a fixture filing or other
5586 notice in the county real property records covering the solar energy system, including a
5587 Notice of Independently Owned Solar Energy System, and any fees or other costs
5588 associated with the filing that the solar retailer may charge the customer;
- 5589 (13) a statement in capital letters with the following form and content: "NO EMPLOYEE
5590 OR REPRESENTATIVE OF [name of solar retailer] IS AUTHORIZED TO MAKE
5591 ANY PROMISE TO YOU THAT IS NOT CONTAINED IN THIS DISCLOSURE
5592 STATEMENT CONCERNING COST SAVINGS, TAX BENEFITS, OR
5593 GOVERNMENT OR UTILITY INCENTIVES. YOU SHOULD NOT RELY UPON
5594 ANY PROMISE OR ESTIMATE THAT IS NOT INCLUDED IN THIS DISCLOSURE
5595 STATEMENT.";
- 5596 (14) a statement in capital letters with substantially the following form and content: "[name
5597 of solar retailer] IS NOT AFFILIATED WITH ANY UTILITY COMPANY OR
5598 GOVERNMENT AGENCY. NO EMPLOYEE OR REPRESENTATIVE OF [name of
5599 solar retailer] IS AUTHORIZED TO CLAIM AFFILIATION WITH A UTILITY

- 5600 COMPANY OR GOVERNMENT AGENCY.";
- 5601 (15) a statement with the name and contact information of the person that will perform the
5602 installation;
- 5603 (16) a notice that the solar retailer may not sell the contract to another solar company
5604 without express customer approval;
- 5605 (17) a conspicuous list of:
- 5606 (a) finance fees, including those not charged directly to the customer; and
5607 (b) solar energy system operation and maintenance that the customer is obligated to
5608 perform to comply with the terms of the guarantee of the minimum energy
5609 production; and
- 5610 (18) any additional information, statement, or disclosure the solar retailer considers
5611 appropriate, as long as the additional information, statement, or disclosure does not have
5612 the purpose or effect of obscuring the disclosures required under this part.
- 5613 Section 123. Section **13-52-207** is amended to read:
- 5614 **13-52-207 (Effective 05/06/26). Customer ability to cancel solar agreement.**
- 5615 (1) A solar retailer shall provide to the customer a copy of the signed solar agreement,
5616 including any disclosures required under this chapter:
- 5617 (a) in electronic and in paper form, unless the customer declines the paper copy in
5618 writing; and
- 5619 (b) if the solar retailer marketed services for residential solar energy systems to the
5620 customer in a language other than English, in that language.
- 5621 (2) A solar agreement is not enforceable against the customer unless the requirements in
5622 Subsection (1) are met.
- 5623 (3) A solar retailer may not begin installation of any solar equipment until four business
5624 days after the day on which the solar retailer provides the customer the solar agreement
5625 described in Subsection (1).
- 5626 (4) If a customer cancels a solar agreement under Subsection 13-11-4(2)(m) or Subsection [
5627 ~~13-26-5(2)(a)~~] 13-26-105(3)(a), the solar retailer shall within 10 days:
- 5628 (a) return any check signed by the customer as payment under the terms of the solar
5629 agreement; and
- 5630 (b) refund any money provided by the customer under the terms of the solar agreement.
- 5631 (5) A solar agreement described in Subsection (1) shall clearly:
- 5632 (a) state the customer's right to cancel the solar agreement under this section; and
5633 (b) provide an email address and a mailing address where the customer can send the

5634 solar retailer a notice of cancellation of the solar agreement.

5635 (6) Subsection (1)(a) only applies to sales where the customer has a right to cancel the
5636 purchase as described in Subsection 13-11-4(2)(m) or Subsection [~~13-26-5(2)(a)~~]
5637 13-2-105(3)(a).

5638 Section 124. Section **13-52-301** is amended to read:

5639 **13-52-301 (Effective 05/06/26). Division enforcement authority -- Administrative**
5640 **fine.**

5641 (1) Subject to Subsection (2), the division may enforce the provisions of this chapter by:

- 5642 (a) conducting an investigation into an alleged violation of this chapter;
5643 (b) issuing a cease and desist order against a further violation of this chapter;
5644 (c) imposing an administrative fine of up to \$2,500 for each violation of this chapter; and
5645 (d) the division may bring an action in a court of competent jurisdiction to enforce a
5646 provision of this chapter.

5647 (2) In a court action by the division to enforce a provision of this chapter, the court may:

- 5648 (a) declare that an act or practice violates a provision of this chapter;
5649 (b) issue an injunction for a violation of this chapter;
5650 (c) order disgorgement of any money received in violation of this chapter;
5651 (d) order payment of disgorged money to an injured purchaser or consumer;
5652 (e) impose a fine of up to \$2,500 for each violation of this chapter; or
5653 (f) award any other relief that the court deems reasonable and necessary.

5654 (3) The division shall, in its discretion:

- 5655 (a) deposit an administrative fine collected under Subsection (1)(c) in the Consumer
5656 Protection Education and Training Fund created in Section [~~13-2-8~~] 13-2-109; or
5657 (b) distribute an administrative fine collected under Subsection (1)(c) to a customer
5658 adversely affected by the solar retailer's failure or violation resulting in a fine under
5659 Subsection (1)(c), if the division has conducted an administrative proceeding
5660 resulting in a determination of the appropriateness and amount of any distribution to
5661 a customer.

5662 (4) Nothing in this chapter may be construed to affect:

- 5663 (a) a remedy a customer has independent of this chapter; or
5664 (b) the division's ability or authority to enforce any other law or regulation.

5665 Section 125. Section **13-52-302** is amended to read:

5666 **13-52-302 (Effective 05/06/26). Registration and security required.**

5667 (1)(a) On or after July 1, 2026, a solar retailer may not operate in this state without being

- 5668 registered with the division.
- 5669 (b) ~~[The]~~ Except as provided in Subsection (1)(c), a registration under this section is
- 5670 valid for one year [except as provided in Subsection (1)(e).] after the day on which the
- 5671 solar retailer registers with the division.
- 5672 (c) The division may extend the period for which a solar retailer's registration is
- 5673 effective by up to six months so that expiration dates are staggered throughout the
- 5674 year.
- 5675 (2)(a) A solar retailer shall submit an application for registration to the division in a
- 5676 manner the division establishes by rule in accordance with Title 63G, Chapter 3, Utah
- 5677 Administrative Rulemaking Act, if:
- 5678 (i) the solar retailer's sales representative communicates with customers or potential
- 5679 customers in the state; or
- 5680 (ii) the solar retailer, or the solar retailer's sales representative, conducts any business
- 5681 operations in the state.
- 5682 (b) ~~[The-]~~ An application for registration shall designate [an] a registered agent [residing]
- 5683 for service of process in this state [who is authorized by the solar retailer to receive
- 5684 service of process in any action this state or a resident of this state brings to the court.]
- 5685 and include the registered agent's:
- 5686 (i) name;
- 5687 (ii) street address;
- 5688 (iii) mailing address; and
- 5689 (iv) telephone number.
- 5690 (c) If a solar retailer fails to designate an agent to receive service or fails to appoint a
- 5691 successor to the agent, the division shall deny the solar retailer's application for
- 5692 registration.
- 5693 ~~[(d) For purposes of this section only, the registered agent of a solar retailer shall~~
- 5694 ~~provide the division the registered agent's proof of residency in the state in the form~~
- 5695 ~~of:]~~
- 5696 ~~[(i) a valid Utah driver license;]~~
- 5697 ~~[(ii) a valid governmental photo identification issued to a resident of this state; or]~~
- 5698 ~~[(iii) other verifiable identification indicating residency in this state.]~~
- 5699 ~~[(e)]~~ (d) As a part of the registration, each solar retailer shall submit proof of obtaining
- 5700 and maintaining the following security in a form approved by the division:
- 5701 (i) a performance bond issued by a surety authorized to transact surety business in

5702 this state; or

5703 (ii) a certificate of deposit in a financial institution authorized under the laws of this

5704 state or the United States to accept deposits from the public.

5705 (3)(a) The division shall impose an annual registration fee set in accordance with

5706 Section 63J-1-504 that ~~shall include~~ includes the cost of the criminal background

5707 check described in this Subsection (3).

5708 ~~(b)~~ (4) To register as a solar retailer, ~~the~~ a solar retailer and the solar retailer's participants:

5709 ~~(i)~~ (a) may not have been convicted of a felony or misdemeanor involving theft, fraud,

5710 or dishonesty, in the 10-year period immediately before the day on which the solar

5711 retailer files the application; and

5712 ~~(ii)~~ (b) shall submit to the division:

5713 ~~(A)~~ (i) ~~the~~ each participant's fingerprints, in a form acceptable to the division, for

5714 purposes of a criminal background check;

5715 ~~(B)~~ (ii) consent to a criminal background check by:

5716 (A) [-]the Bureau of Criminal Identification created in Section 53-10-201; or

5717 (B) another state or federal agency that performs criminal background checks in

5718 this state or the United States; and

5719 ~~(C)~~ (iii) payment for the cost of the fingerprint card and criminal background check

5720 described ~~by~~ in Subsections ~~(3)(b)(ii)(A)~~ (4)(b)(i) and ~~(B)~~ (ii).

5721 ~~(e)~~ (5) A solar retailer shall update registration information within 30 days after the day on

5722 which information provided on the application becomes incorrect or incomplete.

5723 ~~(f)~~ (6) A solar retailer that is a publicly traded corporation registered with the Securities

5724 and Exchange Commission is exempt from the requirements described in Subsection [

5725 ~~(3)(b)~~ (4).

5726 ~~(4)(a)~~

5727 ~~(i)~~ (7) The division may claim a solar retailer's surety bond or certificate of deposit for the

5728 benefit of ~~any~~ a customer who incurs damages as the result of the solar retailer's failure

5729 to comply with this chapter.

5730 ~~(ii)~~ (8)(a) For purposes of this section, damages incurred by a customer include:

5731 ~~(A)~~ (i) labor and materials necessary to complete the installation of a residential

5732 solar energy system that is partially installed; and

5733 ~~(B)~~ (ii) damage to a customer's home caused during installation or repair of the

5734 residential solar energy system.

5735 (b) After ~~the~~ a customer recovers full damages, the division may recover from the bond

5736 or certificate of deposit any administrative fines, civil penalties, investigative costs,
5737 attorney fees, and other costs of collecting and distributing funds under this section.

5738 ~~[(e)]~~ (9) ~~[The]~~ A solar retailer shall ~~[post a bond or certificate of deposit in the amount of]~~
5739 submit proof of obtaining and maintaining the following in a form the division approves:

5740 (a) a surety bond issued by a surety authorized to transact business in this state; or

5741 (b) a certificate of deposit in a financial institution authorized under the laws of this state
5742 or the laws of the United States to accept deposits from the public.

5743 (10) The surety bond or certificate of deposit described in Subsection (9) shall be in the
5744 amount of:

5745 ~~[(i)]~~ (a) \$100,000 if:

5746 ~~[(A)]~~ (i) the solar retailer or ~~[any]~~ an affiliated person has not violated a chapter [
5747 ~~enforced by the division]~~ the division enforces, as described in Section ~~[13-2-1]~~
5748 13-2-102, in the three-year period immediately before the day on which the solar
5749 retailer files the application;

5750 ~~[(B)]~~ (ii) the solar retailer has fewer than ten employees; and

5751 ~~[(C)]~~ (iii) the solar retailer sells fewer than 500 kilowatts nameplate capacity annually;

5752 ~~[(ii)]~~ (b) \$200,000 if:

5753 ~~[(A)]~~ (i) the solar retailer or ~~[any]~~ an affiliated person has not violated a chapter [
5754 ~~enforced by the division]~~ the division enforces, as described in Section ~~[13-2-1]~~
5755 13-2-102, in the three-year period immediately before the day on which the solar
5756 retailer files the application;

5757 ~~[(B)]~~ (ii) the solar retailer has ten or more employees; or

5758 ~~[(C)]~~ (iii) the solar retailer sells more than 500 kilowatts nameplate capacity annually;

5759 or

5760 ~~[(iii)]~~ (c) \$300,000 if the solar retailer or ~~[any]~~ an affiliated person has violated a chapter [
5761 ~~enforced by]~~ the division enforces, as described in Section ~~[13-2-1]~~ 13-2-102, the
5762 three-year period immediately before the day on which the solar retailer files the
5763 application.

5764 ~~[(d)]~~ (11) Beginning July 1, 2026, a solar retailer that operates in this state violates this
5765 chapter each time the solar retailer sells a residential solar energy system without first
5766 registering with the division.

5767 ~~[(5)]~~ (12) The division director may deny, suspend, or revoke a solar retailer's registration if:

5768 (a) a solar retailer or a solar retailer's participant:

5769 (i) ~~[violated]~~ violates a statute ~~[enforced by the division]~~ the division enforces within

- 5770 the preceding five years; or
- 5771 (ii) fails to pay a fine or comply with a term of settlement with the division;
- 5772 (b) the division claims the solar retailer's bond or certificate of deposit; or
- 5773 (c) the division receives ten or more complaints from consumers about the solar retailer
- 5774 related to the solar energy system's energy production and finds substantial evidence
- 5775 that the solar retailer has provided good faith estimates for residential solar energy
- 5776 systems that do not produce 80% or more of the solar retailer's estimated energy
- 5777 production.

5778 (13) A solar retailer may not:

- 5779 (a) represent that the division or the state endorses or approves the solar retailer;
- 5780 (b) omit from a filing with the division a material statement of fact that this chapter or
- 5781 rule the division makes in accordance with this chapter requires; or
- 5782 (c) include in a filing with the division a material statement of fact that the solar retailer
- 5783 or the solar retailer's principal knows or should know is false, deceptive, inaccurate,
- 5784 or misleading.

5785 Section 126. Section **13-53-103** is amended to read:

5786 **CHAPTER 53. Residential Vocational or Life Skills Program Act**

5787 **13-53-103 (Effective 05/06/26). Registration of a residential vocational or life**

5788 **skills program.**

- 5789 (1) An owner or a manager of a residential vocational or life skills program shall annually
- 5790 register the residential vocational or life skills program with the division.
- 5791 (2) An application for registration shall:
- 5792 (a) ~~[-]be on a form [approved by]the division approves;~~ and
- 5793 (b) ~~[-shall require] include:~~
- 5794 ~~[(a)] (i) the name, address, telephone number, email address, and website~~[-and~~~~
- 5795 ~~facsimile number, if any,] of the nonprofit corporation operating the residential~~
- 5796 ~~vocational or life skills program;~~
- 5797 ~~[(b)] (ii) [the name and address of the registered agent of the corporation operating the~~
- 5798 ~~residential vocational or life skills program] a designated registered agent for~~
- 5799 ~~service of process in the state, and the registered agent's:~~
- 5800 (A) name;
- 5801 (B) street address;
- 5802 (C) mailing address; and
- 5803 (D) telephone number;

- 5804 [(e)] (iii) the name, address, telephone number, email address, and website~~[, and~~
5805 facsimile number, if any,] of the residential vocational or life skills program;
- 5806 [(d)] (iv) the name and address of [~~any~~] each entity that controls, is controlled by, or is
5807 affiliated with the residential vocational or life skills program;
- 5808 [(e)] (v) the name and residential address of [~~any~~] each officer, director, manager, or
5809 administrator of the residential vocational or life skills program;
- 5810 [(f)] (vi) the name, address, telephone number, email address, and website~~[, and~~
5811 facsimile number, if any,] of [~~any~~] each vocational training entity affiliated with
5812 the residential vocational or life skills program;
- 5813 [(g)] (vii) a disclosure indicating whether [~~any~~] an officer, a director, or an
5814 administrator of the residential vocational or life skills program has been the
5815 subject of an administrative action by the division;
- 5816 [(h)] (viii) a disclosure indicating whether any officer, director, or administrator of the
5817 residential vocational or life skills program has been convicted of a felony or a [
5818 ~~crime of moral turpitude within the previous 10 years~~] misdemeanor involving
5819 theft, fraud, or dishonesty, in the 10-year period preceding the day on which the
5820 residential vocational or life skills program files the application;
- 5821 [(i)] (ix) financial information described in Subsection 13-53-108(1);
- 5822 [(j)] (x) proof of a commercial general liability and umbrella insurance policy
5823 providing at least a \$1,000,000 per occurrence limit of liability;
- 5824 [(k)] (xi) a copy of the disclosure required under Section 13-53-106;
- 5825 [(l)] (xii) evidence that the applicant meets the description of a residential vocational
5826 or life skills program under Subsection 13-53-102(5); and
- 5827 [(m)] (xiii) additional information that the division requires, as provided in
5828 administrative rule.
- 5829 (3) A residential vocational or life skills program is registered on the day that the division
5830 issues the registration.
- 5831 (4) The division's issuance of a registration for a residential vocational or life skills program
5832 does not constitute the state's or the division's endorsement or approval of the residential
5833 vocational or life skills program.
- 5834 (5) An applicant for the registration of a residential vocational or life skills program shall
5835 file a separate application and pay a separate application fee for each residential
5836 vocational or life skills program location.
- 5837 (6) The division may make rules in accordance with Title 63G, Chapter 3, Utah

5838 Administrative Rulemaking Act, to implement the registration application process and
5839 administer this chapter.

5840 (7) The division may set fees in accordance with Section 63J-1-504 for a residential
5841 vocational or life skills program registration application.

5842 (8) An applicant for the registration of a residential vocational or life skills program shall
5843 update registration information within 30 days after the day on which information the
5844 applicant provides in the application becomes incorrect or incomplete.

5845 (9) Registration of a residential vocational or life skills program is effective for one year
5846 after the day on which the division issues the registration.

5847 (10) To renew a residential vocational or life skills program registration under this section,
5848 a residential vocation or life skills program shall submit a registration renewal
5849 application to the division at least 30 days before the day on which the residential
5850 vocational or life skills program's registration expires.

5851 Section 127. Section **13-53-104** is amended to read:

5852 **13-53-104 (Effective 05/06/26). Registration denial, suspension, or revocation.**

5853 (1) In accordance with Chapter 2, Division of Consumer Protection, and Title 63G, Chapter
5854 4, Administrative Procedures Act, the division may initiate proceedings to deny,
5855 suspend, or revoke the registration of a residential vocational or life skills program, if
5856 the division finds that the denial, suspension, or revocation is in the public interest and:

5857 (a)(i) the entity holding the registration fails to meet the description of a residential
5858 vocational or life skills program under Subsection 13-53-102(5); and

5859 [(b)] (ii) the operation of the residential vocational or life skills program creates a
5860 serious risk to public safety or welfare;

5861 (b) the residential vocational or life skills program does not have adequate controls to
5862 minimize associated risks to:

5863 (i) the participants of the residential vocational or life skills program; and

5864 (ii) the public;

5865 (c) the registration application or any supplemental information [~~required by~~]the
5866 division requires is incomplete, false, misleading, or filed in an untimely manner; or

5867 (d) the applicant or the applicant's principal:

5868 (i) violates, causes a violation, allows a violation, or fails to satisfy the requirements
5869 of a provision of:

5870 (A) this chapter; or

5871 (B) a rule the division makes in accordance with this chapter;

- 5872 (ii) violates Chapter 11, Utah Consumer Sales Practices Act;
 5873 (iii) is enjoined by a court, or is the subject of an administrative or judicial order
 5874 issued in Utah or another state, if the order:
 5875 (A) includes a finding or admission of fraud, breach of fiduciary duty, or material
 5876 misrepresentation; or
 5877 (B) is based on a finding of a lack of integrity, truthfulness, or mental competence;
 5878 (iv) is convicted of a crime involving theft, fraud, or dishonesty;
 5879 (v) obtains or attempts to obtain a registration by misrepresenting a material fact;
 5880 (vi) fails to provide information the division requests;
 5881 (vii) fails to pay an administrative fine the division or an administrative or judicial
 5882 order imposes; or
 5883 (viii) fails to pay the fee to file a registration application or a renewal application.
 5884 [~~(d) the residential vocational or life skills program or an individual described in~~
 5885 ~~Subsection 13-53-103(2)(e) causes or allows to occur a violation of any provision of~~
 5886 ~~municipal, state, or federal law, including an administrative rule made under this~~
 5887 ~~chapter;]~~
 5888 [~~(e)(i) an individual described in Subsection 13-53-103(2)(e) is convicted of a felony~~
 5889 ~~or a crime of moral turpitude within the previous 10 years; and]~~
 5890 [~~(ii) the residential vocational or life skills program does not have adequate controls~~
 5891 ~~to minimize associated risks to the participants of the residential vocational or life~~
 5892 ~~skills program and to the public; or]~~
 5893 [~~(f) the residential vocational or life skills program fails to pay an administrative fine~~
 5894 ~~that the division lawfully imposes on the residential vocational or life skills program.]~~
 5895 (2) The division may place reasonable limits upon a residential vocational or life skills
 5896 program's operations, if:
 5897 (a) the division has reasonable concerns about the residential vocational or life skills
 5898 program's ability to comply with this chapter; and
 5899 (b) the limitation is reasonably calculated to protect the interests of the public or the
 5900 participants of the residential vocational or life skills program.
 5901 (3) When the demands of public safety permit, the division shall allow a residential
 5902 vocational or life skills program a reasonable amount of time to remedy a violation
 5903 under this chapter before the division suspends or revokes a registration.
 5904 (4) The division may require an individual described in Subsection [~~13-53-103(2)(e)~~]
 5905 13-53-103(2)(b)(v) to submit to a criminal background check, at the individual's expense

5906 or the expense of the residential vocational or life skills program.

5907 Section 128. Section **13-53-105** is amended to read:

5908 **13-53-105 (Effective 05/06/26). Prohibited acts.**

5909 A residential vocational or life skills program may not:

- 5910 (1) operate without a registration [~~issued~~] that the division issues under Section 13-53-103;
- 5911 (2) utilize [~~any~~] a behavioral intervention that is not peer-led or that uses the services of [~~any~~]
5912 a professional or [~~any~~] a person purporting to be a professional;
- 5913 (3) accept a participant before providing to the participant the disclosure described in
5914 Section 13-53-106;[~~or~~]
- 5915 (4) use physical force or permit the use of physical force[~~;~~];
- 5916 (5) represent that the division or the state endorses the residential vocational or life skills
5917 program;
- 5918 (6) omit from a filing with the division a material statement of fact that this chapter or a
5919 rule the division makes in accordance with this chapter requires; or
- 5920 (7) include in a filing with the division a material statement that the residential vocational
5921 or life skills program or the residential vocational or life skills program's principal
5922 knows or should know is false, deceptive, inaccurate, or misleading.

5923 Section 129. Section **13-53-108** is amended to read:

5924 **13-53-108 (Effective 05/06/26). Financial requirements.**

- 5925 (1) When applying for registration under Subsection 13-53-103(2), an applicant shall
5926 demonstrate [~~financial~~] financial responsibility by providing evidence to the division that the
5927 residential vocational or life skills program:
- 5928 (a) is financially sound; and
- 5929 (b) reasonably has the [~~financial~~] financial ability to fulfill commitments and obligations to
5930 the participants of the residential vocational or life skills program.
- 5931 (2) Evidence acceptable to satisfy the requirement described in Subsection (1) includes:
- 5932 (a) for a residential vocational or life skills program that has been in operation less than
5933 one fiscal year:
- 5934 (i) pro forma financial statements until further information described in Subsection
5935 (2)(b) is available;[~~and~~]
- 5936 (ii) a commercial credit report for the residential vocational or life skills program; [~~or~~]
5937 and
- 5938 (iii) a personal credit report for:
- 5939 (A) each owner of the residential vocational or life skills program who controls at

- 5940 least 10% of the ownership interests in the residential vocational or life skills
 5941 program; or
 5942 (B) each individual that exercises substantial control over the residential or life
 5943 skills program; or
- 5944 (b) for a residential vocational or life skills program that has completed a fiscal year, and
 5945 as soon as the residential vocational or life skills program completes [its] the
 5946 residential vocational or life skills program's first fiscal year:
- 5947 (i) a current financial statement, with all applicable footnotes, for the most recent
 5948 fiscal year, including a balance sheet, a statement of income, a statement of
 5949 retained earnings, and a statement of cash flow; and
- 5950 (ii) a certified [~~fiscal~~] financial audit of the residential vocational or life skills
 5951 program's financial statement, [~~performed by~~] that a certified [~~or licensed~~] public
 5952 accountant performs.
- 5953 (3) In evaluating a residential vocational or life skills program's [~~fiscal~~] financial
 5954 responsibility, the division may consider:
- 5955 (a) [~~any~~] a judgment, tax lien, collection action, bankruptcy schedule, or history of late
 5956 payments to creditors;
- 5957 (b) documentation showing the resolution of a matter described in Subsection (3)(a);
- 5958 (c) the residential vocational or life skills program's explanation for a matter described in
 5959 Subsection (3)(a);
- 5960 (d) a guarantee agreement provided for the residential vocational or life skills program;
 5961 and
- 5962 (e) history of a prior entity that:
- 5963 (i) is owned or operated by any individual who is an officer, a director, or an
 5964 administrator of the residential vocational or life skills program; and
- 5965 (ii) has failed to maintain [~~fiscal~~] financial responsibility.
- 5966 (4) The division may require evidence of financial status at other times when [it] requiring
 5967 evidence of financial status is in the best interest of the program participants to require
 5968 the information.
- 5969 (5) The division may perform a fiscal audit of a residential vocational or life skills program.
- 5970 (6) A residential vocational or life skills program shall develop and maintain adequate
 5971 internal controls for receipt, management, and disbursement of money that are
 5972 reasonable in light of the residential vocational or life skills program's organizational
 5973 complexity.

5974 Section 130. Section **13-53-110** is amended to read:

5975 **13-53-110 (Effective 05/06/26). Enforcement.**

- 5976 (1) The division may investigate facilities and enforce this chapter under the authority
5977 described in Chapter 2, Division of Consumer Protection.
- 5978 (2) To monitor the welfare of participants and transitional graduates, if any, and to monitor
5979 the safe operation of a residential vocational or life skills program, the division shall:
- 5980 (a) annually perform an on-site inspection of a registered residential vocational or life
5981 skills program;
- 5982 (b) refer each concern that the division identifies during the on-site inspection to the
5983 state or municipal entity responsible for the area of concern; and
- 5984 (c) coordinate with each relevant state and municipal entity to monitor the residential
5985 vocational or life skills program's compliance with the entity's relevant health and
5986 safety regulations.
- 5987 (3) In addition to penalties established by this chapter and in addition to the enforcement
5988 authority described in Chapter 2, Division of Consumer Protection, the division may:
- 5989 [~~(a) issue a cease and desist order;~~]
- 5990 [~~(b) impose an administrative fine of up to \$2,500 for each violation of this chapter; and]~~
- 5991 [~~(c) seek injunctive relief in a court of competent jurisdiction.]~~
- 5992 (a) impose an administrative fine of up to \$2,500 for a violation of this chapter; and
- 5993 (b) the division may bring an action in a court with jurisdiction to enforce a provision of
5994 this chapter.
- 5995 (4) In a court action the division brings to enforce a provision of this chapter, the court may:
- 5996 (a) declare that an act or practice violates a provision of this chapter;
- 5997 (b) issue an injunction for a violation of this chapter;
- 5998 (c) order disgorgement of any money received in violation of this chapter;
- 5999 (d) order payment of disgorged money to an injured purchaser or consumer;
- 6000 (e) impose a fine of up to \$2,500 for each violation of this chapter; or
- 6001 (f) award any other relief that the court deems reasonable and necessary.

6002 [~~(4) All money received from fines imposed under this section shall be deposited into the~~
6003 ~~Consumer Protection Education and Training Fund, created in Section 13-2-8.]~~

6004 Section 131. Section **13-57-102** is amended to read:

6005 **13-57-102 (Effective 05/06/26). Definitions.**

6006 As used in this chapter:

- 6007 [(1) "**Business entity**" means a sole proprietorship, partnership, limited partnership, limited

6008 liability company, corporation, or other entity or association used to carry on a business
6009 for profit.]

6010 [(2)] (1) "Director" means the director of the [~~Division of Consumer Protection~~] division.

6011 [(3)] (2) "Division" means the Division of Consumer Protection [~~of the Department of~~
6012 ~~Commerce established in Section 13-2-1~~] established in Section 13-2-102.

6013 [(4)] (3) "Health care provider" means the same as that term is defined in Section 78B-3-403.

6014 [(5)] (4) "Individual" means a person who:

6015 (a) resides in this state; and

6016 (b) has or may have a pending legal action[~~in this state~~].

6017 [(6)] (5) "Legal funding" means a payment of \$500,000 or less to an individual in exchange
6018 for the right to receive an amount out of the potential proceeds of any realized
6019 settlement, judgment, award, or verdict the individual may receive in a civil legal action.

6020 [(7)] (6) "Maintenance funding agreement" means an agreement between an individual and
6021 a maintenance funding provider under which the maintenance funding provider provides
6022 legal funding to the individual.

6023 [(8)] (7)(a) "Maintenance funding provider" means a [~~business entity~~] person that engages
6024 in the business of legal funding.

6025 (b) "Maintenance funding provider" does not include:

6026 (i) an immediate family member of an individual;

6027 (ii) an accountant providing accounting services to an individual; or

6028 (iii) an attorney providing legal services to an individual.

6029 Section 132. Section **13-57-201** is amended to read:

6030 **13-57-201 (Effective 05/06/26). Maintenance funding provider registration and**
6031 **registration renewal.**

6032 (1) [~~Except as provided in Subsection (4), a business entity~~] A person may not act as a
6033 maintenance funding provider in this state without registering with the division.

6034 (2) To register as a maintenance funding provider, a [~~business entity~~] person shall submit to
6035 the division an application for registration:

6036 (a) in the manner the division determines; and

6037 (b) that includes:

6038 (i) an application fee in an amount [~~determined by~~]the division determines in
6039 accordance with Sections 13-1-2 and 63J-1-504; and

6040 (ii) anything else the division requires as established in rule [~~made~~] the division makes
6041 in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act.

- 6042 (3) A registration of a maintenance funding provider under this chapter is effective for one
 6043 year after the day on which the division issues the registration.
- 6044 [~~(3)~~] (4) Each year a maintenance funding provider shall renew the maintenance funding
 6045 provider's registration by submitting to the division an application for registration
 6046 renewal:
- 6047 (a) in the manner the division determines; and
- 6048 (b) that includes:
- 6049 (i) an application fee in an amount determined by the division in accordance with
 6050 Sections 13-1-2 and 63J-1-504; and
- 6051 (ii) anything else the division requires as established in rule made in accordance with
 6052 Title 63G, Chapter 3, Utah Administrative Rulemaking Act.
- 6053 (5) To renew a maintenance funding provider registration in accordance with this section, a
 6054 maintenance funding provider shall submit a registration renewal application to the
 6055 division at least 30 days before the day on which the maintenance funding provider's
 6056 registration expires.
- 6057 (6) A maintenance funding provider shall update registration information within 30 days
 6058 after the day on which information the maintenance funding provider provides on the
 6059 application becomes incorrect or incomplete.
- 6060 [~~(4) A business entity who acts as a maintenance funding provider in the state between May~~
 6061 ~~12, 2019, and May 12, 2020, is permitted to continue to act as a maintenance funding~~
 6062 ~~provider.]~~
- 6063 [~~(a) if the person:]~~
- 6064 [~~(i) applies for registration in accordance with this section; and]~~
- 6065 [~~(ii) complies with the requirements of this chapter; and]~~
- 6066 [~~(b) until the division makes a determination regarding the person's application for~~
 6067 ~~registration under this section.]~~
- 6068 Section 133. Section **13-57-201.1** is enacted to read:
- 6069 **13-57-201.1 (Effective 05/06/26). Denial, suspension, or revocation of a**
 6070 **registration or application.**
- 6071 In accordance with Chapter 2, Division of Consumer Protection, and Title 63G, Chapter
 6072 4, Administrative Procedures Act, the division may initiate adjudicative proceedings to deny,
 6073 suspend, or revoke an application or registration if:
- 6074 (1) the division finds that the denial, suspension, or revocation is in the public interest; and
 6075 (2)(a) the registration is incomplete, false, or misleading; or

- 6076 (b) the applicant or the applicant's principal:
- 6077 (i) violates, causes a violation, allows a violation, or fails to satisfy the requirements
- 6078 of a provision of:
- 6079 (A) this chapter; or
- 6080 (B) a rule the division makes in accordance with this chapter;
- 6081 (ii) violates Chapter 11, Utah Consumer Sales Practices Act; or
- 6082 (iii) is enjoined by a court, or is the subject of an administrative or judicial order
- 6083 issued in Utah or another state, if the order:
- 6084 (A) includes a finding or admission of fraud, breach of fiduciary duty, or material
- 6085 misrepresentation; or
- 6086 (B) is based on a finding of a lack of integrity, truthfulness, or mental competence;
- 6087 (iv) is convicted of a crime involving theft, fraud, or dishonesty;
- 6088 (v) obtains or attempts to obtain a registration by misrepresenting a material fact;
- 6089 (vi) fails to provide information the division requests;
- 6090 (vii) fails to pay an administrative fine the division or an administrative or judicial
- 6091 order imposes; or
- 6092 (viii) fails to pay the fee to file a registration application or a renewal application.

6093 Section 134. Section **13-57-202** is amended to read:

6094 **13-57-202 (Effective 05/06/26). Maintenance funding provider operations --**

6095 **Prohibited acts.**

- 6096 (1) A maintenance funding provider may only provide legal funding to an individual if the
- 6097 maintenance funding provider and the individual enter into a maintenance funding
- 6098 agreement that meets the requirements of Section 13-57-301.
- 6099 (2) Before executing a maintenance funding agreement, a maintenance funding provider
- 6100 shall file with the division a template of the maintenance funding agreement.
- 6101 (3) A maintenance funding provider may not:
- 6102 (a) pay or offer to pay a commission, referral fee, or any other form of consideration to
- 6103 the following for referring an individual to the maintenance funding provider:
- 6104 (i) an attorney authorized to practice law;
- 6105 (ii) a health care provider; or
- 6106 (iii) an employee, independent contractor, or other person affiliated with a person
- 6107 described in Subsection (3)(a)(i) or (ii);
- 6108 (b) accept a commission, referral fee, or any other form of consideration from a person
- 6109 described in Subsection (3)(a) for referring an individual to the person;

- 6110 (c) refer an individual or potential individual to a person described in Subsection (3)(a),
 6111 unless the referral is to a local or state bar association referral service;
- 6112 (d) intentionally advertise materially false or misleading information about the
 6113 maintenance funding provider's services;
- 6114 (e) make or attempt to influence a decision relating to the conduct, settlement, or
 6115 resolution of a legal action for which the maintenance funding provider provides
 6116 legal funding;~~[-oath]~~
- 6117 (f) knowingly pay or offer to pay court costs, filing fees, or attorney fees using legal
 6118 funding~~[-]~~ ;
- 6119 (g) represent that the division or the state endorses the maintenance funding provider;
- 6120 (h) omit from a filing with the division a material statement of fact that this chapter or a
 6121 rule the division makes in accordance with this chapter requires; or
- 6122 (i) include in a filing with the division a material statement of fact that the maintenance
 6123 funding provider or maintenance funding provider's principal knows or should know
 6124 is false, deceptive, inaccurate, or misleading.
- 6125 (4) A maintenance funding provider shall provide an individual who enters a maintenance
 6126 funding agreement a copy of the executed maintenance funding agreement.
- 6127 Section 135. Section **13-57-203** is amended to read:
- 6128 **13-57-203 (Effective 05/06/26). Annual reports.**
- 6129 (1) On or before April 1 of each year, a maintenance funding provider registered in
 6130 accordance with Section 13-57-201 shall file a report:
- 6131 (a) ~~[under oath]~~ that includes an unsworn declaration that the maintenance funding
 6132 provider's chief financial officer or the maintenance funding provider's principal
 6133 makes in accordance with Title 78B, Chapter 18a, Uniform Unsworn Declarations
 6134 Act, confirming the report's accuracy;
- 6135 (b) with the ~~[director]~~ division; and
- 6136 (c) in a form the ~~[director prescribes]~~ division approves.
- 6137 (2) The report described in Subsection (1) shall include, for the preceding calendar year:
- 6138 (a) the number of maintenance funding agreements entered into by the maintenance
 6139 funding provider;
- 6140 (b) the total dollar amount of legal funding the maintenance funding provider provided;
- 6141 (c) the total dollar amount of charges under each maintenance funding agreement,
 6142 itemized and including the annual rate of return;
- 6143 (d) the total dollar amount and number of maintenance funding transactions in which the

- 6144 realized profit to the company was as contracted in the maintenance funding
6145 agreement;
- 6146 (e) the total dollar amount and number of maintenance funding transactions in which the
6147 realized profit to the company was less than contracted; and
- 6148 (f) any other information the director requires concerning the maintenance funding
6149 provider's business or operations in the state.

6150 Section 136. Section **13-57-302** is amended to read:

6151 **13-57-302 (Effective 05/06/26). Required disclosures.**

6152 A maintenance funding provider shall disclose in a maintenance funding agreement:

- 6153 (1) that the maintenance funding provider may not participate in deciding whether, when, or
6154 the amount for which a legal action is settled;
- 6155 (2) that the maintenance funding provider may not interfere with the independent
6156 professional judgment of the attorney handling the legal action or any settlement of the
6157 legal action;
- 6158 (3) the following statement in substantially the following form, in all capital letters and at
6159 least a 12-point [type] font: "THE FUNDED AMOUNT AND AGREED-TO CHARGES
6160 SHALL BE PAID ONLY FROM THE PROCEEDS OF YOUR LEGAL CLAIM, AND
6161 SHALL BE PAID ONLY TO THE EXTENT THAT THERE ARE AVAILABLE
6162 PROCEEDS FROM YOUR LEGAL CLAIM. YOU WILL NOT OWE (INSERT
6163 NAME OF THE MAINTENANCE FUNDING PROVIDER HERE) ANYTHING IF
6164 THERE ARE NO PROCEEDS FROM YOUR LEGAL CLAIM, UNLESS YOU HAVE
6165 VIOLATED A MATERIAL TERM OF THIS AGREEMENT OR YOU HAVE
6166 COMMITTED FRAUD AGAINST THE MAINTENANCE FUNDING PROVIDER.";
- 6167 (4) in accordance with Section 13-57-301, the following statement in substantially the
6168 following form and at least a 12-point [type] font: "CONSUMER'S RIGHT TO
6169 CANCELLATION: You may cancel this agreement without penalty or further
6170 obligation within five business days after the day on which you enter into this agreement
6171 with the maintenance funding provider if you either: 1. return to the maintenance
6172 funding provider the full amount of the disbursed funds by delivering the maintenance
6173 funding provider's uncashed check to the maintenance funding provider's office in
6174 person; or 2. send, by insured, certified, or registered United States mail, to the
6175 maintenance funding provider at the address specified in this agreement, a notice of
6176 cancellation and include in the mailing a return of the full amount of disbursed funds in
6177 the form of the maintenance funding provider's uncashed check or a registered or

6178 certified check or money order"; and
 6179 (5) immediately above the line for the individual's signature, the following statement in at
 6180 least a 12-point [type] font: "Do not sign this agreement before you read it completely or
 6181 if it contains any blank spaces. You are entitled to a completed copy of the agreement.
 6182 Before you sign this agreement, you should obtain the advice of an attorney. Depending
 6183 on your circumstances, you may want to consult a tax, benefits planning, or financial
 6184 professional."

6185 Section 137. Section **13-57-401** is amended to read:

6186 **13-57-401 (Effective 05/06/26). Rulemaking.**

6187 The division shall make rules in accordance with Title 63G, Chapter 3, Utah
 6188 Administrative Rulemaking Act, to:

- 6189 (1) establish an application process for a [business-entity] person to register with the
 6190 division as a maintenance funding provider, in accordance with Section 13-57-201;
 6191 (2) establish a filing process for a maintenance funding provider to file a maintenance
 6192 funding agreement with the division;
 6193 (3) establish a filing process for annual reports required under Section 13-57-203; and
 6194 (4) carry out the provisions of this chapter.

6195 Section 138. Section **13-57-402** is amended to read:

6196 **13-57-402 (Effective 05/06/26). Public education regarding legal funding --**
 6197 **Reporting to Legislature.**

6198 [(1)] The director shall help educate the general public regarding legal funding in the state
 6199 by:

6200 [(a)] (1) analyzing and summarizing data maintenance funding providers submit under
 6201 Section 13-57-203; and

6202 [(b)] (2) publishing the analysis and summary described in Subsection [(1)(a)] (1) on the
 6203 division's web page on January 1, of each odd-numbered year.

6204 [(2) Before October 1, 2022, the director shall report to the Business and Labor Interim
 6205 Committee on the status of legal funding in the state and make any recommendation the
 6206 director decides is necessary to improve the regulatory framework of legal funding,
 6207 including a recommendation on whether to limit charges a maintenance funding
 6208 provider may impose under a maintenance funding agreement.]

6209 Section 139. Section **13-57-502** is amended to read:

6210 **13-57-502 (Effective 05/06/26). Penalties -- Enforcement.**

6211 [(1) After notice and an opportunity for an administrative hearing in accordance with Title

- 6212 ~~63G, Chapter 4, Administrative Procedures Act, the division may, in addition to~~
 6213 ~~exercising the division's enforcement powers under Section 13-2-6, enforce the~~
 6214 ~~provisions of this chapter by:]~~
- 6215 ~~[(a) revoking or suspending a maintenance funding provider's registration;]~~
 6216 ~~[(b) ordering a maintenance funding provider to cease and desist from further legal~~
 6217 ~~funding;]~~
- 6218 ~~[(c) imposing a penalty of up to:]~~
 6219 ~~[(i) \$1,000 per violation; or]~~
 6220 ~~[(ii) \$10,000 per violation that the division finds willful; or]~~
- 6221 ~~[(d) ordering the maintenance funding provider to make restitution to an individual.]~~
- 6222 (1) The division shall administer and enforce the provisions of this chapter in accordance
 6223 with Chapter 2, Division of Consumer Protection.
- 6224 (2) In addition to the division's enforcement powers under Chapter 2, Division of Consumer
 6225 Protection:
- 6226 (a) the division director may impose an administrative fine of up to \$2,500 for a
 6227 violation of this chapter; and
- 6228 (b) the division may bring an action in a court with jurisdiction to enforce a provision of
 6229 this chapter.
- 6230 (3) In an action the division brings in accordance with Subsection (2)(b), a court may:
- 6231 (a) declare that an act or practice violates a provision of this chapter;
 6232 (b) issue an injunction for a violation of this chapter;
 6233 (c) order disgorgement of any money received in violation of this chapter;
 6234 (d) order payment of disgorged money to an injured purchaser or consumer;
 6235 (e) impose a fine of up to \$2,500 for a violation of this chapter; or
 6236 (f) award any other relief that the court deems reasonable and necessary.
- 6237 ~~[(2)]~~ (4) The division's enforcement powers under this section and Section [13-2-6] 13-2-107
 6238 do not affect an individual's legal claim against a maintenance funding provider.
- 6239 Section 140. Section **13-61-101** is amended to read:
- 6240 **13-61-101 (Effective 05/06/26). Definitions.**
- 6241 As used in this chapter:
- 6242 (1) "Account" means the Consumer Privacy Restricted Account established in Section
 6243 13-61-403.
- 6244 (2) "Affiliate" means an entity that:
- 6245 (a) controls, is controlled by, or is under common control with another entity; or

- 6246 (b) shares common branding with another entity.
- 6247 (3) "Aggregated data" means information that relates to a group or category of consumers:
- 6248 (a) from which individual consumer identities have been removed; and
- 6249 (b) that is not linked or reasonably linkable to any consumer.
- 6250 (4) "Air carrier" means the same as that term is defined in 49 U.S.C. Sec. 40102.
- 6251 (5) "Authenticate" means to use reasonable means to determine that a consumer's request to
- 6252 exercise the rights described in Section 13-61-201 is made by the consumer who is
- 6253 entitled to exercise those rights.
- 6254 (6)(a) "Biometric data" means data generated by automatic measurements of an
- 6255 individual's unique biological characteristics.
- 6256 (b) "Biometric data" includes data described in Subsection (6)(a) that are generated by
- 6257 automatic measurements of an individual's fingerprint, voiceprint, eye retinas, irises,
- 6258 or any other unique biological pattern or characteristic that is used to identify a
- 6259 specific individual.
- 6260 (c) "Biometric data" does not include:
- 6261 (i) a physical or digital photograph;
- 6262 (ii) a video or audio recording;
- 6263 (iii) data generated from an item described in Subsection (6)(c)(i) or (ii);
- 6264 (iv) information captured from a patient in a health care setting; or
- 6265 (v) information collected, used, or stored for treatment, payment, or health care
- 6266 operations as those terms are defined in 45 C.F.R. Parts 160, 162, and 164.
- 6267 (7) "Business associate" means the same as that term is defined in 45 C.F.R. Sec. 160.103.
- 6268 (8) "Child" means an individual younger than 13 years old.
- 6269 (9) "Consent" means an affirmative act by a consumer that unambiguously indicates the
- 6270 consumer's voluntary and informed agreement to allow a person to process personal data
- 6271 related to the consumer.
- 6272 (10)(a) "Consumer" means an individual who is a resident of the state acting in an
- 6273 individual or household context.
- 6274 (b) "Consumer" does not include an individual acting in an employment or commercial
- 6275 context.
- 6276 (11) "Control" or "controlled" as used in Subsection (2) means:
- 6277 (a) ownership of, or the power to vote, more than 50% of the outstanding shares of any
- 6278 class of voting securities of an entity;
- 6279 (b) control in any manner over the election of a majority of the directors or of the

- 6280 individuals exercising similar functions; or
- 6281 (c) the power to exercise controlling influence of the management of an entity.
- 6282 (12) "Controller" means a person doing business in the state who determines the purposes
- 6283 for which and the means by which personal data are processed, regardless of whether the
- 6284 person makes the determination alone or with others.
- 6285 (13) "Covered entity" means the same as that term is defined in 45 C.F.R. Sec. 160.103.
- 6286 (14)(a) "Deidentified data" means data that:
- 6287 (i) cannot reasonably be linked to an identified individual or an identifiable
- 6288 individual; and
- 6289 (ii) are possessed by a controller who:
- 6290 (A) takes reasonable measures to ensure that a person cannot associate the data
- 6291 with an individual;
- 6292 (B) publicly commits to maintain and use the data only in deidentified form and
- 6293 not attempt to reidentify the data; and
- 6294 (C) contractually obligates any recipients of the data to comply with the
- 6295 requirements described in Subsections ~~[(14)(b)(i) and (ii)]~~ (14)(a)(ii)(A) and (B).
- 6296 (b) "Deidentified data" includes synthetic data.
- 6297 (15) "Director" means the director of the Division of Consumer Protection.
- 6298 (16) "Division" means the Division of Consumer Protection created in Section ~~[13-2-1]~~
- 6299 13-2-102.
- 6300 (17) "Governmental entity" means the same as that term is defined in Section 63G-2-103.
- 6301 (18) "Health care facility" means the same as that term is defined in Section 26B-2-201.
- 6302 (19) "Health care provider" means the same as that term is defined in Section 78B-3-403.
- 6303 (20) "Identifiable individual" means an individual who can be readily identified, directly or
- 6304 indirectly.
- 6305 (21) "Institution of higher education" means a public or private institution of higher
- 6306 education.
- 6307 (22) "Local political subdivision" means the same as that term is defined in Section
- 6308 11-14-102.
- 6309 (23) "Nonprofit corporation" means:
- 6310 (a) the same as that term is defined in Section 16-6a-102; or
- 6311 (b) a foreign nonprofit corporation as defined in Section 16-6a-102.
- 6312 (24)(a) "Personal data" means information that is linked or reasonably linkable to an
- 6313 identified individual or an identifiable individual.

- 6314 (b) "Personal data" does not include deidentified data, aggregated data, or publicly
6315 available information.
- 6316 (25) "Process" means an operation or set of operations performed on personal data,
6317 including collection, use, storage, disclosure, analysis, deletion, or modification of
6318 personal data.
- 6319 (26) "Processor" means a person who processes personal data on behalf of a controller.
- 6320 (27) "Protected health information" means the same as that term is defined in 45 C.F.R.
6321 Sec. 160.103.
- 6322 (28) "Pseudonymous data" means personal data that cannot be attributed to a specific
6323 individual without the use of additional information, if the additional information is:
6324 (a) kept separate from the consumer's personal data; and
6325 (b) subject to appropriate technical and organizational measures to ensure that the
6326 personal data are not attributable to an identified individual or an identifiable
6327 individual.
- 6328 (29) "Publicly available information" means information that a person:
6329 (a) lawfully obtains from a record of a governmental entity;
6330 (b) reasonably believes a consumer or widely distributed media has lawfully made
6331 available to the general public; or
6332 (c) if the consumer has not restricted the information to a specific audience, obtains from
6333 a person to whom the consumer disclosed the information.
- 6334 (30) "Right" means a consumer right described in Section 13-61-201.
- 6335 (31)(a) "Sale," "sell," or "sold" means the exchange of personal data for monetary
6336 consideration by a controller to a third party.
- 6337 (b) "Sale," "sell," or "sold" does not include:
6338 (i) a controller's disclosure of personal data to a processor who processes the personal
6339 data on behalf of the controller;
6340 (ii) a controller's disclosure of personal data to an affiliate of the controller;
6341 (iii) considering the context in which the consumer provided the personal data to the
6342 controller, a controller's disclosure of personal data to a third party if the purpose
6343 is consistent with a consumer's reasonable expectations;
6344 (iv) the disclosure or transfer of personal data when a consumer directs a controller to:
6345 (A) disclose the personal data; or
6346 (B) interact with one or more third parties;
6347 (v) a consumer's disclosure of personal data to a third party for the purpose of

- 6348 providing a product or service requested by the consumer or a parent or legal
6349 guardian of a child;
- 6350 (vi) the disclosure of information that the consumer:
- 6351 (A) intentionally makes available to the general public via a channel of mass
6352 media; and
- 6353 (B) does not restrict to a specific audience; or
- 6354 (vii) a controller's transfer of personal data to a third party as an asset that is part of a
6355 proposed or actual merger, an acquisition, or a bankruptcy in which the third party
6356 assumes control of all or part of the controller's assets.

6357 (32)(a) "Sensitive data" means:

- 6358 (i) personal data that reveals:
- 6359 (A) an individual's racial or ethnic origin;
- 6360 (B) an individual's religious beliefs;
- 6361 (C) an individual's sexual orientation;
- 6362 (D) an individual's citizenship or immigration status; or
- 6363 (E) information regarding an individual's medical history, mental or physical
6364 health condition, or medical treatment or diagnosis by a health care
6365 professional;
- 6366 (ii) the processing of genetic personal data or biometric data, if the processing is for
6367 the purpose of identifying a specific individual; or
- 6368 (iii) specific geolocation data.

6369 (b) "Sensitive data" does not include personal data that reveals an individual's:

- 6370 (i) racial or ethnic origin, if the personal data are processed by a video
6371 communication service; or
- 6372 (ii) if the personal data are processed by a person licensed to provide health care
6373 under Title 26B, Chapter 2, Part 2, Health Care Facility Licensing and Inspection,
6374 or Title 58, Occupations and Professions, information regarding an individual's
6375 medical history, mental or physical health condition, or medical treatment or
6376 diagnosis by a health care professional.

6377 (33)(a) "Specific geolocation data" means information derived from technology,
6378 including global position system level latitude and longitude coordinates, that directly
6379 identifies an individual's specific location, accurate within a radius of 1,750 feet or
6380 less.

6381 (b) "Specific geolocation data" does not include:

- 6382 (i) the content of a communication; or
6383 (ii) any data generated by or connected to advanced utility metering infrastructure
6384 systems or equipment for use by a utility.
- 6385 (34) "Synthetic data" means data that has been generated by computer algorithms or
6386 statistical models and does not contain personal data.
- 6387 (35)(a) "Targeted advertising" means displaying an advertisement to a consumer where
6388 the advertisement is selected based on personal data obtained from the consumer's
6389 activities over time and across nonaffiliated websites or online applications to predict
6390 the consumer's preferences or interests.
- 6391 (b) "Targeted advertising" does not include advertising:
- 6392 (i) based on a consumer's activities within a controller's website or online application
6393 or any affiliated website or online application;
- 6394 (ii) based on the context of a consumer's current search query or visit to a website or
6395 online application;
- 6396 (iii) directed to a consumer in response to the consumer's request for information,
6397 product, a service, or feedback; or
- 6398 (iv) processing personal data solely to measure or report advertising:
- 6399 (A) performance;
6400 (B) reach; or
6401 (C) frequency.
- 6402 (36) "Third party" means a person other than:
- 6403 (a) the consumer, controller, or processor; or
6404 (b) an affiliate or contractor of the controller or the processor.
- 6405 (37) "Trade secret" means information, including a formula, pattern, compilation, program,
6406 device, method, technique, or process, that:
- 6407 (a) derives independent economic value, actual or potential, from not being generally
6408 known to, and not being readily ascertainable by proper means by, other persons who
6409 can obtain economic value from the information's disclosure or use; and
6410 (b) is the subject of efforts that are reasonable under the circumstances to maintain the
6411 information's secrecy.
- 6412 Section 141. Section **13-64-101** is amended to read:
- 6413 **13-64-101 (Effective 05/06/26). Definitions.**
- 6414 As used in this chapter:
- 6415 (1) "Administrative functions" means the same as that term is defined in Section

- 6416 31A-6b-102.
- 6417 (2) "Agreement administrator" means a person who provides administrative functions
6418 related to a vehicle value protection agreement.
- 6419 (3) "Covered vehicle" means a vehicle that is covered under a vehicle value protection
6420 agreement.
- 6421 (4) "Division" means the Division of Consumer Protection established in Section [~~13-2-1~~]
6422 13-2-102.
- 6423 (5) "Finance agreement" means the same as that term is defined in Section 31A-6b-102.
- 6424 (6) "Insurer" means the same as that term is defined in Section 31A-1-301.
- 6425 (7) "Preliminary period" means a time period that:
- 6426 (a) begins the day on which the vehicle value protection agreement becomes effective;
6427 and
- 6428 (b) ends the last day on which the purchaser may cancel the vehicle value protection
6429 agreement with a full refund.
- 6430 (8) "Provider" means a person who is obligated to provide a benefit to another person under
6431 a vehicle value protection agreement.
- 6432 (9) "Purchaser" means a person who purchases a benefit from another person under a
6433 vehicle value protection agreement.
- 6434 (10) "Security" means the same as that term is defined in Section 31A-1-301.
- 6435 (11) "Vehicle" means the same as that term is defined in Section 31A-6b-102.
- 6436 (12)(a) "Vehicle value protection agreement" means an agreement for a separate charge
6437 between a provider and purchaser under which the provider agrees to, upon damage,
6438 total loss, or unrecovered theft of the purchaser's covered vehicle, provide a benefit to
6439 the purchaser that may be applied to:
- 6440 (i) the cash value of the covered vehicle when traded in for a replacement vehicle;
6441 (ii) the finance agreement for a replacement vehicle; or
6442 (iii) the purchase or lease price of a replacement vehicle.
- 6443 (b) "Vehicle value protection agreement" includes:
- 6444 (i) a vehicle trade-in agreement;
6445 (ii) a vehicle diminished value agreement;
6446 (iii) a vehicle cash down payment protection agreement; and
6447 (iv) a vehicle depreciation benefit agreement.
- 6448 (c) "Vehicle value protection agreement" does not include:
- 6449 (i) insurance or an insurance contract regulated under Title 31A, Insurance Code;

- 6450 (ii) a guaranteed asset protection waiver, as defined in Section 31A-6b-102;
6451 (iii) a debt cancellation agreement, as defined in Section 31A-21-109; or
6452 (iv) a debt suspension contract, as defined in Section 31A-21-109.

6453 Section 142. Section **13-64-301** is amended to read:

6454 **13-64-301 (Effective 05/06/26). Administration and enforcement -- Division**
6455 **powers -- Fees -- Rulemaking.**

- 6456 (1) The division shall administer and enforce this chapter in accordance with Chapter 2,
6457 Division of Consumer Protection.
- 6458 (2) In addition to the division's enforcement powers under Chapter 2, Division of Consumer
6459 Protection:
- 6460 (a) the division director may impose an administrative fine of up to \$2,500 for each act
6461 that is in violation of this chapter, including failure to insure or consider a vehicle
6462 value protection agreement as required under Subsection 13-64-202(1); and
- 6463 (b) the division may bring a civil action to enforce this chapter.
- 6464 (3) In a civil action by the division to enforce this chapter, the court may:
- 6465 (a) declare that an act or practice violates this chapter;
- 6466 (b) issue an injunction for a violation of this chapter;
- 6467 (c) order disgorgement of any money received after a violation of this chapter;
- 6468 (d) order payment of disgorged money to an injured individual;
- 6469 (e) impose a civil penalty of up to \$2,500 for each violation of this chapter; or
- 6470 (f) award any other relief that the court deems reasonable and necessary.
- 6471 (4) If a court grants judgment or injunctive relief to the division, the court shall award the
6472 division:
- 6473 (a) reasonable attorney fees;
- 6474 (b) court costs; and
- 6475 (c) investigative fees.
- 6476 (5)(a) A person who violates an administrative or court order issued for a violation of
6477 this chapter is subject to a civil penalty of no more than \$5,000 for each violation.
- 6478 (b) A civil penalty authorized under this section may be imposed in any civil action
6479 brought by the division.
- 6480 (c) The division shall deposit money received for the payment of a fine or civil penalty
6481 under this section into the Consumer Protection Education and Training Fund created
6482 in Section [~~13-2-8~~] 13-2-109.
- 6483 (6) The division may make rules in accordance with Title 63G, Chapter 3, Utah

6484 Administrative Rulemaking Act, to administer and enforce this chapter.

6485 Section 143. Section **13-65-203** is amended to read:

6486 **13-65-203 (Effective 05/06/26). Enforcement.**

6487 (1) The division shall administer and enforce the provisions of this chapter in accordance
6488 with Chapter 2, Division of Consumer Protection.

6489 [~~(2) The attorney general, upon request, shall give legal advice to, and act as counsel for,
6490 the division in the exercise of the division's responsibilities under this chapter.~~]

6491 [~~(3)~~] (2)(a) In addition to the division's enforcement powers under Chapter 2, Division of
6492 Consumer Protection:

6493 (i) the division director may impose an administrative fine of up to \$2,500 for each
6494 violation of this chapter; and

6495 (ii) the division may bring an action in a court of competent jurisdiction to enforce a
6496 provision of this chapter.

6497 (b) In a court action by the division to enforce a provision of this chapter, the court may:

6498 (i) declare that an act or practice violates a provision of this chapter;

6499 (ii) issue an injunction for a violation of this chapter;

6500 (iii) order disgorgement of any money received in violation of this chapter;

6501 (iv) order payment of disgorged money to an injured purchaser or consumer;

6502 (v) impose a fine of up to \$2,500 for each violation of this chapter; or

6503 (vi) award any other relief that the court deems reasonable and necessary.

6504 [~~(4)~~] (3) If a court of competent jurisdiction grants judgment or injunctive relief to the
6505 division, the court shall award the division:

6506 (a) reasonable attorney fees;

6507 (b) court costs; and

6508 (c) investigative fees.

6509 [~~(5)~~] (4)(a) A person who violates an administrative or court order issued for a violation
6510 of this chapter is subject to a civil penalty of no more than \$5,000 for each violation.

6511 (b) A civil penalty authorized under this section may be imposed in any civil action
6512 brought by [~~the attorney general on behalf of~~] the division.

6513 [~~(6)~~] (5) All money received for the payment of a fine or civil penalty imposed under this
6514 section shall be deposited into the Consumer Protection Education and Training Fund
6515 created in Section [~~13-2-8~~] 13-2-109.

6516 Section 144. Section **13-68-101** is amended to read:

6517 **13-68-101 (Effective 05/06/26). Definitions.**

6518 As used in this chapter:

- 6519 (1) "Attorney" means an individual who is authorized to provide legal services in any state
6520 or territory of the United States.
- 6521 (2) "Client" means a person:
6522 (a) [that is provided] to whom a lawyer referral consultant provides lawyer referral
6523 services[by a lawyer referral consultant] ; or
6524 (b) that enters into an agreement to receive services from a lawyer referral consultant.
- 6525 (3) "Compensation" means anything of economic value that [is paid, loaned, granted, given,
6526 donated, or transferred] a person pays, loans, grants, gives, donates, or transfers to a
6527 person, directly or indirectly, for or in consideration of:
- 6528 (a) services;
6529 (b) personal or real property; or
6530 (c) another thing of value.
- 6531 (4) "Digital marketing service" means an [Internet-based] internet-based company that:
6532 (a) advertises legal services on behalf of a law firm; and
6533 (b) does not contact prospective clients individually.
- 6534 (5) "Division" means the Division of Consumer Protection [in the Department of Commerce]
6535 established in Section 13-2-102.
- 6536 (6) "Law firm" means an entity consisting of one or more licensed lawyers lawfully
6537 engaged in the practice of law.
- 6538 (7) "Lawyer referral consultant" means an individual that engages in lawyer referral service.
- 6539 (8)(a) "Lawyer referral service" means assisting a person to find an attorney or law firm
6540 that provides legal services in the legal field appropriate for the person's legal matter.
6541 (b) "Lawyer referral service" does not include a digital marketing service.
- 6542 (9) "Legal services" means any form of legal advice or legal representation that is subject to
6543 the laws of this state.

6544 Section 145. Section **13-68-201** is amended to read:

6545 **13-68-201 (Effective 05/06/26). Requirement to be registered as a lawyer referral**
6546 **consultant.**

- 6547 (1)~~(a)~~ Except as provided in Subsection ~~[(1)(b)]~~ (2), an individual may not engage in an
6548 activity of a lawyer referral consultant for compensation unless the individual ~~[is~~
6549 ~~registered]~~ registers as a lawyer referral consultant under this chapter.
- 6550 ~~[(b)]~~ (2) Except as provided in Subsections 13-68-303(3), (4), and ~~[(4)]~~ (5), this chapter does
6551 not apply to an attorney.

6552 [~~2~~] (3) A lawyer referral consultant may only offer nonlegal assistance or advice in
 6553 providing lawyer referral services.

6554 Section 146. Section **13-68-202** is amended to read:

6555 **13-68-202 (Effective 05/06/26). Application for registration.**

6556 (1) To register as a lawyer referral consultant an individual shall:

6557 (a) submit an annual application in a form~~[-prescribed by the division]~~ :

6558 (i) in the manner the division determines; and

6559 (ii) including any information that the division requires by rule the division makes in
 6560 accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act;

6561 (b) pay an annual registration fee determined by the division in accordance with Section
 6562 63J-1-504~~[-, which shall include the costs of the criminal background check required~~
 6563 ~~under Subsection (1)(e)];~~

6564 (c) not have [good moral character in that the individual has not] been convicted of:

6565 (i) a felony; or

6566 (ii) within the [prior 10 years] 10 years before the day on which the applicant submits
 6567 the application or renewal application, a misdemeanor involving theft, fraud, or
 6568 dishonesty;

6569 (d) not have violated Chapter 11, Utah Consumer Sales Practices Act;

6570 [~~d~~] (e) submit fingerprint cards in a form acceptable to the division at the time the
 6571 application is filed;~~[-and]~~

6572 (f) pay the cost of:

6573 (i) the fingerprint card described in Subsection (1)(e); and

6574 (ii) the criminal background check described in Subsection (1)(g);

6575 [~~e~~] (g) consent to a fingerprint background check of the individual by:

6576 (i) [-]the Bureau of Criminal Identification[-regarding the application] ; or

6577 (ii) another state or federal agency that performs criminal background checks; and

6578 (h) designate a registered agent for service of process in the state, and state the registered
 6579 agent's:

6580 (i) name;

6581 (ii) street address;

6582 (iii) mailing address; and

6583 (iv) telephone number.

6584 (2) The division shall register an individual who qualifies under this chapter as a lawyer
 6585 referral consultant.

6586 (3) A lawyer referral consultant shall update registration information within 30 days after
 6587 the day on which information the lawyer referral consultant provides to the division on
 6588 the application becomes incorrect or incomplete.

6589 (4) Registration of a lawyer referral consultant in accordance with this chapter is effective
 6590 for one year after the day on which the division registers an individual as a lawyer
 6591 referral consultant.

6592 (5) To renew a lawyer referral consultant registration in accordance with this section, a
 6593 lawyer referral consultant shall submit a registration renewal application to the division
 6594 at least 30 days before the day on which the lawyer referral consultant's registration
 6595 expires.

6596 (6) Registration with the division does not constitute an approval or endorsement of the
 6597 lawyer referral consultant by the division or the state.

6598 Section 147. Section **13-68-204** is amended to read:

6599 **13-68-204 (Effective 05/06/26). Bonds -- Exemption -- Statements dependent on**
 6600 **posting bond.**

6601 (1) A lawyer referral consultant shall [~~post a cash bond or surety bond~~] submit proof of
 6602 obtaining and maintaining the following in a form the division approves and in the
 6603 amount of \$50,000:

6604 (a) a surety bond that a surety authorized to transact business in this state issues; or

6605 (b) a certificate of deposit in a financial institution authorized under the laws of this state
 6606 or the United States to accept deposits from the public.

6607 [~~(a) in the amount of \$50,000; and~~]

6608 [~~(b) payable to the division for the benefit of any person damaged by any of the~~
 6609 ~~following acts that a lawyer referral consultant or the lawyer referral consultant's~~
 6610 ~~agent, representative, or employee commits:]~~

6611 [(i) ~~fraud;~~]

6612 [(ii) ~~misstatement;~~]

6613 [(iii) ~~misrepresentation;~~]

6614 [(iv) ~~unlawful act;~~]

6615 [(v) ~~omission; or~~]

6616 [(vi) ~~failure to provide lawyer referral services.~~]

6617 (2) The division may claim a lawyer referral consultant's surety bond or certificate of
 6618 deposit for the benefit of a consumer who incurs actual damages as a result of the lawyer
 6619 referral consultant's failure to comply with this chapter.

- 6620 [~~(2) A bond under this section shall be:~~]
- 6621 [~~(a) in a form approved by the division;~~]
- 6622 [~~(b) conditioned upon the faithful compliance of a lawyer referral consultant with this~~
- 6623 ~~chapter and division rules; and]~~
- 6624 [~~(c) maintained at all times while the lawyer referral consultant provides lawyer referral~~
- 6625 ~~services.]~~
- 6626 (3) After a consumer recovers actual damages, the division may recover from the surety
- 6627 bond or certificate of deposit any administrative fine, civil penalty, investigative cost,
- 6628 attorney fees, and other costs of collecting and distributing funds under this section.
- 6629 [~~(3) A lawyer referral consultant shall keep the bond required under this section in force for~~
- 6630 ~~one year after:]~~
- 6631 [~~(a) the lawyer referral consultant's registration expires; or]~~
- 6632 [~~(b) the lawyer referral consultant notifies the division in writing that the lawyer referral~~
- 6633 ~~consultant has ceased all activities regulated under this chapter.]~~
- 6634 (4)(a) If a surety bond [~~posted by]~~ or certificate of deposit that a lawyer referral
- 6635 consultant posts under this section is canceled due to the lawyer referral consultant's
- 6636 negligence, the division may assess a \$300 reinstatement fee.
- 6637 (b) No part of a surety bond [~~posted by]~~ or certificate of deposit a lawyer referral
- 6638 consultant posts under this section may be withdrawn:
- 6639 (i) during the one-year period the registration under this chapter is in effect; or
- 6640 (ii) while a revocation proceeding is pending against the lawyer referral consultant.
- 6641 (5)(a) A surety bond [~~posted under this section by]~~ or certificate of deposit that a lawyer
- 6642 referral consultant posts under this section may be forfeited if the division revokes
- 6643 the lawyer referral consultant's registration under this chapter [~~is revoked~~].
- 6644 (b) Notwithstanding Subsection (5)(a), the division may make a claim against a surety
- 6645 bond [~~posted by]~~ or certificate of deposit that a lawyer referral consultant posts for
- 6646 money [~~owed~~] the lawyer referral consultant owes to the division under this chapter
- 6647 without the division first revoking the lawyer referral consultant's registration.
- 6648 (6) An individual may not disseminate by any means a statement indicating that the
- 6649 individual is a lawyer referral consultant, or proposes to engage in the business of a
- 6650 lawyer referral consultant, unless the individual [~~has posted a bond under this section~~
- 6651 ~~that is maintained throughout the period covered by the statement]~~ complies with
- 6652 Subsection (1).
- 6653 (7) A lawyer referral consultant may not make or authorize the making of an oral or written

6654 reference to the lawyer referral consultant's compliance with ~~[the bonding requirements~~
6655 ~~of this section except as provided in this section]~~ Subsection (1).

6656 Section 148. Section **13-68-205** is enacted to read:

6657 **13-68-205 (Effective 05/06/26). Denial, suspension, or revocation of an**
6658 **application or registration.**

6659 In accordance with Chapter 2, Division of Consumer Protection, and Title 63G, Chapter
6660 4, Administrative Procedures Act, the division may initiate adjudicative proceedings to deny,
6661 suspend, or revoke an application or registration if:

6662 (1) the division finds that the denial, suspension, or revocation is in the public interest; and

6663 (2)(a) the registration is incomplete, false, or misleading; or

6664 (b) the applicant or the applicant's principal:

6665 (i) violates, causes a violation, allows a violation, or fails to satisfy the requirements
6666 of a provision of:

6667 (A) this chapter; or

6668 (B) a rule the division makes in accordance with this chapter;

6669 (ii) violates Chapter 11, Utah Consumer Sales Practices Act;

6670 (iii) is enjoined by a court, or is the subject of an administrative or judicial order
6671 issued in Utah or another state, if the order:

6672 (A) includes a finding or admission of fraud, breach of fiduciary duty, or material
6673 misrepresentation; or

6674 (B) is based on a finding of a lack of integrity, truthfulness, or mental competence;

6675 (iv) is convicted of a crime involving theft, fraud, or dishonesty;

6676 (v) obtains or attempts to obtain a registration by misrepresenting a material fact;

6677 (vi) fails to provide information the division requests;

6678 (vii) fails to pay an administrative fine the division or an administrative or judicial
6679 order imposes; or

6680 (viii) fails to pay the fee to file a registration application or a renewal application.

6681 Section 149. Section **13-68-301** is amended to read:

6682 **13-68-301 (Effective 05/06/26). Requirements for written contract -- Prohibited**
6683 **statements.**

6684 (1)[(a) Before a] A lawyer referral consultant [may provide lawyer referral services to a
6685 client, the lawyer referral consultant] shall provide [the] a client with a written contract
6686 before providing a lawyer referral consulting service to the client.

6687 [(b)] (2) The contents of the written contract described in Subsection [(1)(a)] (1) shall

6688 comply with this section and rules ~~[made by]~~ the division makes in accordance with
 6689 Title 63G, Chapter 3, Utah Administrative Rulemaking Act.

6690 ~~[(e)]~~ (3) A prospective client may cancel a written contract on or before midnight of the
 6691 third business day after execution of the written contract, excluding weekends and state
 6692 and federal holidays.

6693 ~~[(2)]~~ (4) A written contract under this section shall be stated in both English and in the
 6694 client's native language.

6695 ~~[(3)]~~ (5) A written contract under this section shall:

6696 (a) state the purpose for which the client hires the lawyer referral consultant~~[-has been~~
 6697 hired];

6698 (b) state the one or more lawyer referral services ~~[to be performed]~~ the lawyer referral
 6699 consultant will perform;

6700 (c) state the price for a lawyer referral service ~~[to be performed]~~ the lawyer referral
 6701 consultant will perform;

6702 (d) include a statement printed in ~~[10-point]~~ 12-point boldface ~~[type]~~ font that the lawyer
 6703 referral consultant:

6704 (i) ~~[-]~~is not an attorney; and

6705 (ii) ~~[-]~~may not perform the legal services that an attorney performs;

6706 (e) include a provision stating that the client may report complaints relating to a lawyer
 6707 referral consultant to the division, including a ~~[toll-free]~~telephone number and [
 6708 ~~Internet]~~website;

6709 (f) include a provision stating that complaints concerning the unauthorized practice of
 6710 law may be reported to the Utah State Bar, including a ~~[toll-free]~~telephone number
 6711 and [~~Internet]~~website; and

6712 (g) ~~[in accordance with Subsection (1)(b),]~~include a provision stating in boldface on the
 6713 first page of the written contract~~[- in both English and in the client's native language in~~
 6714 ~~accordance with Subsection (2)]~~: "You may cancel this contract on or before
 6715 midnight of the third business day after execution of the written contract."

6716 ~~[(4) A written contract may not contain a provision relating to a guarantee or promise~~
 6717 ~~unless the lawyer referral consultant has some basis in fact for making the guarantee or~~
 6718 ~~promise.]~~

6719 ~~[(5)]~~ (6) A lawyer referral consultant may not~~[-make a guarantee or promise described in~~
 6720 ~~Subsection (4) orally to a client]~~ , without some basis in fact:

6721 (a) include in a written contract a guarantee or promise; or

6722 (b) orally represent that the lawyer referral service includes a guarantee or promise.

6723 [~~(6)~~] (7) A written contract is void if not written in accordance with this section.

6724 Section 150. Section **13-68-302** is amended to read:

6725 **13-68-302 (Effective 05/06/26). Accounting for services -- Receipts.**

6726 (1)(a) A lawyer referral consultant shall provide a signed receipt to a client for each
6727 payment [~~made by that~~] the client makes.

6728 (b) A receipt described in Subsection (1)(a) shall be typed or computer generated on the
6729 lawyer referral consultant's letterhead.

6730 (2) A lawyer referral consultant shall [~~make~~] provide a statement of accounting for the
6731 lawyer referral services rendered and payments made:

6732 (a) in the client's native language;

6733 (b) that is typed or computer generated on the lawyer referral consultant's letterhead;

6734 (c) that lists the individual and total charges for services; and

6735 (d) that lists the payments made by or on behalf of the client.

6736 Section 151. Section **13-68-303** is amended to read:

6737 **13-68-303 (Effective 05/06/26). Notice to be displayed -- Disclosure to be**
6738 **provided in writing.**

6739 [~~(1) A lawyer referral consultant shall conspicuously display in the lawyer referral~~
6740 ~~consultant's office a notice that shall be at least 12 by 20 inches with boldface type or~~
6741 ~~print with each character at least one inch in height and width, that contains the~~
6742 ~~following information:]~~

6743 [~~(a) the full name, address, and evidence of compliance with any applicable bonding~~
6744 ~~requirement including the bond number;]~~

6745 [~~(b) a statement that the lawyer referral consultant is not an attorney; and]~~

6746 [~~(c) the name of each lawyer referral consultant employed at each location.]~~

6747 [~~(2)~~] (1)(a) Before providing any services, a lawyer referral consultant shall provide a
6748 client with a written disclosure in the native language of the client that includes the
6749 following:

6750 (i) the lawyer referral consultant's name, address, and telephone number;

6751 (ii) the lawyer referral consultant's agent for service of process[;] in this state,
6752 including the agent's:

6753 (A) name;

6754 (B) street address;

6755 (C) mailing address; and

- 6756 (D) telephone number;
- 6757 (iii) evidence of compliance with any applicable [~~bonding~~] surety bond or certificate
- 6758 of deposit requirement, including the surety bond or certificate of deposit number;
- 6759 and
- 6760 (iv) a list of the services that the lawyer referral consultant provides and the current
- 6761 and total fee for each service.

6762 [~~(b)~~] (2) A lawyer referral consultant shall obtain the signature of the client verifying that

6763 the client [~~received~~] receives the written disclosure described in Subsection [~~(2)(a)~~] (1)

6764 before a lawyer referral consultant provides a service[~~is provided~~].

6765 (3)[~~(a)~~] Except as provided in Subsection [~~(3)(b)~~] (4), a lawyer referral consultant who

6766 prints, displays, publishes, distributes, or broadcasts, or who causes to be printed,

6767 displayed, published, distributed, or broadcasted, any advertisement for services as a

6768 lawyer referral consultant, shall include in that advertisement a clear and conspicuous

6769 statement that the lawyer referral consultant is not an attorney.

6770 [~~(b)~~]

6771 [~~(i)~~] (4) Subsection [~~(3)(a)~~] (3) does not apply to a person who is not an active member of the

6772 Utah State Bar, but is an attorney licensed in another state or territory of the United

6773 States.

6774 [~~(i)~~] (5) A person described in Subsection [~~(3)(b)(i)~~] (4) shall include in [~~any~~] an

6775 advertisement for lawyer referral services a clear and conspicuous statement that the

6776 person is not an attorney licensed to practice law in this state, but is an attorney licensed

6777 in another state or territory of the United States.

6778 [~~(4)~~] (6) If an advertisement subject to this section is in a language other than English, the

6779 statement required by Subsection (3) shall be in the same language as the advertisement.

6780 Section 152. Section **13-68-401** is amended to read:

6781 **13-68-401 (Effective 05/06/26). Unlawful acts.**

- 6782 (1) It is unlawful for a lawyer referral consultant or [~~any other~~] another person to:
- 6783 (a) [~~make-~~] make, cause, or allow to be made a false or misleading statement to a client
- 6784 or prospective client while providing or soliciting services to that client or
- 6785 prospective client;
- 6786 (b) [~~make-~~] make, cause, or allow to be made a guarantee or promise to a client or
- 6787 prospective client, unless the guarantee or promise is in writing and there is basis in
- 6788 fact for making the guarantee or promise;
- 6789 (c) charge a client a fee for referral of the client to another person for services that the

- 6790 lawyer referral consultant cannot or will not provide to the client;~~[-or]~~
- 6791 (d) communicate with a prospective client for the purpose of obtaining or referring
- 6792 business if the communication concerns a disaster, or an action for personal injury or
- 6793 wrongful death, unless:
- 6794 (i) the disaster, injury, or death occurred more than 30 days before the
- 6795 communication;
- 6796 (ii) the prospective client is a person who has a prior familial, prior personal, or prior
- 6797 professional relationship with the lawyer to be referred, the lawyer referral
- 6798 consultant, or the person communicating with the prospective client;
- 6799 (iii) the prospective client initiates the communication~~[is initiated by the prospective~~
- 6800 client]; or
- 6801 (iv) ~~[the communication is requested by]~~ a third party who has a prior familial or
- 6802 prior close personal relationship with the prospective client~~[-]~~ requests the
- 6803 communication;
- 6804 (e) represent that the division or the state endorses or approves the lawyer referral
- 6805 consultant;
- 6806 (f) omit from a filing with the division a material statement of fact that this chapter or a
- 6807 rule the division makes in accordance with this section requires; or
- 6808 (g) include in a filing with the division a material statement of fact that the lawyer
- 6809 referral consultant or the lawyer referral consultant's principal knows or should know
- 6810 is false, deceptive, inaccurate, or misleading.
- 6811 (2) A lawyer referral consultant may not translate a document or other information in a way
- 6812 that falsely represents or implies that the lawyer referral consultant is an attorney.
- 6813 ~~[(2) A sign describing the prohibition described in Subsection (1)(c) shall be conspicuously~~
- 6814 ~~displayed in the office of a lawyer referral consultant.]~~
- 6815 Section 153. Section **13-68-402** is amended to read:
- 6816 **13-68-402 (Effective 05/06/26). Violations -- Actions by division.**
- 6817 (1) The division shall administer and enforce the provisions of this chapter in accordance
- 6818 with Chapter 2, Division of Consumer Protection.
- 6819 ~~[(2) The attorney general, upon request, shall give legal advice to, and act as counsel for,~~
- 6820 ~~the division in the exercise of the division's responsibilities under this chapter.]~~
- 6821 ~~[(3)]~~ (2)~~[(a)]~~ In addition to the division's enforcement powers under Chapter 2, Division
- 6822 of Consumer Protection:
- 6823 ~~[(i)]~~ (a) the division director may impose an administrative fine of up to \$2,500 for each

6824 violation of this chapter; and
 6825 ~~[(ii)]~~ (b) the division may bring an action in a court ~~[of competent]~~ with jurisdiction to
 6826 enforce a provision of this chapter.

6827 ~~[(b)]~~ (3) In ~~[a court action by the division to enforce a provision of this chapter]~~ an action the
 6828 division brings in accordance with Subsection (2)(b), the court may:

6829 ~~[(i)]~~ (a) declare that an act or practice violates a provision of this chapter;

6830 ~~[(ii)]~~ (b) issue an injunction for a violation of this chapter;

6831 ~~[(iii)]~~ (c) order disgorgement of any money received in violation of this chapter;

6832 ~~[(iv)]~~ (d) order payment of disgorged money to an injured purchaser or consumer;

6833 ~~[(v)]~~ (e) impose a fine of up to \$2,500 for each violation of this chapter; or

6834 ~~[(vi)]~~ (f) award any other relief that the court deems reasonable and necessary.

6835 (4) If a court ~~[of competent]~~ with jurisdiction grants judgment or injunctive relief to the
 6836 division, the court shall award the division:

6837 (a) reasonable attorney fees;

6838 (b) court costs; and

6839 (c) investigative fees.

6840 (5)(a) A person who violates an administrative or court order issued for a violation of
 6841 this chapter is subject to a civil penalty of no more than \$5,000 for each violation.

6842 (b) A civil penalty authorized under this section may be imposed in any civil action
 6843 brought by the ~~[attorney general on behalf of the]~~ division.

6844 ~~[(c) All money received for the payment of a fine or civil penalty imposed under this~~
 6845 ~~section shall be deposited into the Consumer Protection Education and Training Fund~~
 6846 ~~created in Section 13-2-8.]~~

6847 (6)(a) A person who intentionally violates this chapter:

6848 (i) is guilty of a class A misdemeanor; and

6849 (ii) may be fined up to \$10,000.

6850 (b) A person intentionally violates this part if the violation occurs after the division,
 6851 attorney general, or a district or county attorney notifies the person by certified mail
 6852 that the person is in violation of this chapter.

6853 Section 154. Section **13-68-403** is amended to read:

6854 **13-68-403 (Effective 05/06/26). Action by attorney general or district or county**
 6855 **attorney.**

6856 (1) Upon referral from the division, the attorney general or any district or county attorney
 6857 may:

- 6858 (a) bring an action for temporary or permanent injunctive or other relief in any court of
 6859 competent jurisdiction for any violation of this part;
- 6860 (b) bring an action in any court of competent jurisdiction for the collection of penalties
 6861 authorized under Subsection 13-68-402(2); or
- 6862 (c) bring an action under Subsection [~~13-68-402(4)~~] 13-68-402(5).
- 6863 (2) A court may, upon entry of final judgment, award restitution when appropriate to any
 6864 person suffering loss because of a violation of this part if proof of loss is submitted to
 6865 the satisfaction of the court.

6866 Section 155. Section **13-68-404** is amended to read:

6867 **13-68-404 (Effective 05/06/26). Recovery of losses.**

6868 In addition to any other remedies, a person [~~suffering~~] that suffers pecuniary loss because
 6869 of a violation by another person of this chapter may bring an action in any court [~~of competent~~]
 6870 with jurisdiction and may recover:

- 6871 (1) the greater of:
- 6872 (a) \$500; or
- 6873 (b) twice the amount of the pecuniary loss; and
- 6874 (2) court costs and reasonable attorney fees as [~~determined by~~]the court determines.

6875 Section 156. Section **13-70-101** is amended to read:

6876 **13-70-101 (Effective 05/06/26). Definitions.**

6877 As used in this chapter:

- 6878 (1) "Automatic renewal provision" means a provision under a contract that is automatically
 6879 renewed at the end of a definite, paid term for a subsequent, paid term that is longer than
 6880 45 days.
- 6881 (2) "Clearly and conspicuously disclose" means to disclose:
- 6882 (a) in print:
- 6883 (i) in larger [~~type~~] font than the surrounding text;
- 6884 (ii) in contrasting type, font, or color to the surrounding text of the same size; or
- 6885 (iii) in a manner set off from the surrounding text of the same size by symbols or
 6886 other marks that clearly call attention to the language; or
- 6887 (b) through audio, in a volume and cadence sufficient to be readily audible and
 6888 understandable.
- 6889 (3) "Division" means the Division of Consumer Protection established in Section [~~13-2-1~~]
 6890 13-2-102.
- 6891 (4) "Rental agreement" means any agreement, written or oral, which establishes or modifies

6892 the terms, conditions, rules, or any other provisions regarding the use or occupancy of
6893 real property for residential or commercial purposes.

6894 (5) "Trial period offer" means an offer to provide a period of time to sample or use a
6895 product or service without payment.

6896 Section 157. Section **13-70-301** is amended to read:

6897 **13-70-301 (Effective 05/06/26). Administration and enforcement -- Division**
6898 **powers -- Fees -- Rulemaking.**

6899 (1) The division shall administer and enforce this chapter in accordance with Chapter 2,
6900 Division of Consumer Protection.

6901 (2) In addition to the division's enforcement powers under Chapter 2, Division of Consumer
6902 Protection:

6903 (a) the division director may impose an administrative fine of up to \$2,500 for each
6904 violation of this chapter; and

6905 (b) the division may bring a civil action to enforce this chapter.

6906 (3) In a civil action by the division to enforce this chapter, the court may:

6907 (a) declare that an act or practice violates this chapter;

6908 (b) issue an injunction for a violation of this chapter;

6909 (c) order disgorgement of any money received after a violation of this chapter;

6910 (d) order payment of disgorged money to an injured individual;

6911 (e) impose a civil penalty of up to \$2,500 for each violation of this chapter; or

6912 (f) award any other relief that the court deems reasonable and necessary.

6913 (4) If a court grants judgment or [-]injunctive relief to the division, the court shall award the
6914 division:

6915 (a) reasonable attorney fees;

6916 (b) court costs; and

6917 (c) investigative fees.

6918 (5)(a) A person [~~who~~] that violates an administrative or court order issued for a violation
6919 of this chapter is subject to a civil penalty of no more than \$5,000 for each violation.

6920 (b) A civil penalty authorized under this section may be imposed in [~~any~~] a civil action
6921 brought by the division.

6922 [~~(e) The division shall deposit money received for the payment of a fine or civil penalty~~
6923 ~~under this section into the General Fund.~~]

6924 (6) The division may make rules in accordance with Title 63G, Chapter 3, Utah
6925 Administrative Rulemaking Act, to enforce this chapter.

6926 Section 158. Section **13-71-101** is amended to read:

6927 **13-71-101 (Effective 05/06/26). Definitions.**

- 6928 (1) "Account holder" means a person who has, creates, or opens an account or profile to use
6929 a social media service.
- 6930 (2) "Age assurance system" means measures reasonably calculated to enable a social media
6931 company to identify whether a current or prospective Utah account holder is a minor
6932 with an accuracy rate of at least 95%.
- 6933 (3) "Connected account" means an account on the social media service that is directly
6934 connected to:
- 6935 (a) the minor account holder's account; or
6936 (b) an account that is directly connected to an account directly connected to the minor
6937 account holder's account.
- 6938 (4) "Content" means any information, visual depictions, tools, features, links, software, or
6939 other materials that appear on or are available or enabled through a social media service.
- 6940 (5) "Directly connected" means an account on the social media service that is connected to
6941 another account by:
- 6942 (a) sending a request to connect to another account holder and having the request to
6943 connect accepted by the other account holder; or
6944 (b) receiving a request to connect from another account holder and accepting the request
6945 to connect.
- 6946 (6) "Director" means the director of the division.
- 6947 (7) "Division" means the Division of Consumer Protection created in Section [~~13-2-1~~]
6948 13-2-102.
- 6949 (8) "Minor" means an individual under 18 years old that:
- 6950 (a) has not been emancipated as that term is defined in Section 80-7-102; or
6951 (b) has not been married.
- 6952 (9) "Parent" includes a legal guardian.
- 6953 (10)(a) "Personal information" means information that is linked or can be reasonably
6954 linked to an identified individual or an identifiable individual.
- 6955 (b) "Personal information" includes a person's:
- 6956 (i) first and last name;
6957 (ii) date of birth;
6958 (iii) home or physical address, including street name and city;
6959 (iv) screen or user name that reveals an individual's email address, first name, or last

- 6960 name;
- 6961 (v) telephone number;
- 6962 (vi) [~~Social Security~~] social security number;
- 6963 (vii) photograph, video, or audio file containing a person's image or voice;
- 6964 (viii) geolocation information sufficient to identify street name and city; and
- 6965 (ix) any other identifier that a person may use to contact a specific individual.
- 6966 (11) "Push notification" means an automatic electronic message displayed on an account
6967 holder's device, when the user interface for the social media service is not actively open
6968 or visible on the device, that prompts the account holder to repeatedly check and engage
6969 with the social media service.
- 6970 (12) "Resident" means the same as that term is defined in Section 53-3-102.
- 6971 (13) "Social media company" means an entity that owns or operates a social media service.
- 6972 (14)(a) "Social media service" means a public website or application that:
- 6973 (i) displays content that is primarily generated by account holders and not by the
6974 social media company;
- 6975 (ii) permits an individual to register as an account holder and create a profile that is
6976 made visible to the general public or a set of other users defined by the account
6977 holder;
- 6978 (iii) connects account holders to allow users to interact socially with each other
6979 within the website or application;
- 6980 (iv) makes available to each account holder a list or lists of other account holders
6981 with whom the account holder shares a connection within the system; and
- 6982 (v) allows account holders to post content viewable by other users.
- 6983 (b) "Social media service" does not include:
- 6984 (i) email;
- 6985 (ii) cloud storage; or
- 6986 (iii) document viewing, sharing, or collaboration services.
- 6987 (15) "User" means an individual who accesses or uses a social media service.
- 6988 (16)(a) "Utah account holder" means a person who is a Utah resident and an account
6989 holder.
- 6990 (b) "Utah account holder" includes a Utah minor account holder.
- 6991 (17) "Utah minor account holder" means a Utah account holder who is a minor.
- 6992 (18) "Verifiable parental consent" means authorization from a parent for a social media
6993 service to collect, use, and disclose personal information of a Utah minor account

6994 holder, that complies with the following verifiability requirements:

- 6995 (a) the social media service shall provide advance notice to the parent describing
6996 information practices related to the minor account holder's personal information; and
6997 (b) the social media service shall receive confirmation that the parent received the notice
6998 described in Subsection (18)(a).

6999 Section 159. Section **13-71-301** is amended to read:

7000 **13-71-301 (Effective 05/06/26). Enforcement powers.**

7001 (1) The division shall administer and enforce the provisions of Part 2, General Requirements,
7002 in accordance with Chapter 2, Division of Consumer Protection.

7003 (2) The attorney general, upon request, shall give legal advice to, and act as counsel for, the
7004 division in the exercise of the division's responsibilities under this part.

7005 (3)(a) In addition to the division's enforcement powers under Chapter 2, Division of
7006 Consumer Protection:

7007 (i) the division director may impose an administrative fine of up to \$2,500 for each
7008 violation of this chapter; and

7009 (ii) the division may bring an action in court to enforce a provision of this chapter.

7010 (b) In a court action by the division to enforce a provision of this chapter, the court may:

7011 (i) declare that the act or practice violates a provision of this chapter;

7012 (ii) enjoin actions that violate this chapter;

7013 (iii) order disgorgement of any money received in violation of this chapter;

7014 (iv) order payment of disgorged money to an injured purchaser or consumer;

7015 (v) impose a civil penalty of up to \$2,500 for each violation of this chapter;

7016 (vi) award actual damages to an injured purchaser or consumer; and

7017 (vii) award any other relief that the court deems reasonable and necessary.

7018 (c) If a court grants judgment or injunctive relief to the division, the court shall award
7019 the division:

7020 (i) reasonable attorney fees;

7021 (ii) court costs; and

7022 (iii) investigative fees.

7023 (4)(a) A person who violates an administrative or court order issued for a violation of
7024 this chapter is subject to a civil penalty of no more than \$5,000 for each violation.

7025 (b) A civil penalty authorized under this section may be imposed in any civil action
7026 brought by the division, or by the attorney general on behalf of the division.

7027 (5) All money received for the payment of a fine or civil penalty imposed under this section

7028 shall be deposited into the Consumer Protection Education and Training Fund
7029 established in Section [~~13-2-8~~] 13-2-109.

7030 Section 160. Section **13-72a-101** is amended to read:

7031 **13-72a-101 (Effective 05/06/26). Definitions.**

7032 As used in this chapter:

7033 (1) "Artificial intelligence" means the same as that term is defined in Section 13-72-101.

7034 (2) "Artificial intelligence technology" means the same as that term is defined in Section
7035 13-72-101.

7036 (3) "Confidential communications" means the same as that term is defined in Section
7037 58-60-102.

7038 (4) "Covered entity" means the same as that term is defined in 45 C.F.R. Sec. 160.103.

7039 (5) "Division" means the Division of Consumer Protection created in Section [~~13-2-1~~]
7040 13-2-102.

7041 (6) "Generative artificial intelligence" means an artificial intelligence technology system
7042 that:

7043 (a) is trained on data;

7044 (b) is designed to simulate human conversation with a consumer through one or more of
7045 the following:

7046 (i) text;

7047 (ii) audio; or

7048 (iii) visual communication; and

7049 (c) generates non-scripted outputs similar to outputs created by a human, with limited or
7050 no human oversight.

7051 (7) "Health care provider" means the same as that term is defined in 45 C.F.R. Sec. 160.103.

7052 (8) "Health plan" means the same as that term is defined in 45 C.F.R. Sec. 160.103.

7053 (9) "Individually identifiable health information" means any information, whether oral or
7054 recorded in any form or medium, that relates to the physical or mental health or
7055 condition of an individual.

7056 (10)(a) "Mental health chatbot" means an artificial intelligence technology that:

7057 (i) uses generative artificial intelligence to engage in interactive conversations with a
7058 user of the mental health chatbot similar to the confidential communications that
7059 an individual would have with a licensed mental health therapist; and

7060 (ii) a supplier represents, or a reasonable person would believe, can or will provide
7061 mental health therapy or help a user manage or treat mental health conditions.

- 7062 (b) "Mental health chatbot" does not include artificial intelligence technology that only:
7063 (i) provides scripted output, such as guided meditations or mindfulness exercises; or
7064 (ii) analyzes an individual's input for the purpose of connecting the individual with a
7065 human mental health therapist.
- 7066 (11) "Mental health therapist" means the same as that term is defined in Section 58-60-102.
- 7067 (12) "Personal data" means the same as that term is defined in Section 63A-19-101.
- 7068 (13) "Scientific research development" means research:
- 7069 (a) conducted by a researcher affiliated with:
- 7070 (i) an institution of higher education;
- 7071 (ii) a research organization; or
- 7072 (iii) a healthcare facility; and
- 7073 (b) that is:
- 7074 (i) approved by an institutional review board; and
- 7075 (ii) conducted in accordance with applicable ethics requirements for human subject
7076 research.
- 7077 (14) "Supplier" means the same as that term is defined in Section 13-11-3.
- 7078 [~~(15) "Utah user" means an individual located in the state at the time the individual accesses
7079 or uses a mental health chatbot.~~]
- 7080 [~~(16)~~ (15) "User input" means content provided to a mental health chatbot by a Utah user.
- 7081 (16) "Utah user" means an individual located in the state at the time the individual accesses
7082 or uses a mental health chatbot.
- 7083 Section 161. Section **13-72a-204** is amended to read:
- 7084 **13-72a-204 (Effective 05/06/26). Violations -- Enforcement authority.**
- 7085 (1) The division shall administer and enforce the provisions of this chapter in accordance
7086 with Chapter 2, Division of Consumer Protection.
- 7087 [~~(2) The attorney general shall:~~]
- 7088 [~~(a) upon request, give legal advice to the division; and]~~
- 7089 [~~(b) act as counsel for the division in the exercise of the division's responsibilities under
7090 this chapter.~~]
- 7091 [~~(3)~~ (2) In addition to the division's enforcement powers under Chapter 2, Division of
7092 Consumer Protection:
- 7093 (a) the division director may impose an administrative fine of up to \$2,500 for each
7094 violation of this chapter; and
- 7095 (b) the division may bring an action in a court of competent jurisdiction to enforce a

7096 provision of this chapter.

7097 [~~(4)~~] (3) In a court action by the division to enforce a provision of this chapter, the court

7098 may:

7099 (a) declare that an act or practice violates a provision of this chapter;

7100 (b) issue an injunction for a violation of this part;

7101 (c) order disgorgement of money received in violation of this chapter;

7102 (d) order payment of disgorged money to an injured purchaser or consumer;

7103 (e) impose a fine of up to \$2,500 for each violation of this chapter; or

7104 (f) award other relief that the court determines reasonable and necessary.

7105 [~~(5)~~] (4) If a court awards judgment or injunctive relief to the division, the court shall award

7106 the division:

7107 (a) reasonable attorney fees;

7108 (b) court costs; and

7109 (c) investigative fees.

7110 [~~(6)~~] (5) A court may impose a civil penalty of no more than \$5,000 for each violation of an

7111 administrative or court order issued for a violation of this chapter.

7112 [~~(7) The attorney general may bring a civil action on behalf of the division to collect a civil~~

7113 ~~penalty imposed under this section.]~~

7114 (6) A court may impose a civil penalty authorized under this section in a civil action

7115 brought by the division.

7116 [~~(8)~~] (7) The division shall deposit all fines and civil penalties collected under this section

7117 into the Consumer Protection Education and Training Fund created in Section [~~13-2-8~~]

7118 13-2-109.

7119 Section 162. Section **13-76-101** is amended to read:

7120 **13-76-101 (Effective 05/06/26). Definitions.**

7121 As used in this chapter:

7122 (1) "Age category" means one of the following categories of individuals based on age:

7123 (a) "child" which means an individual who is under 13 years old;

7124 (b) "younger teenager" which means an individual who is at least 13 years old and under
7125 16 years old;

7126 (c) "older teenager" which means an individual who is at least 16 years old and under 18
7127 years old; or

7128 (d) "adult" which means an individual who is at least 18 years old.

7129 (2) "Age category data" means information about a user's age category that is:

- 7130 (a) collected by an app store provider; and
7131 (b) shared with a developer.
- 7132 (3) "Age rating" means a classification that provides an assessment of the suitability of an
7133 app's content for different age groups.
- 7134 (4) "App" means a software application or electronic service that a user may run or direct
7135 on a mobile device.
- 7136 (5) "App store" means a publicly available website, software application, or electronic
7137 service that allows users to download apps from third-party developers onto a mobile
7138 device.
- 7139 (6) "App store provider" means a person that owns, operates, or controls an app store that
7140 allows users in the state to download apps onto a mobile device.
- 7141 (7) "Content description" means a description of the specific content elements that informed
7142 an app's age rating.
- 7143 (8) "Developer" means a person that owns or controls an app made available through an
7144 app store in the state.
- 7145 (9) "Division" means the Division of Consumer Protection, established in Section [~~13-2-1~~
7146 13-2-101].
- 7147 (10) "Knowingly" means to act with actual knowledge or to act with knowledge fairly
7148 inferred based on objective circumstances.
- 7149 (11) "Minor" means an individual under 18 years old.
- 7150 (12) "Minor account" means an account with an app store provider that:
7151 (a) is established by an individual who the app store provider has determined is under 18
7152 years old through the app store provider's age verification methods; and
7153 (b) requires affiliation with a parent account.
- 7154 (13) "Mobile device" means a phone or general purpose tablet that:
7155 (a) provides cellular or wireless connectivity;
7156 (b) is capable of connecting to the [~~Internet~~] internet;
7157 (c) runs a mobile operating system; and
7158 (d) is capable of running apps through the mobile operating system.
- 7159 (14) "Mobile operating system" means software that:
7160 (a) manages mobile device hardware resources;
7161 (b) provides common services for mobile device programs;
7162 (c) controls memory allocation; and
7163 (d) provides interfaces for applications to access device functionality.

- 7164 (15) "Parent" means, with respect to a minor, any of the following individuals who have
7165 legal authority to make decisions on behalf of the minor:
- 7166 (a) an individual with a parent-child relationship under Section 78B-15-201;
 - 7167 (b) a legal guardian; or
 - 7168 (c) an individual with legal custody.
- 7169 (16) "Parent account" means an account with an app store provider that:
- 7170 (a) is verified to be established by an individual who the app store provider has
7171 determined is at least 18 years old through the app store provider's age verification
7172 methods; and
 - 7173 (b) may be affiliated with one or more minor accounts.
- 7174 (17) "Parental consent disclosure" means the following information that an app store
7175 provider is required to provide to a parent before obtaining parental consent:
- 7176 (a) if the app store provider has an age rating for the app or in-app purchase, the app's or
7177 in-app purchase's age rating;
 - 7178 (b) if the app store provider has a content description for the app or in-app purchase, the
7179 app's or in-app purchase's content description;
 - 7180 (c) a description of:
 - 7181 (i) the personal data collected by the app from a user; and
 - 7182 (ii) the personal data shared by the app with a third party; and
 - 7183 (d) if personal data is collected by the app, the methods implemented by the developer to
7184 protect the personal data.
- 7185 (18) "Significant change" means a material modification to an app's terms of service or
7186 privacy policy that:
- 7187 (a) changes the categories of data collected, stored, or shared;
 - 7188 (b) alters the app's age rating or content descriptions;
 - 7189 (c) adds new monetization features, including:
 - 7190 (i) in-app purchases; or
 - 7191 (ii) advertisements; or
 - 7192 (d) materially changes the app's:
 - 7193 (i) functionality; or
 - 7194 (ii) user experience.
- 7195 (19) "Verifiable parental consent" means authorization that:
- 7196 (a) is provided by an individual who the app store provider has verified is an adult;
 - 7197 (b) is given after the app store provider has clearly and conspicuously provided the

- 7198 parental consent disclosure to the individual; and
7199 (c) requires the parent to make an affirmative choice to:
7200 (i) grant consent; or
7201 (ii) decline consent.

7202 Section 163. Section **13-77-101** is amended to read:

7203 **13-77-101 (Effective 05/06/26). Definitions.**

7204 As used in this chapter:

- 7205 (1) "Artificial intelligence technology" means the same as that term is defined in Section
7206 13-72-101.
- 7207 (2) "Consumer transaction" means the same as that term is defined in Section 13-11-3.
- 7208 (3) "Division" means the Division of Consumer Protection created in Section [~~13-2-1~~]
7209 13-2-102.
- 7210 (4) "Generative artificial intelligence" means an artificial intelligence technology system
7211 that:
7212 (a) is trained on data;
7213 (b) is designed to simulate human conversation with a consumer through one or more of
7214 the following:
7215 (i) text;
7216 (ii) audio; or
7217 (iii) visual communication; and
7218 (c) generates non-scripted outputs similar to outputs created by a human, with limited or
7219 no human oversight.
- 7220 (5) "High-risk artificial intelligence interaction" means an interaction with generative
7221 artificial intelligence that involves:
7222 (a) the collection of sensitive personal information, including:
7223 (i) health data;
7224 (ii) financial data; or
7225 (iii) biometric data;
7226 (b) the provision of personalized recommendations, advice, or information that could
7227 reasonably be relied upon to make significant personal decisions, including the
7228 provision of:
7229 (i) financial advice or services;
7230 (ii) legal advice or services;
7231 (iii) medical advice or services; or

- 7232 (iv) mental health advice or services; or
- 7233 (c) other applications as defined by division rule.
- 7234 (6) "License" means a state-granted authorization for an individual to engage in a specified
- 7235 occupation:
- 7236 (a) based on the individual meeting personal qualifications established under state law;
- 7237 and
- 7238 (b) that is required before the individual may lawfully engage in the occupation for
- 7239 compensation.
- 7240 (7) "Office" means the Office of Artificial Intelligence Policy created in Section [~~13-74-201~~]
- 7241 13-72-201.
- 7242 (8) "Regulated occupation" means an occupation that:
- 7243 (a) is regulated by the Department of Commerce; and
- 7244 (b) requires an individual to obtain a license or state certification to practice the
- 7245 occupation.
- 7246 (9) "State certification" means a state-granted authorization that:
- 7247 (a) permits an individual to use the term "state certified" as part of a designated title
- 7248 related to a specified occupation:
- 7249 (i) based on the individual meeting personal qualifications established under state
- 7250 law; and
- 7251 (ii) where state law prohibits a noncertified individual from using the term "state
- 7252 certified" as part of a designated title; and
- 7253 (b) does not prohibit a noncertified individual from engaging in the occupation for
- 7254 compensation.
- 7255 (10) "Supplier" means the same as that term is defined in Section 13-11-3.
- 7256 Section 164. Section **13-77-102** is amended to read:
- 7257 **13-77-102 (Effective 05/06/26). Liability for violation of consumer protection law.**
- 7258 It is not a defense to the violation of any statute administered and enforced by the division
- 7259 under Section [~~13-2-1~~] 13-2-102 that generative artificial intelligence:
- 7260 (1) made the violative statement;
- 7261 (2) undertook the violative act; or
- 7262 (3) was used in furtherance of the violation.
- 7263 Section 165. Section **13-78-101** is amended to read:
- 7264 **13-78-101 (Effective 05/06/26). Definitions.**
- 7265 As used in this chapter:

- 7266 (1) "Consumer" means an individual who resides in the state.
- 7267 (2) "Division" means the Division of Consumer Protection established in Section 13-2-102.
- 7268 ~~[(2)]~~ (3) "Earned but unpaid income" means compensation, including salary, wages, or other
 7269 income, that~~[-is]~~:
- 7270 (a) ~~[earned or accrued by]~~a consumer earns or accrues through services ~~[provided]~~ the
 7271 consumer provides to an employer or as an independent contractor; and
- 7272 (b) ~~[not paid yet to the consumer by]~~the employer or hiring party has not yet paid to the
 7273 consumer.
- 7274 ~~[(3)]~~ (4) "Earned wage access services" means the payment of funds to a consumer
 7275 determined by:
- 7276 (a)(i) a consumer's representation; and
- 7277 (ii) the provider's reasonable determination of earned but unpaid income; or
- 7278 (b) employment, income, and attendance data obtained directly or indirectly by a
 7279 provider from an employer or an employer's payroll service provider.
- 7280 ~~[(4)]~~ (5)(a) "Fee" means a charge the provider imposes on a consumer for earned wage
 7281 access services, expedited delivery of funds, or a subscription or membership that
 7282 includes earned wage access services.
- 7283 (b) "Fee" does not include a voluntary tip, gratuity, or donation.
- 7284 ~~[(5)]~~ (6)(a) "Provider" means a person ~~[engaged]~~ that engages in the business of offering
 7285 earned wage access services.
- 7286 (b) "Provider" does not include:
- 7287 (i) a service provider, such as a payroll service provider, that verifies, but does not
 7288 fund, earned wages;
- 7289 (ii) an employer that advances a portion of earned wages directly to employees or
 7290 independent contractors; or
- 7291 (iii) a person regulated under Title 7, Financial Institutions Act.
- 7292 Section 166. Section **13-78-102** is amended to read:
- 7293 **13-78-102 (Effective 05/06/26). Provider registration and registration renewal.**
- 7294 (1) ~~[Except as provided in Subsection (4), a]~~ A person may not act as a provider without
 7295 registering with the division.
- 7296 (2) To register as a provider, a person shall submit to the division a registration application:
- 7297 (a) in the manner the division determines; and
- 7298 (b) that includes:
- 7299 (i) a registration application fee in an amount the division determines in accordance

7300 with ~~[Sections 13-1-2 and]~~ Section 63J-1-504;

7301 (ii) a copy of the agreement for earned wage access services the provider uses with a

7302 consumer; and

7303 (iii) any information that the division requires by rule made in accordance with Title

7304 63G, Chapter 3, Utah Administrative Rulemaking Act.

7305 (3) Each year a provider shall renew the provider's registration by submitting to the division

7306 an application for registration renewal:

7307 (a) in a manner the division determines; and

7308 (b) that includes:

7309 (i) a registration renewal application fee in an amount the division determines in

7310 accordance with ~~[Sections 13-1-2 and]~~ Section 63J-1-504;~~[- and]~~

7311 (ii) any information the division requires by rule made in accordance with Title 63G,

7312 Chapter 3, Utah Administrative Rulemaking Act~~[-]~~ ; and

7313 (iii) a designated registered agent for service of process in the state and the registered

7314 agent's:

7315 (A) name;

7316 (B) street address;

7317 (C) mailing address; and

7318 (D) telephone number.

7319 ~~[(4) A person that acts as a provider on May 7, 2025, may continue to act as a provider:]~~

7320 ~~[(a) if the person:]~~

7321 ~~[(i) applies for registration in accordance with this section on or before October 6,~~

7322 ~~2025; and]~~

7323 ~~[(ii) complies with the requirements of this chapter; and]~~

7324 ~~[(b) until the day on which the division issues a decision on the registration application~~

7325 ~~after which:]~~

7326 ~~[(i) a person for which a registration application is denied may no longer operate; and]~~

7327 ~~[(ii) a person for which a registration application is granted may operate as provider.]~~

7328 ~~[(5)]~~ (4)(a) The division shall require a provider's principal to:

7329 (i) submit a fingerprint card in a form acceptable to the division; and

7330 (ii) consent to a criminal background check by:

7331 ~~[(A) the Federal Bureau of Investigation;]~~

7332 ~~[(B)]~~ (A) the [Utah] Bureau of Criminal Identification; or

7333 ~~[(C)]~~ (B) another state or federal agency ~~[of any state]~~ that performs criminal

7334 background checks.

7335 (b) The provider shall pay the cost of:

7336 (i) the fingerprint card described in Subsection [~~(5)(a)(i)~~] (4)(a)(i); and

7337 (ii) the criminal background check described in Subsection [~~(5)(a)(ii)~~] (4)(a)(ii).

7338 [~~(6)~~] (5) The division may grant or deny the registration application or the renewal
7339 application in accordance with Section 13-78-105.

7340 (6) A provider shall update registration information within 30 days after the day on which
7341 information the provider provides on the application becomes incorrect or incomplete.

7342 (7) Registration with the division does not constitute an approval or endorsement of the
7343 provider by the division or the state.

7344 Section 167. Section **13-78-103** is amended to read:

7345 **13-78-103 (Effective 05/06/26). Regulation of earned wage access services.**

7346 (1) A provider is exempt from Title 7, Financial Institutions Act, and Title 12, Collection
7347 Agencies.

7348 (2) A provider shall:

7349 (a) develop and implement procedures to address consumer questions and complaints;

7350 (b) before entering into an agreement for earned wage access services with a consumer,
7351 clearly and conspicuously disclose:

7352 (i) the consumer's rights under the agreement;

7353 (ii) all fees; and

7354 (iii) any voluntary tip, gratuity, or donation opportunities;

7355 (c)(i) obtain customer consent to changes to terms and conditions of the earned wage
7356 access services; or

7357 (ii) clearly and conspicuously disclose any material changes to terms and conditions
7358 of the earned wage access services at least 30 days before the effective date of the
7359 material changes;

7360 (d) allow a consumer to cancel the use of earned wage access services at any time
7361 without incurring a penalty;

7362 (e) offer at least one no-fee option to receive funds and clearly and conspicuously
7363 disclose how to select the no-fee option to receive funds;

7364 (f) comply with all applicable local, state, and federal privacy and information security
7365 laws;

7366 (g) deliver funds through any method agreed upon by the consumer and provider;

7367 (h) reimburse overdraft or non-sufficient fund fees the consumer incurs as a result of the

- 7368 provider's error in disclosed or actual payment amount or payment date unless the
 7369 funds were acquired by a consumer through fraudulent means;
- 7370 (i) clearly and conspicuously disclose the voluntary nature of tips, gratuities, or
 7371 donations and ensure the availability or terms of the earned wage access services are
 7372 not contingent upon the payment of tips, gratuities, or donations;
- 7373 (j) provide information to a consumer on how to file a complaint with the division;
- 7374 (k) provide the following disclosures to a consumer at the time the consumer makes a
 7375 request for funds:
- 7376 (i) the anticipated timeline the consumer will receive the requested funds;
- 7377 (ii) the amount of funds the consumer has requested;
- 7378 (iii) the amount of the fee charged;
- 7379 (iv) the amount of funds the consumer will receive;
- 7380 (v) the account that will receive the funds; and
- 7381 (vi) the date the provider is authorized to withdraw funds from the consumer's
 7382 account, including fees and voluntary payments; and
- 7383 (l) before initiating an advance, require the customer to acknowledge receiving the
 7384 opportunity to view all disclosures listed in Subsection (2)(k) and any costs and fees.
- 7385 (3) A provider may not:
- 7386 (a) compel a consumer to repay funds by:
- 7387 (i) using or threatening to use civil lawsuits, outbound calls, third-party collections,
 7388 or debt sales;
- 7389 (ii) reporting or threatening to report nonpayment to consumer reporting agencies; or
- 7390 (iii) charging or threatening to charge interest, finance charges, late fees, or other
 7391 penalties for nonpayment;
- 7392 (b) use a consumer's credit report or credit score as defined by 15 U.S.C. Sec. 1681 et
 7393 seq., to determine eligibility for earned wage access services;
- 7394 (c) accept payment with a credit card or charge card;
- 7395 (d) condition receipt of funds based on fees, tips, gratuities, or donations;
- 7396 (e) mislead a consumer about the voluntary nature of tips, gratuities, or donations;
- 7397 (f) charge a consumer a fee, interest, or any other penalty for failure to repay outstanding
 7398 proceeds, fees, tips, or gratuities;~~[-or]~~
- 7399 (g) provide earned wage access services in this state without first registering with the
 7400 division~~[-]~~ ;
- 7401 (h) represent that the division or the state endorses the provider;

7402 (i) omit from a filing with the division a material statement of fact that this chapter or a
 7403 rule the division makes in accordance with this chapter requires; or

7404 (j) include in a filing with the division a material statement of fact that the provider or
 7405 the provider's principal knows or should know is false, deceptive, inaccurate, or
 7406 misleading.

7407 (4) Each act performed in violation of Subsection (3) is a separate violation of this chapter.

7408 (5) The provider may prohibit a consumer from requesting a transaction if the consumer has
 7409 outstanding unpaid proceeds from a previous transaction with the provider.

7410 (6) A provider is not entitled to the exemption described by Subsection 13-11-22(1)(d).

7411 Section 168. Section **13-78-104** is amended to read:

7412 **13-78-104 (Effective 05/06/26). Penalties and enforcement -- Powers -- Legal**
 7413 **counsel -- Fees.**

7414 [~~1~~] ~~The attorney general, upon request, shall give legal advice to, and act as counsel for,~~
 7415 ~~the division in the exercise of the division's responsibilities under this chapter.]~~

7416 [~~2~~] (1)(a) In addition to the division's enforcement powers under Chapter 2, Division of
 7417 Consumer Protection:

7418 (i) the division director may impose an administrative fine of up to \$2,500 for each
 7419 violation of this chapter; and

7420 (ii) the division may bring an action in a court with jurisdiction to enforce a provision
 7421 of this chapter.

7422 (b) In a court action by the division to enforce a provision of this chapter, the court may:

7423 (i) declare that an act or practice violates a provision of this chapter;

7424 (ii) issue an injunction for a violation of this chapter;

7425 (iii) order disgorgement of any money received in violation of this chapter;

7426 (iv) order payment of disgorged money to an injured purchaser or consumer;

7427 (v) impose a fine of up to \$2,500 for each violation of this chapter; or

7428 (vi) award any other relief that the court deems reasonable and necessary.

7429 [~~3~~] (2) If a court grants judgment or injunctive relief to the division, the court shall award
 7430 the division:

7431 (a) reasonable attorney fees;

7432 (b) court costs; and

7433 (c) investigative fees.

7434 [~~4~~] (3)(a) A person that violates an administrative or court order issued for a violation
 7435 of this chapter is subject to a civil penalty of no more than \$5,000 for each violation.

7436 (b) The court may impose a civil penalty authorized under this section in any civil action
7437 brought by the ~~[attorney general on behalf of the]~~ division.

7438 ~~[(5) The division shall deposit money received for the payment of a fine or civil penalty~~
7439 ~~imposed under this section into the Consumer Protection Education and Training Fund~~
7440 ~~created in Section 13-2-8.]~~

7441 Section 169. Section **16-6a-102** is amended to read:

7442 **16-6a-102 (Effective 05/06/26). Definitions.**

7443 As used in this chapter:

7444 (1)(a) "Address" means a location where mail can be delivered by the United States
7445 Postal Service.

7446 (b) "Address" includes:

- 7447 (i) a post office box number;
- 7448 (ii) a rural free delivery route number; and
- 7449 (iii) a street name and number.

7450 (2) "Affiliate" means a person that directly or indirectly through one or more intermediaries
7451 controls, or is controlled by, or is under common control with, the person specified.

7452 (3) "Articles of incorporation" include:

- 7453 (a) amended articles of incorporation;
- 7454 (b) restated articles of incorporation;
- 7455 (c) articles of merger; and
- 7456 (d) a document of a similar import to the documents described in Subsections (3)(a)
7457 through (c).

7458 (4) "Assumed corporate name" means a name assumed for use in this state:

7459 (a) by a:

- 7460 (i) foreign corporation as described in Section 16-10a-1506; or
- 7461 (ii) a foreign nonprofit corporation as described in Section 16-6a-1506; and
- 7462 (b) because the corporate name of the foreign corporation described in Subsection (4)(a)
7463 is not available for use in this state.

7464 (5)(a) Except as provided in Subsection (5)(b), "board of directors" means the body
7465 authorized to manage the affairs of a domestic or foreign nonprofit corporation.

7466 (b) Notwithstanding Subsection (5)(a), a person may not be considered a member of the
7467 board of directors because of a power delegated to that person under Subsection
7468 16-6a-801(2).

7469 (6)(a) "Bylaws" means the one or more codes of rules, other than the articles of

- 7470 incorporation, adopted under this chapter for the regulation or management of the
7471 affairs of a domestic or foreign nonprofit corporation irrespective of the one or more
7472 names by which the codes of rules are designated.
- 7473 (b) "Bylaws" includes:
7474 (i) amended bylaws; and
7475 (ii) restated bylaws.
- 7476 (7)(a) "Cash" or "money" means:
7477 (i) legal tender;
7478 (ii) a negotiable instrument; or
7479 (iii) other cash equivalent readily convertible into legal tender.
7480 (b) "Cash" and "money" are used interchangeably in this chapter.
- 7481 (8) "Charitable organization" means the same as that term is defined in Section [13-22-2]
7482 13-22-101.
- 7483 (9)(a) "Class" means a group of memberships that has the same right with respect to
7484 voting, dissolution, redemption, transfer, or other characteristics.
7485 (b) For purposes of Subsection (9)(a), a right is considered the same if it is determined
7486 by a formula applied uniformly to a group of memberships.
- 7487 (10)(a) "Conspicuous" means so written that a reasonable person against whom the
7488 writing is to operate should have noticed the writing.
7489 (b) "Conspicuous" includes printing or typing in:
7490 (i) italics;
7491 (ii) boldface;
7492 (iii) contrasting color;
7493 (iv) capitals; or
7494 (v) underlining.
- 7495 (11) "Control" or a "controlling interest" means the direct or indirect possession of the
7496 power to direct or cause the direction of the management and policies of an entity by:
7497 (a) the ownership of voting shares;
7498 (b) contract; or
7499 (c) a means other than those specified in Subsection (11)(a) or (b).
- 7500 (12) Subject to Section 16-6a-207, "cooperative nonprofit corporation" or "cooperative"
7501 means a nonprofit corporation organized or existing under this chapter.
- 7502 (13) "Corporate name" means:
7503 (a) the name of a domestic corporation as stated in the domestic corporation's articles of

- 7504 incorporation;
- 7505 (b) the name of a domestic nonprofit corporation as stated in the domestic nonprofit
7506 corporation's articles of incorporation;
- 7507 (c) the name of a foreign corporation as stated in the foreign corporation's:
7508 (i) articles of incorporation; or
7509 (ii) document of similar import to articles of incorporation; or
- 7510 (d) the name of a foreign nonprofit corporation as stated in the foreign nonprofit
7511 corporation's:
7512 (i) articles of incorporation; or
7513 (ii) document of similar import to articles of incorporation.
- 7514 (14)(a) "Corporate records" means the records described in Section 16-6a-1601.
- 7515 (b) "Corporate records" does not include correspondence, communications, notes, or
7516 other similar information, regardless of format or method of storage, that are not an
7517 official decision, published document, or record of the corporation.
- 7518 (15) "Corporation" or "domestic corporation" means a corporation for profit that:
7519 (a) is not a foreign corporation; and
7520 (b) is incorporated under or subject to Chapter 10a, Utah Revised Business Corporation
7521 Act.
- 7522 (16) "Delegate" means a person elected or appointed to vote in a representative assembly:
7523 (a) for the election of a director; or
7524 (b) on matters other than the election of a director.
- 7525 (17) "Deliver" includes delivery by mail or another means of transmission authorized by
7526 Section 16-6a-103, except that delivery to the division means actual receipt by the
7527 division.
- 7528 (18) "Director" means a member of the board of directors.
- 7529 (19)(a) "Distribution" means the payment of a dividend or any part of the income or
7530 profit of a nonprofit corporation to the nonprofit corporation's:
7531 (i) members;
7532 (ii) directors; or
7533 (iii) officers.
- 7534 (b) "Distribution" does not include a fair-value payment for:
7535 (i) a good sold; or
7536 (ii) a service received.
- 7537 (20) "Division" means the Division of Corporations and Commercial Code.

- 7538 (21) "Effective date," when referring to a document filed by the division, means the time
7539 and date determined in accordance with Section 16-6a-108.
- 7540 (22) "Effective date of notice" means the date notice is effective as provided in Section
7541 16-6a-103.
- 7542 (23) "Electronic transmission" or "electronically transmitted" means a process of
7543 communication not directly involving the physical transfer of paper that is suitable for
7544 the receipt, retention, retrieval, and reproduction of information by the recipient,
7545 whether by email, texting, facsimile, or otherwise.
- 7546 (24)(a) "Employee" includes an officer of a nonprofit corporation.
- 7547 (b)(i) Except as provided in Subsection (24)(b)(ii), "employee" does not include a
7548 director of a nonprofit corporation.
- 7549 (ii) Notwithstanding Subsection (24)(b)(i), a director may accept one or more duties
7550 that make that director an employee of a nonprofit corporation.
- 7551 (25) "Entity" includes:
- 7552 (a) a domestic or foreign corporation;
- 7553 (b) a domestic or foreign nonprofit corporation;
- 7554 (c) a limited liability company;
- 7555 (d) a profit or nonprofit unincorporated association;
- 7556 (e) a business trust;
- 7557 (f) an estate;
- 7558 (g) a partnership;
- 7559 (h) a trust;
- 7560 (i) two or more persons having a joint or common economic interest;
- 7561 (j) a state;
- 7562 (k) the United States; or
- 7563 (l) a foreign government.
- 7564 (26) "Executive director" means the executive director of the Department of Commerce.
- 7565 (27) "Foreign corporation" means a corporation for profit incorporated under a law other
7566 than the laws of this state.
- 7567 (28) "Foreign nonprofit corporation" means an entity:
- 7568 (a) incorporated under a law other than the laws of this state; and
- 7569 (b) that would be a nonprofit corporation if formed under the laws of this state.
- 7570 (29) "Governmental entity" means:
- 7571 (a)(i) the executive branch of the state;

- 7572 (ii) the judicial branch of the state;
- 7573 (iii) the legislative branch of the state;
- 7574 (iv) an independent entity, as defined in Section 63E-1-102;
- 7575 (v) a political subdivision of the state;
- 7576 (vi) an institution of higher education, as defined in Section 53H-1-101;
- 7577 (vii) an entity within the state system of public education; or
- 7578 (viii) the National Guard; or
- 7579 (b) any of the following that is established or controlled by a governmental entity listed
- 7580 in Subsection (29)(a) to carry out the public's business:
- 7581 (i) an office;
- 7582 (ii) a division;
- 7583 (iii) an agency;
- 7584 (iv) a board;
- 7585 (v) a bureau;
- 7586 (vi) a committee;
- 7587 (vii) a department;
- 7588 (viii) an advisory board;
- 7589 (ix) an administrative unit; or
- 7590 (x) a commission.
- 7591 (30) "Governmental subdivision" means:
- 7592 (a) a county;
- 7593 (b) a city;
- 7594 (c) a town; or
- 7595 (d) another type of governmental subdivision authorized by the laws of this state.
- 7596 (31) "Individual" means:
- 7597 (a) a natural person;
- 7598 (b) the estate of an incompetent individual; or
- 7599 (c) the estate of a deceased individual.
- 7600 (32) "Internal Revenue Code" means the federal "Internal Revenue Code of 1986," as
- 7601 amended from time to time, or to corresponding provisions of subsequent internal
- 7602 revenue laws of the United States of America.
- 7603 (33)(a) "Mail," "mailed," or "mailing" means deposit, deposited, or depositing in the
- 7604 United States mail, properly addressed, first-class postage prepaid.
- 7605 (b) "Mail," "mailed," or "mailing" includes registered or certified mail for which the

- 7606 proper fee is paid.
- 7607 (34)(a) "Member" means one or more persons identified or otherwise appointed as a
7608 member of a domestic or foreign nonprofit corporation as provided:
- 7609 (i) in the articles of incorporation;
- 7610 (ii) in the bylaws;
- 7611 (iii) by a resolution of the board of directors; or
- 7612 (iv) by a resolution of the members of the nonprofit corporation.
- 7613 (b) "Member" includes:
- 7614 (i) "voting member"; and
- 7615 (ii) a shareholder in a water company.
- 7616 (35) "Membership" refers to the rights and obligations of a member or members.
- 7617 (36) "Mutual benefit corporation" means a nonprofit corporation:
- 7618 (a) that issues shares of stock to its members evidencing a right to receive distribution of
7619 water or otherwise representing property rights; or
- 7620 (b) all of whose assets are contributed or acquired by or for the members of the nonprofit
7621 corporation or the members' predecessors in interest to serve the mutual purposes of
7622 the members.
- 7623 (37) "Nonprofit corporation" or "domestic nonprofit corporation" means an entity that:
- 7624 (a) is not a foreign nonprofit corporation; and
- 7625 (b) is incorporated under or subject to this chapter.
- 7626 (38) "Notice" means the same as that term is defined in Section 16-6a-103.
- 7627 (39) "Party related to a director" means:
- 7628 (a) the spouse of the director;
- 7629 (b) a child of the director;
- 7630 (c) a grandchild of the director;
- 7631 (d) a sibling of the director;
- 7632 (e) a parent of the director;
- 7633 (f) the spouse of an individual described in Subsections (39)(b) through (e);
- 7634 (g) an individual having the same home as the director;
- 7635 (h) a trust or estate of which the director or another individual specified in this
7636 Subsection (39) is a substantial beneficiary; or
- 7637 (i) any of the following of which the director is a fiduciary:
- 7638 (i) a trust;
- 7639 (ii) an estate;

- 7640 (iii) an incompetent;
7641 (iv) a conservatee; or
7642 (v) a minor.

7643 (40) "Person" means an:

- 7644 (a) individual; or
7645 (b) entity.

7646 (41) "Principal office" means:

- 7647 (a) the office, in or out of this state, designated by a domestic or foreign nonprofit
7648 corporation as its principal office in the most recent document on file with the
7649 division providing that information, including:
7650 (i) an annual report;
7651 (ii) an application for a certificate of authority; or
7652 (iii) a notice of change of principal office; or
7653 (b) if no principal office can be determined, a domestic or foreign nonprofit
7654 corporation's registered office.

7655 (42) "Proceeding" includes:

- 7656 (a) a civil suit;
7657 (b) arbitration;
7658 (c) mediation;
7659 (d) a criminal action;
7660 (e) an administrative action; or
7661 (f) an investigatory action.

7662 (43) "Receive," when used in reference to receipt of a writing or other document by a
7663 domestic or foreign nonprofit corporation, means the writing or other document is
7664 actually received:

- 7665 (a) by the domestic or foreign nonprofit corporation at:
7666 (i) its registered office in this state; or
7667 (ii) its principal office;
7668 (b) by the secretary of the domestic or foreign nonprofit corporation, wherever the
7669 secretary is found; or
7670 (c) by another person authorized by the bylaws or the board of directors to receive the
7671 writing or other document, wherever that person is found.

7672 (44)(a) "Record date" means the date established under Part 6, Members, or Part 7,
7673 Member Meetings and Voting, on which a nonprofit corporation determines the

- 7674 identity of the nonprofit corporation's members.
- 7675 (b) The determination described in Subsection (44)(a) shall be made as of the close of
7676 business on the record date unless another time for doing so is specified when the
7677 record date is fixed.
- 7678 (45) "Registered agent" means the registered agent of:
- 7679 (a) a domestic nonprofit corporation; or
- 7680 (b) a foreign nonprofit corporation.
- 7681 (46) "Registered office" means the office within this state designated by a domestic or
7682 foreign nonprofit corporation as its registered office in the most recent document on file
7683 with the division providing that information, including:
- 7684 (a) articles of incorporation;
- 7685 (b) an application for a certificate of authority; or
- 7686 (c) a notice of change of registered office.
- 7687 (47) "Secretary" means the corporate officer to whom the bylaws or the board of directors
7688 delegates responsibility under Subsection 16-6a-818(3) for:
- 7689 (a) the preparation and maintenance of:
- 7690 (i) minutes of the meetings of:
- 7691 (A) the board of directors; or
- 7692 (B) the members; and
- 7693 (ii) the other records and information required to be kept by the nonprofit corporation
7694 as described in Section 16-6a-1601; and
- 7695 (b) authenticating records of the nonprofit corporation.
- 7696 (48) "Share" means a unit of interest in a nonprofit corporation.
- 7697 (49) "Shareholder" means a person in whose name a share is registered in the records of a
7698 nonprofit corporation.
- 7699 (50) "State," when referring to a part of the United States, includes:
- 7700 (a) a state;
- 7701 (b) a commonwealth;
- 7702 (c) the District of Columbia;
- 7703 (d) an agency or governmental and political subdivision of a state, commonwealth, or
7704 District of Columbia;
- 7705 (e) territory or insular possession of the United States; or
- 7706 (f) an agency or governmental and political subdivision of a territory or insular
7707 possession of the United States.

- 7708 (51) "Street address" means:
- 7709 (a)(i) street name and number;
- 7710 (ii) city or town; and
- 7711 (iii) United States post office zip code designation; or
- 7712 (b) if, by reason of rural location or otherwise, a street name, number, city, or town does
- 7713 not exist, an appropriate description other than that described in Subsection (51)(a)
- 7714 fixing as nearly as possible the actual physical location, but only if the information
- 7715 includes:
- 7716 (i) the rural free delivery route;
- 7717 (ii) the county; and
- 7718 (iii) the United States post office zip code designation.
- 7719 (52) "Tribal nonprofit corporation" means a nonprofit corporation:
- 7720 (a) incorporated under the law of a tribe; and
- 7721 (b) that is at least 51% owned or controlled by the tribe.
- 7722 (53) "Tribe" means a tribe, band, nation, pueblo, or other organized group or community of
- 7723 Indians, including an Alaska Native village, that is legally recognized as eligible for and
- 7724 is consistent with a special program, service, or entitlement provided by the United
- 7725 States to Indians because of the tribe's status as Indians.
- 7726 (54) "United States" includes a district, authority, office, bureau, commission, department,
- 7727 and another agency of the United States of America.
- 7728 (55) "Vote" includes authorization by:
- 7729 (a) written ballot; and
- 7730 (b) written consent.
- 7731 (56)(a) "Voting group" means all the members of one or more classes of members or
- 7732 directors that, under this chapter, the articles of incorporation, or the bylaws, are
- 7733 entitled to vote and be counted together collectively on a matter.
- 7734 (b) All members or directors entitled by this chapter, the articles of incorporation, or the
- 7735 bylaws to vote generally on a matter are for that purpose a single voting group.
- 7736 (57)(a) "Voting member" means a person entitled to vote for all matters required or
- 7737 permitted under this chapter to be submitted to a vote of the members, except as
- 7738 otherwise provided in the articles of incorporation or bylaws.
- 7739 (b) A person is not a voting member solely because of:
- 7740 (i) a right the person has as a delegate;
- 7741 (ii) a right the person has to designate a director; or

- 7742 (iii) a right the person has as a director.
- 7743 (c) Except as the bylaws may otherwise provide, "voting member" includes a
- 7744 "shareholder" if the nonprofit corporation has shareholders.
- 7745 (58) "Water company" means:
- 7746 (a) the same as that term is defined in Subsection 16-4-102(5); or
- 7747 (b) a mutual benefit corporation, when the stock in the mutual benefit corporation
- 7748 represents a right to receive a distribution of water for beneficial use.
- 7749 Section 170. Section **16-6a-203** is amended to read:
- 7750 **16-6a-203 (Effective 05/06/26). Incorporation -- Required filings.**
- 7751 (1) A nonprofit corporation is incorporated, and its corporate existence begins:
- 7752 (a) when the articles of incorporation are filed by the division; or
- 7753 (b) if a delayed effective date is specified as described in Subsection 16-6a-108(2), on
- 7754 the delayed effective date, unless a certificate of withdrawal is filed prior to the
- 7755 delayed effective date.
- 7756 (2) Notwithstanding Subsection 16-6a-110(4), the filing of the articles of incorporation by
- 7757 the division is conclusive proof that all conditions precedent to incorporation have been
- 7758 satisfied, except in a proceeding by the state to:
- 7759 (a) cancel or revoke the incorporation; or
- 7760 (b) involuntarily dissolve the nonprofit corporation.
- 7761 (3) Beginning January 1, 2025, a nonprofit corporation that is a charitable organization,
- 7762 unless exempted by Section [~~13-22-15~~] 13-22-110, shall file with the division the
- 7763 information described by Section [~~13-22-15~~] 13-22-110 in the form described in Section [~~13-22-15~~] 13-22-110.
- 7764
- 7765 Section 171. Section **16-6a-1503** is amended to read:
- 7766 **16-6a-1503 (Effective 05/06/26). Application for authority to conduct affairs.**
- 7767 (1) A foreign nonprofit corporation may apply for authority to conduct affairs in this state
- 7768 by delivering to the division for filing an application for authority to conduct affairs
- 7769 setting forth:
- 7770 (a) its corporate name and its assumed corporate name, if any;
- 7771 (b) the name of the state or country under whose law it is incorporated;
- 7772 (c) its date of incorporation;
- 7773 (d) its period of duration;
- 7774 (e) the street address of its principal office;
- 7775 (f) the information required by Subsection 16-17-203(1);

- 7776 (g) the names and usual business addresses of its current directors and officers;
 7777 (h) the date it commenced or expects to commence conducting affairs in this state; and
 7778 (i) the additional information the division determines is necessary or appropriate to
 7779 determine whether the application for authority to conduct affairs should be filed.
- 7780 (2) With the completed application required by Subsection (1) the foreign nonprofit
 7781 corporation shall deliver to the division for a certificate of existence, or a document of
 7782 similar import that is:
- 7783 (a) authenticated by the division or other official having custody of corporate records in
 7784 the state or country under whose law it is incorporated; and
 7785 (b) dated within 90 days before the day on which the application for authority to conduct
 7786 affairs is filed.
- 7787 (3) The foreign nonprofit corporation shall include in the application for authority to
 7788 conduct affairs, or in an accompanying document, written consent to appointment by its
 7789 designated registered agent.
- 7790 (4) Beginning January 1, 2025, a foreign nonprofit corporation that is a charitable
 7791 organization, unless exempted by Section [~~13-22-15~~] 13-22-110, shall file the
 7792 information described in Section [~~13-22-15~~] 13-22-110 in the form described in Section [
 7793 ~~13-22-15~~] 13-22-110.
- 7794 (5)(a) The division may permit a tribal nonprofit corporation to apply for authority to
 7795 conduct affairs in this state in the same manner as a nonprofit corporation
 7796 incorporated in another state.
- 7797 (b) If a tribal nonprofit corporation elects to apply for authority to conduct affairs in this
 7798 state, for purposes of this chapter, the tribal nonprofit corporation shall be treated in
 7799 the same manner as a foreign nonprofit corporation incorporated under the laws of
 7800 another state.

7801 Section 172. Section **17-70-401** is amended to read:

7802 **17-70-401 (Effective 05/06/26). Definitions.**

7803 As used in this part:

- 7804 (1)(a) "Contribution" means any of the following when done for a political purpose:
- 7805 (i) a gift, subscription, donation, loan, advance, deposit of money, or anything of
 7806 value given to the filing entity;
- 7807 (ii) an express, legally enforceable contract, promise, or agreement to make a gift,
 7808 subscription, donation, unpaid or partially unpaid loan, advance, deposit of
 7809 money, or anything of value to the filing entity;

- 7810 (iii) any transfer of funds from another reporting entity to the filing entity;
- 7811 (iv) compensation paid by any person or reporting entity other than the filing entity
- 7812 for personal services provided without charge to the filing entity;
- 7813 (v) a loan made by a county office candidate or local school board candidate
- 7814 deposited into the county office candidate's or local school board candidate's own
- 7815 campaign account; or
- 7816 (vi) an in-kind contribution.
- 7817 (b) "Contribution" does not include:
- 7818 (i) services provided by an individual volunteering a portion or all of the individual's
- 7819 time on behalf of the filing entity if the services are provided without
- 7820 compensation by the filing entity or any other person;
- 7821 (ii) money lent to the filing entity by a financial institution in the ordinary course of
- 7822 business; or
- 7823 (iii) goods or services provided for the benefit of a county office candidate or local
- 7824 school board candidate at less than fair market value that are not authorized by or
- 7825 coordinated with the county office candidate or the local school board candidate.
- 7826 (2) "County office" means an office described in Section 17-66-102 that is required to be
- 7827 filled by an election.
- 7828 (3) "County office candidate" means an individual who:
- 7829 (a) files a declaration of candidacy for a county office; or
- 7830 (b) receives a contribution, makes an expenditure, or gives consent for any other person
- 7831 to receive a contribution or make an expenditure to bring about the individual's
- 7832 nomination or election to a county office.
- 7833 (4) "County officer" means an individual who holds a county office.
- 7834 (5)(a) Except as provided in Subsection (5)(b), "expenditure" means any of the
- 7835 following made by a reporting entity or an agent of a reporting entity on behalf of the
- 7836 reporting entity:
- 7837 (i) any disbursement from contributions, receipts, or the separate bank account
- 7838 required under Section 17-70-403;
- 7839 (ii) a purchase, payment, donation, distribution, loan, advance, deposit, gift of money,
- 7840 or anything of value made for a political purpose;
- 7841 (iii) an express, legally enforceable contract, promise, or agreement to make any
- 7842 purchase, payment, donation, distribution, loan, advance, deposit, gift of money,
- 7843 or anything of value for a political purpose;

- 7844 (iv) compensation paid by a filing entity for personal services rendered by a person
7845 without charge to a reporting entity;
- 7846 (v) a transfer of funds between the filing entity and a county office candidate's, or a
7847 local school board candidate's, personal campaign committee; or
- 7848 (vi) goods or services provided by the filing entity to or for the benefit of another
7849 reporting entity for a political purpose at less than fair market value.
- 7850 (b) "Expenditure" does not include:
- 7851 (i) services provided without compensation by an individual volunteering a portion or
7852 all of the individual's time on behalf of a reporting entity;
- 7853 (ii) money lent to a reporting entity by a financial institution in the ordinary course of
7854 business; or
- 7855 (iii) anything described in Subsection (5)(a) that is given by a reporting entity to a
7856 candidate or officer in another state.
- 7857 (6) "Filing entity" means:
- 7858 (a) a county office candidate;
- 7859 (b) a county officer;
- 7860 (c) a local school board candidate;
- 7861 (d) a local school board member; or
- 7862 (e) a reporting entity that is required to meet a campaign finance disclosure requirement
7863 adopted by a county in accordance with Section 17-70-403.
- 7864 (7) "In-kind contribution" means anything of value, other than money, that is accepted by or
7865 coordinated with a filing entity.
- 7866 (8) "Local school board candidate" means an individual who:
- 7867 (a) files a declaration of candidacy for local school board; or
- 7868 (b) receives a contribution, makes an expenditure, or gives consent for any other person
7869 to receive a contribution or make an expenditure to bring about the individual's
7870 nomination or election to a local school board.
- 7871 (9)(a) "Personal use expenditure" means an expenditure that:
- 7872 (i)(A) is not excluded from the definition of personal use expenditure by
7873 Subsection (9)(c); and
- 7874 (B) primarily furthers a personal interest of a county office candidate, county
7875 officer, local school board candidate, or a local school board member, or a
7876 member of a county office candidate's, county officer's, local school board
7877 candidate's, or local school board member's family; or

- 7878 (ii) would cause the county office candidate, county officer, local school board
7879 candidate, or local school board member to recognize the expenditure as taxable
7880 income under federal law.
- 7881 (b) "Personal use expenditure" includes:
- 7882 (i) a mortgage, rent, utility, or vehicle payment;
- 7883 (ii) a household food item or supply;
- 7884 (iii) a clothing expense, except:
- 7885 (A) clothing bearing the county office candidate's or local school board
7886 candidate's name or campaign slogan or logo that is used in the county office
7887 candidate's or local school board candidate's campaign;
- 7888 (B) clothing bearing the logo or name of a jurisdiction, district, government
7889 organization, government entity, caucus, or political party that the county
7890 officer or local school board member represents or of which the county officer
7891 or local school board member is a member;
- 7892 (C) repair or replacement of clothing that is damaged while the county office
7893 candidate or county officer is engaged in an activity of a county office
7894 candidate or county officer; or
- 7895 (D) repair or replacement of clothing that is damaged while the local school board
7896 candidate or local school board member is engaged in an activity of a local
7897 school board candidate or local school board member;
- 7898 (iv) admission to a sporting, artistic, or recreational event or other form of
7899 entertainment;
- 7900 (v) dues, fees, or gratuities at a country club, health club, or recreational facility;
- 7901 (vi) a salary payment made to:
- 7902 (A) a county office candidate, county officer, local school board candidate, or
7903 local school board member; or
- 7904 (B) a person who has not provided a bona fide service to a county candidate,
7905 county officer, local school board candidate, or local school board member;
- 7906 (vii) a vacation;
- 7907 (viii) a vehicle expense;
- 7908 (ix) a meal expense;
- 7909 (x) a travel expense;
- 7910 (xi) payment of an administrative, civil, or criminal penalty;
- 7911 (xii) satisfaction of a personal debt;

- 7912 (xiii) a personal service, including the service of an attorney, accountant, physician,
7913 or other professional person;
- 7914 (xiv) a membership fee for a professional or service organization; and
- 7915 (xv) a payment in excess of the fair market value of the item or service purchased.
- 7916 (c) "Personal use expenditure" does not include an expenditure made:
- 7917 (i) for a political purpose;
- 7918 (ii) for candidacy for county office or local school board;
- 7919 (iii) to fulfill a duty or activity of a county officer or local school board member;
- 7920 (iv) for a donation to a registered political party;
- 7921 (v) for a contribution to another candidate's campaign account, including sponsorship
7922 of or attendance at an event, the primary purpose of which is to solicit a
7923 contribution for another candidate's campaign account;
- 7924 (vi) to return all or a portion of a contribution to a contributor;
- 7925 (vii) for the following items, if made in connection with the candidacy for county
7926 office or local school board, or an activity or duty of a county officer or local
7927 school board member:
- 7928 (A) a mileage allowance at the rate established by the political subdivision that
7929 provides the mileage allowance;
- 7930 (B) for motor fuel or special fuel, as defined in Section 59-13-102;
- 7931 (C) a meal expense;
- 7932 (D) a travel expense, including an expense incurred for airfare or a rental vehicle;
- 7933 (E) a payment for a service provided by an attorney or accountant;
- 7934 (F) a tuition payment or registration fee for participation in a meeting or
7935 conference;
- 7936 (G) a gift;
- 7937 (H) a payment for rent, utilities, a supply, or furnishings, in connection with an
7938 office space;
- 7939 (I) a booth at a meeting or event; or
- 7940 (J) educational material;
- 7941 (viii) to purchase or mail informational material, a survey, or a greeting card;
- 7942 (ix) for a donation to a charitable organization, as defined in Section [~~13-22-2~~
7943 13-22-101, including admission to or sponsorship of an event, the primary
7944 purpose of which is charitable solicitation, as defined in Section [~~13-22-2~~
7945 13-22-101;

- 7946 (x) to repay a loan a county office candidate or local school board candidate makes
 7947 from the candidate's personal account to the candidate's campaign account;
- 7948 (xi) to pay membership dues to a national organization whose primary purpose is to
 7949 address general public policy;
- 7950 (xii) for admission to or sponsorship of an event, the primary purpose of which is to
 7951 promote the social, educational, or economic well-being of the state or the county
 7952 candidate's, county officer's, local school board candidate's, or local school board
 7953 member's community;
- 7954 (xiii) for one or more guests of a county office candidate, county officer, local school
 7955 board candidate, or local school board member to attend an event, meeting, or
 7956 conference described in this Subsection (9)(c);
- 7957 (xiv) that is connected with the performance of an activity as a county office
 7958 candidate or local school board member, or an activity or duty of a county officer
 7959 or local school board member; or
- 7960 (xv) to pay childcare expenses of:
- 7961 (A) a candidate while the candidate is engaging in campaign activity; or
 7962 (B) an officeholder while the officeholder is engaging in the duties of an
 7963 officeholder.
- 7964 (10) "Political purpose" means an act done with the intent or in a way to influence or tend
 7965 to influence, directly or indirectly, any person to refrain from voting or to vote for or
 7966 against any candidate or a person seeking an office at any caucus, political convention,
 7967 or election.
- 7968 (11) "Reporting entity":
- 7969 (a) means the same as that term is defined in Section 20A-11-101; and
 7970 (b) includes a county office candidate, a county office candidate's personal campaign
 7971 committee, a county officer, a local school board candidate, a local school board
 7972 candidate's personal campaign committee, and a local school board member.
- 7973 Section 173. Section **20A-11-104** is amended to read:
- 7974 **20A-11-104 (Effective 05/06/26). Personal use expenditure -- Authorized and**
 7975 **prohibited uses of campaign funds -- Enforcement -- Penalties.**
- 7976 (1)(a) As used in this chapter, "personal use expenditure" means an expenditure that:
- 7977 (i)(A) is not excluded from the definition of personal use expenditure by
 7978 Subsection (2); and
 7979 (B) primarily furthers a personal interest of a candidate or officeholder or a

- 7980 candidate's or officeholder's family, which interest is not connected with the
 7981 performance of an activity as a candidate or an activity or duty of an
 7982 officeholder; or
- 7983 (ii) would likely cause the candidate or officeholder to recognize the expenditure as
 7984 taxable income under federal or state law.
- 7985 (b) "Personal use expenditure" includes:
- 7986 (i) a mortgage, rent, utility, or vehicle payment;
- 7987 (ii) a household food item or supply;
- 7988 (iii) a clothing expense, except:
- 7989 (A) clothing bearing the candidate's name or campaign slogan or logo that is used
 7990 in the candidate's campaign;
- 7991 (B) clothing bearing the logo or name of a jurisdiction, district, government
 7992 organization, government entity, caucus, or political party that the officeholder
 7993 represents or of which the officeholder is a member; or
- 7994 (C) repair or replacement of clothing that is damaged while the candidate or
 7995 officeholder is engaged in an activity of a candidate or officeholder;
- 7996 (iv) an admission to a sporting, artistic, or recreational event or other form of
 7997 entertainment;
- 7998 (v) dues, fees, or gratuities at a country club, health club, or recreational facility;
- 7999 (vi) a salary payment made to:
- 8000 (A) a candidate or officeholder; or
- 8001 (B) a person who has not provided a bona fide service to a candidate or
 8002 officeholder;
- 8003 (vii) a vacation;
- 8004 (viii) a vehicle expense;
- 8005 (ix) a meal expense;
- 8006 (x) a travel expense;
- 8007 (xi) a payment of an administrative, civil, or criminal penalty;
- 8008 (xii) a satisfaction of a personal debt;
- 8009 (xiii) a personal service, including the service of an attorney, accountant, physician,
 8010 or other professional person;
- 8011 (xiv) a membership fee for a professional or service organization; and
- 8012 (xv) a payment in excess of the fair market value of the item or service purchased.
- 8013 (2) As used in this chapter, "personal use expenditure" does not include an expenditure

- 8014 made:
- 8015 (a) for a political purpose;
- 8016 (b) for candidacy for public office;
- 8017 (c) to fulfill a duty or activity of an officeholder;
- 8018 (d) for a donation to a registered political party;
- 8019 (e) for a contribution to another candidate's campaign account, including sponsorship of
- 8020 or attendance at an event, the primary purpose of which is to solicit a contribution for
- 8021 another candidate's campaign account;
- 8022 (f) to return all or a portion of a contribution to a contributor;
- 8023 (g) for the following items, if made in connection with the candidacy for public office or
- 8024 an activity or duty of an officeholder:
- 8025 (i)(A) a mileage allowance at the rate established by the Division of Finance under
- 8026 Section 63A-3-107; or
- 8027 (B) for motor fuel or special fuel, as defined in Section 59-13-102;
- 8028 (ii) a food expense, including food or beverages:
- 8029 (A) served at a campaign event;
- 8030 (B) served at a charitable event;
- 8031 (C) consumed, or provided to others, by a candidate while the candidate is
- 8032 engaged in campaigning;
- 8033 (D) consumed, or provided to others, by an officeholder while the officeholder is
- 8034 acting in the capacity of an officeholder; or
- 8035 (E) provided as a gift to an individual who works on a candidate's campaign or
- 8036 who assists an officeholder in the officeholder's capacity as an officeholder;
- 8037 (iii) a travel expense of a candidate, if the primary purpose of the travel is related to
- 8038 the candidate's campaign, including airfare, car rental, other transportation, hotel,
- 8039 or other expenses incidental to the travel;
- 8040 (iv) a travel expense of an individual assisting a candidate, if the primary purpose of
- 8041 the travel by the individual is to assist the candidate with the candidate's
- 8042 campaign, including an expense described in Subsection (2)(g)(iii);
- 8043 (v) a travel expense of an officeholder, if the primary purpose of the travel is related
- 8044 to an activity or duty of the officeholder, including an expense described in
- 8045 Subsection (2)(g)(iii);
- 8046 (vi) a travel expense of an individual assisting an officeholder, if the primary purpose
- 8047 of the travel by the individual is to assist the officeholder in an activity or duty of

- 8048 an officeholder, including an expense described in Subsection (2)(g)(iii);
- 8049 (vii) a payment for a service provided by an attorney or accountant;
- 8050 (viii) a tuition payment or registration fee for participation in a meeting or conference;
- 8051 (ix) a gift;
- 8052 (x) a payment for the following items in connection with an office space:
- 8053 (A) rent;
- 8054 (B) utilities;
- 8055 (C) a supply; or
- 8056 (D) furnishing;
- 8057 (xi) a booth at a meeting or event;
- 8058 (xii) educational material; or
- 8059 (xiii) an item purchased for a purpose related to a campaign or to an activity or duty
- 8060 of an officeholder;
- 8061 (h) to purchase or mail informational material, a survey, or a greeting card;
- 8062 (i) for a donation to a charitable organization, as defined by Section [~~13-22-2~~] 13-22-101,
- 8063 including admission to or sponsorship of an event, the primary purpose of which is
- 8064 charitable solicitation, as defined in Section [~~13-22-2~~] 13-22-101;
- 8065 (j) to repay a loan a candidate makes from the candidate's personal account to the
- 8066 candidate's campaign account;
- 8067 (k) to pay membership dues to a national organization whose primary purpose is to
- 8068 address general public policy;
- 8069 (l) for admission to or sponsorship of an event, the primary purpose of which is to
- 8070 promote the social, educational, or economic well-being of the state or the candidate's
- 8071 or officeholder's community;
- 8072 (m) for one or more guests of an officeholder or candidate to attend an event, meeting,
- 8073 or conference described in this Subsection (2), including related travel expenses and
- 8074 other expenses, if attendance by the guest is for a primary purpose described in
- 8075 Subsection (2)(g)(iv) or (vi); or
- 8076 (n) to pay childcare expenses of:
- 8077 (i) a candidate while the candidate is engaging in campaign activity; or
- 8078 (ii) an officeholder while the officeholder is engaging in the duties of an officeholder.
- 8079 (3)(a) The lieutenant governor shall enforce this chapter prohibiting a personal use
- 8080 expenditure by:
- 8081 (i) evaluating a financial statement to identify a personal use expenditure; and

8082 (ii) commencing an informal adjudicative proceeding in accordance with Title 63G,
 8083 Chapter 4, Administrative Procedures Act, if the lieutenant governor has probable
 8084 cause to believe a candidate or officeholder has made a personal use expenditure.

8085 (b) Following the proceeding, the lieutenant governor may issue a signed order requiring
 8086 a candidate or officeholder who has made a personal use expenditure to:

8087 (i) remit an administrative penalty of an amount equal to 50% of the personal use
 8088 expenditure to the lieutenant governor; and

8089 (ii) deposit the amount of the personal use expenditure in the campaign account from
 8090 which the personal use expenditure was disbursed.

8091 (c) The lieutenant governor shall deposit money received under Subsection (3)(b)(i) [~~in~~]
 8092 into the General Fund.

8093 Section 174. Section **36-11-102** is amended to read:

8094 **36-11-102 (Effective 05/06/26). Definitions.**

8095 As used in this chapter:

8096 (1) "Aggregate daily expenditures" means:

8097 (a) for a single lobbyist, principal, or government officer, the total of all expenditures
 8098 made within a calendar day by the lobbyist, principal, or government officer for the
 8099 benefit of an individual public official;

8100 (b) for an expenditure made by a member of a lobbyist group, the total of all
 8101 expenditures made within a calendar day by every member of the lobbyist group for
 8102 the benefit of an individual public official; or

8103 (c) for a multiclient lobbyist, the total of all expenditures made by the multiclient
 8104 lobbyist within a calendar day for the benefit of an individual public official,
 8105 regardless of whether the expenditures were attributed to different clients.

8106 (2) "Approved activity" means an event, a tour, or a meeting:

8107 (a)(i) to which a legislator or another nonexecutive branch public official is invited;

8108 and

8109 (ii) attendance at which is approved by:

8110 (A) the speaker of the House of Representatives, if the public official is a member
 8111 of the House of Representatives or another nonexecutive branch public official;

8112 or

8113 (B) the president of the Senate, if the public official is a member of the Senate or
 8114 another nonexecutive branch public official; or

8115 (b)(i) to which a public official who holds a position in the executive branch of state

- 8116 government is invited; and
- 8117 (ii) attendance at which is approved by the governor or the lieutenant governor.
- 8118 (3) "Board of education" means:
- 8119 (a) a local school board described in Title 53G, Chapter 4, School Districts;
- 8120 (b) the State Board of Education;
- 8121 (c) the State Charter School Board created under Section 53G-5-201; or
- 8122 (d) a charter school governing board described in Title 53G, Chapter 5, Charter Schools.
- 8123 (4) "Capitol hill complex" means capitol hill, as defined in Section 63O-1-101.
- 8124 (5)(a) "Compensation" means anything of economic value, however designated, that is
- 8125 paid, loaned, granted, given, donated, or transferred to an individual for the provision
- 8126 of services or ownership before any withholding required by federal or state law.
- 8127 (b) "Compensation" includes:
- 8128 (i) a salary or commission;
- 8129 (ii) a bonus;
- 8130 (iii) a benefit;
- 8131 (iv) a contribution to a retirement program or account;
- 8132 (v) a payment includable in gross income, as defined in Section 62, Internal Revenue
- 8133 Code, and subject to social security deductions, including a payment in excess of
- 8134 the maximum amount subject to deduction under social security law;
- 8135 (vi) an amount that the individual authorizes to be deducted or reduced for salary
- 8136 deferral or other benefits authorized by federal law; or
- 8137 (vii) income based on an individual's ownership interest.
- 8138 (6) "Compensation payor" means a person who pays compensation to a public official in
- 8139 the ordinary course of business:
- 8140 (a) because of the public official's ownership interest in the compensation payor; or
- 8141 (b) for services rendered by the public official on behalf of the compensation payor.
- 8142 (7) "Education action" means:
- 8143 (a) a resolution, policy, or other official action for consideration by a board of education;
- 8144 (b) a nomination or appointment by an education official or a board of education;
- 8145 (c) a vote on an administrative action taken by a vote of a board of education;
- 8146 (d) an adjudicative proceeding over which an education official has direct or indirect
- 8147 control;
- 8148 (e) a purchasing or contracting decision;
- 8149 (f) drafting or making a policy, resolution, or rule;

- 8150 (g) determining a rate or fee; or
8151 (h) making an adjudicative decision.
- 8152 (8) "Education official" means:
- 8153 (a) a member of a board of education;
8154 (b) an individual appointed to or employed in a position under a board of education, if
8155 that individual:
- 8156 (i) occupies a policymaking position or makes purchasing or contracting decisions;
8157 (ii) drafts resolutions or policies or drafts or makes rules;
8158 (iii) determines rates or fees;
8159 (iv) makes decisions relating to an education budget or the expenditure of public
8160 money; or
8161 (v) makes adjudicative decisions; or
8162 (c) an immediate family member of an individual described in Subsection (8)(a) or (b).
- 8163 (9) "Event" means entertainment, a performance, a contest, or a recreational activity that an
8164 individual participates in or is a spectator at, including a sporting event, an artistic event,
8165 a play, a movie, dancing, or singing.
- 8166 (10) "Executive action" means:
- 8167 (a) a nomination or appointment by the governor;
8168 (b) the proposal, drafting, amendment, enactment, or defeat by a state agency of a rule
8169 made in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act;
8170 (c) agency ratemaking proceedings; or
8171 (d) an adjudicative proceeding of a state agency.
- 8172 (11)(a) "Expenditure" means any of the items listed in this Subsection (11)(a) when
8173 given to or for the benefit of a public official unless consideration of equal or greater
8174 value is received:
- 8175 (i) a purchase, payment, or distribution;
8176 (ii) a loan, gift, or advance;
8177 (iii) a deposit, subscription, or forbearance;
8178 (iv) services or goods;
8179 (v) money;
8180 (vi) real property;
8181 (vii) a ticket or admission to an event; or
8182 (viii) a contract, promise, or agreement, whether or not legally enforceable, to
8183 provide any item listed in Subsections (11)(a)(i) through (vii).

- 8184 (b) "Expenditure" does not mean:
- 8185 (i) a commercially reasonable loan made in the ordinary course of business;
- 8186 (ii) a campaign contribution:
- 8187 (A) reported in accordance with Title 20A, Chapter 11, Campaign and Financial
- 8188 Reporting Requirements, Section 10-3-208, Section 17-70-403, or any
- 8189 applicable ordinance adopted under Subsection 10-3-208(7) or 17-70-403(1); or
- 8190 (B) lawfully given to a person that is not required to report the contribution under
- 8191 a law or ordinance described in Subsection (11)(b)(ii)(A);
- 8192 (iii) printed informational material that is related to the performance of the recipient's
- 8193 official duties;
- 8194 (iv) a devise or inheritance;
- 8195 (v) any item listed in Subsection (11)(a) if:
- 8196 (A) given by a relative;
- 8197 (B) given by a compensation payor for a purpose solely unrelated to the public
- 8198 official's position as a public official;
- 8199 (C) the item is food or beverage with a value that does not exceed the food
- 8200 reimbursement rate, and the aggregate daily expenditures for food and
- 8201 beverage do not exceed the food reimbursement rate; or
- 8202 (D) the item is not food or beverage, has a value of less than \$10, and the
- 8203 aggregate daily expenditures do not exceed \$10;
- 8204 (vi) food or beverage that is provided at an event, a tour, or a meeting to which the
- 8205 following are invited:
- 8206 (A) all members of the Legislature;
- 8207 (B) all members of a standing or interim committee;
- 8208 (C) all members of an official legislative task force;
- 8209 (D) all members of a party caucus; or
- 8210 (E) all members of a group described in Subsections (11)(b)(vi)(A) through (D)
- 8211 who are attending a meeting of a national organization whose primary purpose
- 8212 is addressing general legislative policy;
- 8213 (vii) food or beverage that is provided at an event, a tour, or a meeting to a public
- 8214 official who is:
- 8215 (A) giving a speech at the event, tour, or meeting;
- 8216 (B) participating in a panel discussion at the event, tour, or meeting; or
- 8217 (C) presenting or receiving an award at the event, tour, or meeting;

- 8218 (viii) a plaque, commendation, or award that:
- 8219 (A) is presented in public; and
- 8220 (B) has the name of the individual receiving the plaque, commendation, or award
- 8221 inscribed, etched, printed, or otherwise permanently marked on the plaque,
- 8222 commendation, or award;
- 8223 (ix) a gift that:
- 8224 (A) is an item that is not consumable and not perishable;
- 8225 (B) a public official, other than a local official or an education official, accepts on
- 8226 behalf of the state;
- 8227 (C) the public official promptly remits to the state;
- 8228 (D) a property administrator does not reject under Section 63G-23-103;
- 8229 (E) does not constitute a direct benefit to the public official before or after the
- 8230 public official remits the gift to the state; and
- 8231 (F) after being remitted to the state, is not transferred, divided, distributed, or used
- 8232 to distribute a gift or benefit to one or more public officials in a manner that
- 8233 would otherwise qualify the gift as an expenditure if the gift were given
- 8234 directly to a public official;
- 8235 (x) any of the following with a cash value not exceeding \$30:
- 8236 (A) a publication; or
- 8237 (B) a commemorative item;
- 8238 (xi) admission to or attendance at an event, a tour, or a meeting, the primary purpose
- 8239 of which is:
- 8240 (A) to solicit a contribution that is reportable under Title 20A, Chapter 11,
- 8241 Campaign and Financial Reporting Requirements, 2 U.S.C. Sec. 434, Section
- 8242 10-3-208, Section 17-70-403, or an applicable ordinance adopted under
- 8243 Subsection 10-3-208(7) or 17-70-403(1);
- 8244 (B) to solicit a campaign contribution that a person is not required to report under
- 8245 a law or ordinance described in Subsection (11)(b)(xi)(A); or
- 8246 (C) charitable solicitation, as defined in Section ~~[13-22-2]~~ 13-22-101;
- 8247 (xii) travel to, lodging at, food or beverage served at, and admission to an approved
- 8248 activity;
- 8249 (xiii) sponsorship of an approved activity;
- 8250 (xiv) notwithstanding Subsection (11)(a)(vii), admission to, attendance at, or travel to
- 8251 or from an event, a tour, or a meeting;

- 8252 (A) that is sponsored by a governmental entity;
- 8253 (B) that is widely attended and related to a governmental duty of a public official;
- 8254 (C) for a local official, that is sponsored by an organization that represents only
- 8255 local governments, including the Utah Association of Counties, the Utah
- 8256 League of Cities and Towns, or the Utah Association of Special Districts; or
- 8257 (D) for an education official, that is sponsored by a public school, a charter
- 8258 school, or an organization that represents only public schools or charter
- 8259 schools, including the Utah Association of Public Charter Schools, the Utah
- 8260 School Boards Association, or the Utah School Superintendents Association; or
- 8261 (xv) travel to a widely attended tour or meeting related to a governmental duty of a
- 8262 public official if that travel results in a financial savings to:
- 8263 (A) for a public official who is not a local official or an education official, the
- 8264 state; or
- 8265 (B) for a public official who is a local official or an education official, the local
- 8266 government or board of education to which the public official belongs.
- 8267 (12) "Food reimbursement rate" means the total amount set by the director of the Division
- 8268 of Finance, by rule, under Section 63A-3-107, for in-state meal reimbursement, for an
- 8269 employee of the executive branch, for an entire day.
- 8270 (13)(a) "Foreign agent" means an individual who engages in lobbying under contract
- 8271 with a foreign government.
- 8272 (b) "Foreign agent" does not include an individual who is recognized by the United
- 8273 States Department of State as a duly accredited diplomatic or consular officer of a
- 8274 foreign government, including a duly accredited honorary consul.
- 8275 (14) "Foreign government" means a government other than the government of:
- 8276 (a) the United States;
- 8277 (b) a state within the United States;
- 8278 (c) a territory or possession of the United States; or
- 8279 (d) a political subdivision of the United States.
- 8280 (15)(a) "Government officer" means:
- 8281 (i) an individual elected to a position in state or local government, when acting in the
- 8282 capacity of the state or local government position;
- 8283 (ii) an individual elected to a board of education, when acting in the capacity of a
- 8284 member of a board of education;
- 8285 (iii) an individual appointed to fill a vacancy in a position described in Subsection

- 8286 (15)(a)(i) or (ii), when acting in the capacity of the position; or
8287 (iv) an individual appointed to or employed in a full-time position by state
8288 government, local government, or a board of education, when acting in the
8289 capacity of the individual's appointment or employment.
- 8290 (b) "Government officer" does not mean a member of the legislative branch of state
8291 government.
- 8292 (16) "Immediate family" means:
- 8293 (a) a spouse;
8294 (b) a child residing in the household; or
8295 (c) an individual claimed as a dependent for tax purposes.
- 8296 (17) "Legislative action" means:
- 8297 (a) a bill, resolution, amendment, nomination, veto override, or other matter pending or
8298 proposed in either house of the Legislature or its committees or requested by a
8299 legislator; and
8300 (b) the action of the governor in approving or vetoing legislation.
- 8301 (18) "Lobbying" means communicating with a public official for the purpose of influencing
8302 a legislative action, executive action, local action, or education action.
- 8303 (19)(a) "Lobbyist" means:
- 8304 (i) an individual who is employed by a principal; or
8305 (ii) an individual who contracts for economic consideration, other than
8306 reimbursement for reasonable travel expenses, with a principal to lobby a public
8307 official.
- 8308 (b) "Lobbyist" does not include:
- 8309 (i) a government officer;
8310 (ii) a member or employee of the legislative branch of state government;
8311 (iii) a person, including a principal, while appearing at, or providing written
8312 comments to, a hearing conducted in accordance with Title 63G, Chapter 3, Utah
8313 Administrative Rulemaking Act, or Title 63G, Chapter 4, Administrative
8314 Procedures Act;
8315 (iv) a person participating on or appearing before an advisory or study task force,
8316 commission, board, or committee, constituted by the Legislature, a local
8317 government, a board of education, or any agency or department of state
8318 government, except legislative standing, appropriation, or interim committees;
8319 (v) a representative of a political party;

- 8320 (vi) an individual representing a bona fide church solely for the purpose of protecting
 8321 the right to practice the religious doctrines of the church, unless the individual or
 8322 church makes an expenditure that confers a benefit on a public official;
- 8323 (vii) a newspaper, television station or network, radio station or network, periodical
 8324 of general circulation, or book publisher for the purpose of publishing news items,
 8325 editorials, other comments, or paid advertisements that directly or indirectly urge
 8326 legislative action, executive action, local action, or education action;
- 8327 (viii) an individual who appears on the individual's own behalf before a committee of
 8328 the Legislature, an agency of the executive branch of state government, a board of
 8329 education, the governing body of a local government, a committee of a local
 8330 government, or a committee of a board of education, solely for the purpose of
 8331 testifying in support of or in opposition to legislative action, executive action,
 8332 local action, or education action; or
- 8333 (ix) an individual representing a business, entity, or industry, who:
- 8334 (A) interacts with a public official, in the public official's capacity as a public
 8335 official, while accompanied by a registered lobbyist who is lobbying in relation
 8336 to the subject of the interaction or while presenting at a legislative committee
 8337 meeting at the same time that the registered lobbyist is attending another
 8338 legislative committee meeting; and
- 8339 (B) does not make an expenditure for, or on behalf of, a public official in relation
 8340 to the interaction or during the period of interaction.
- 8341 (20) "Lobbyist group" means two or more lobbyists, principals, government officers, or any
 8342 combination of lobbyists, principals, and government officers, who each contribute a
 8343 portion of an expenditure made to benefit a public official or member of the public
 8344 official's immediate family.
- 8345 (21) "Local action" means:
- 8346 (a) an ordinance or resolution for consideration by a local government;
- 8347 (b) a nomination or appointment by a local official or a local government;
- 8348 (c) a vote on an administrative action taken by a vote of a local government's legislative
 8349 body;
- 8350 (d) an adjudicative proceeding over which a local official has direct or indirect control;
- 8351 (e) a purchasing or contracting decision;
- 8352 (f) drafting or making a policy, resolution, or rule;
- 8353 (g) determining a rate or fee; or

- 8354 (h) making an adjudicative decision.
- 8355 (22) "Local government" means:
- 8356 (a) a county, city, or town;
- 8357 (b) a special district governed by Title 17B, Limited Purpose Local Government Entities
- 8358 - Special Districts;
- 8359 (c) a special service district governed by Title 17D, Chapter 1, Special Service District
- 8360 Act;
- 8361 (d) a community reinvestment agency governed by Title 17C, Limited Purpose Local
- 8362 Government Entities - Community Reinvestment Agency Act;
- 8363 (e) a conservation district governed by Title 17D, Chapter 3, Conservation District Act;
- 8364 (f) a redevelopment agency; or
- 8365 (g) an interlocal entity or a joint cooperative undertaking governed by Title 11, Chapter
- 8366 13, Interlocal Cooperation Act.
- 8367 (23) "Local official" means:
- 8368 (a) an elected member of a local government;
- 8369 (b) an individual appointed to or employed in a position in a local government if that
- 8370 individual:
- 8371 (i) occupies a policymaking position or makes purchasing or contracting decisions;
- 8372 (ii) drafts ordinances or resolutions or drafts or makes rules;
- 8373 (iii) determines rates or fees; or
- 8374 (iv) makes adjudicative decisions; or
- 8375 (c) an immediate family member of an individual described in Subsection (23)(a) or (b).
- 8376 (24) "Meeting" means a gathering of people to discuss an issue, receive instruction, or make
- 8377 a decision, including a conference, seminar, or summit.
- 8378 (25) "Multiclient lobbyist" means a single lobbyist, principal, or government officer who
- 8379 represents two or more clients and divides the aggregate daily expenditure made to
- 8380 benefit a public official or member of the public official's immediate family between
- 8381 two or more of those clients.
- 8382 (26) "Principal" means a person that employs an individual to perform lobbying, either as
- 8383 an employee or as an independent contractor.
- 8384 (27) "Public official" means:
- 8385 (a)(i) a member of the Legislature;
- 8386 (ii) an individual elected to a position in the executive branch of state government; or
- 8387 (iii) an individual appointed to or employed in a position in the executive or

- 8388 legislative branch of state government if that individual:
- 8389 (A) occupies a policymaking position or makes purchasing or contracting
- 8390 decisions;
- 8391 (B) drafts legislation or makes rules;
- 8392 (C) determines rates or fees; or
- 8393 (D) makes adjudicative decisions;
- 8394 (b) an immediate family member of a person described in Subsection (27)(a);
- 8395 (c) a local official; or
- 8396 (d) an education official.
- 8397 (28) "Public official type" means a notation to identify whether a public official is:
- 8398 (a)(i) a member of the Legislature;
- 8399 (ii) an individual elected to a position in the executive branch of state government;
- 8400 (iii) an individual appointed to or employed in a position in the legislative branch of
- 8401 state government who meets the definition of public official under Subsection
- 8402 (27)(a)(iii);
- 8403 (iv) an individual appointed to or employed in a position in the executive branch of
- 8404 state government who meets the definition of public official under Subsection
- 8405 (27)(a)(iii);
- 8406 (v) a local official, including a description of the type of local government for which
- 8407 the individual is a local official; or
- 8408 (vi) an education official, including a description of the type of board of education for
- 8409 which the individual is an education official; or
- 8410 (b) an immediate family member of an individual described in Subsection (27)(a), (c), or
- 8411 (d).
- 8412 (29) "Quarterly reporting period" means the three-month period covered by each financial
- 8413 report required under Subsection 36-11-201(2)(a).
- 8414 (30) "Related person" means a person, agent, or employee who knowingly and intentionally
- 8415 assists a lobbyist, principal, or government officer in lobbying.
- 8416 (31) "Relative" means:
- 8417 (a) a spouse;
- 8418 (b) a child, parent, grandparent, grandchild, brother, sister, parent-in-law, brother-in-law,
- 8419 sister-in-law, nephew, niece, aunt, uncle, or first cousin; or
- 8420 (c) a spouse of an individual described in Subsection (31)(b).
- 8421 (32) "Tour" means visiting a location, for a purpose relating to the duties of a public

- 8422 official, and not primarily for entertainment, including:
- 8423 (a) viewing a facility;
- 8424 (b) viewing the sight of a natural disaster; or
- 8425 (c) assessing a circumstance in relation to which a public official may need to take
- 8426 action within the scope of the public official's duties.

8427 Section 175. Section **51-9-801** is amended to read:

8428 **51-9-801 (Effective 05/06/26). Opioid Litigation Proceeds Fund.**

8429 (1) As used in this section:

8430 (a) "Fund" means the Opioid Litigation Proceeds Fund created in this section.

8431 (b)(i) "Principal" means money deposited into the fund in accordance with this

8432 section.

8433 (ii) "Principal" does not include:

8434 (A) earnings credited to the fund, including interest and dividends; or

8435 (B) up to \$21 million of money described in Subsection (4) that the Legislature

8436 allocated through July 1, 2026, to be spent for various purposes through June

8437 30, 2027.

8438 (2) There is created the Opioid Litigation Proceeds Fund.

8439 (3) The fund consists of:

8440 (a) any money deposited into the fund in accordance with Subsection (4);

8441 (b) interest and dividends earned on money in the fund; and

8442 (c) money appropriated to the fund by the Legislature.

8443 (4) Notwithstanding Sections [~~13-2-8~~] 13-2-109 and 67-5-40, after reimbursement to the

8444 attorney general and the Department of Commerce for expenses related to the matters

8445 described in Subsection (4)(a) or (b), the following shall be deposited into the fund:

8446 (a) all money received by the attorney general or the Department of Commerce as a

8447 result of any judgment, settlement, or compromise of claims pertaining to alleged

8448 violations of law related to the manufacture, marketing, distribution, or sale of

8449 opioids from a case designated as an opioid case by the attorney general in a legal

8450 services contract; and

8451 (b) all money received by the attorney general or the Department of Commerce as a

8452 result of any multistate judgment, settlement, or compromise of claims pertaining to

8453 alleged violations of law related to the manufacture, marketing, distribution, or sale

8454 of opioids.

8455 (5) The state treasurer shall:

- 8456 (a) invest the money in the fund:
- 8457 (i) for the benefit of the people of the state in perpetuity; and
- 8458 (ii) with the following goals, in order of priority:
- 8459 (A) providing for growth of the principal; and
- 8460 (B) fund stability; and
- 8461 (b) invest and manage fund money as a prudent investor would by:
- 8462 (i) considering the purpose, terms, distribution requirements, and other circumstances
- 8463 of the fund; and
- 8464 (ii) exercising reasonable care, skill, and caution in order to meet the standard of care
- 8465 of a prudent investor.
- 8466 (6) The state treasurer may deduct any administrative costs incurred by managing the fund
- 8467 from earnings generated by investments in the fund.
- 8468 (7)(a) The Legislature may not appropriate principal from the fund.
- 8469 (b) Subject to appropriation by the Legislature, money in the account other than
- 8470 principal shall be used:
- 8471 (i) to address the effects of alleged violations of law related to the manufacture,
- 8472 marketing, distribution, or sale of opioids; or
- 8473 (ii) if applicable, in accordance with the terms of a settlement agreement described in
- 8474 Subsection (4)(a) or (b) entered into by the state.
- 8475 Section 176. Section **54-8b-18** is amended to read:
- 8476 **54-8b-18 (Effective 05/06/26). Definitions -- Unauthorized change of**
- 8477 **telecommunications provider -- Unauthorized charges -- Procedures for verification --**
- 8478 **Penalties -- Authority of commission.**
- 8479 (1) For purposes of this section:
- 8480 (a) "Agents" includes any person, firm, or corporation representing a
- 8481 telecommunications corporation for purposes of requesting a change in a subscriber's
- 8482 telecommunications provider, but does not include a local service provider when
- 8483 executing a request submitted by another service provider or [its] another service
- 8484 provider's agents.
- 8485 (b) "Freeze" means a directive from a subscriber to retain the provider of public
- 8486 telecommunications services selected by the subscriber until the subscriber provides
- 8487 authorization for a change to another provider of public telecommunications services
- 8488 through any means by which a freeze is implemented.
- 8489 (c) "Small commercial subscriber" is a person or entity conducting a business,

8490 agriculture, or other enterprise in the state having less than five telecommunications
8491 lines.

8492 (d) "Subscriber" means a corporation, person, or government, or a person acting legally
8493 on behalf of a corporation, person, or government who has purchased public
8494 telecommunications services from a telecommunications corporation.

8495 (2) No telecommunications corporation or [its] the telecommunications corporation's agents
8496 shall make any change or authorize a different telecommunications corporation to make
8497 any change in the provider of any public telecommunications service to a subscriber
8498 unless it complies, at a minimum, with Subsections (2)(a) through (e).[-] This Subsection
8499 (2) does not apply to a telecommunications corporation that effectuates a change in
8500 service provider [~~pursuant to~~] in accordance with a change authorization submitted or
8501 requested by another telecommunications corporation.

8502 (a) The telecommunications corporation or [its] the telecommunications corporation's
8503 agents shall, at a minimum, inform the subscriber of the nature, extent, and rates of
8504 the service being offered and any charges associated with the change.

8505 (b) Notwithstanding Section [~~13-26-4~~] 13-26-104, changes in provider of
8506 telecommunication service accomplished through telephone solicitation shall comply
8507 with the Telephone Fraud Prevention Act, Sections [~~13-26-2~~] 13-26-101, [~~13-26-8~~]
8508 13-26-106, [~~13-26-10~~] 13-26-107, and [~~13-26-11~~] 13-26-108.

8509 (c) For sales of residential service or small commercial subscriber service, the
8510 telecommunications corporation or [its] the telecommunications corporation's agents
8511 shall confirm that the subscriber is aware of any charges that the subscriber must pay
8512 associated with the change and that the subscriber authorizes the change of provider.
8513 The subscriber's authorization to change the provider shall be confirmed by any one
8514 of the following methods:

8515 (i) obtaining the subscriber's written authorization;

8516 (ii) having the subscriber's oral authorization verified by an independent third party;
8517 or

8518 (iii) any means provided by rule of the Federal Communications Commission or the
8519 commission.

8520 (d) If the subscriber is not an individual, an authorization shall be valid only if given by
8521 an authorized representative of the subscriber.

8522 (e)(i) The written authorization to change the provider shall be signed by the
8523 subscriber and shall contain a clear, conspicuous, and unequivocal request by the

- 8524 subscriber for a change of telecommunications provider.
- 8525 (ii) A written authorization is not valid if it is presented to the subscriber for signature
- 8526 in connection with a sweepstakes, game of chance, or any other means prohibited
- 8527 by commission rule.
- 8528 (iii) Nothing in this section shall be construed to prohibit any person from offering a
- 8529 premium, incentive, or a thing of value to another as consideration for authorizing
- 8530 a change of telecommunications service provider, provided that no element of
- 8531 chance or skill is associated with the offer of the premium, incentive, or thing of
- 8532 value or its receipt.
- 8533 (3) The confirmation by a third-party verifier shall, at a minimum:
- 8534 (a) confirm the subscriber's identity with information unique to the customer, unless the
- 8535 customer refuses to provide identifying information, then that fact shall be noted;
- 8536 (b) confirm that the subscriber agrees to the requested change in telecommunications
- 8537 service providers; and
- 8538 (c) confirm that the subscriber has the authority to select the provider as the provider of
- 8539 that service.
- 8540 (4) A third-party verifier shall meet each of the following criteria:
- 8541 (a) any criteria for third-party verifiers set by the Federal Communications Commission;
- 8542 (b) not be directly or indirectly managed, controlled, directed, or owned wholly or in
- 8543 part:
- 8544 (i) by the telecommunications corporation or [its] the telecommunications
- 8545 corporation's agents that seek to provide the telecommunications service or by any
- 8546 corporation, firm, or person who directly or indirectly manages, controls, directs,
- 8547 or owns more than 5% of the telecommunications corporation; or
- 8548 (ii) by the marketing entity that seeks to market the telecommunications service or by
- 8549 any corporation, firm, or person who directly or indirectly manages, controls,
- 8550 directs, or owns more than 5% of the marketing entity;
- 8551 (c) operate from facilities physically separated from:
- 8552 (i) those of the telecommunications corporation or its agents that seek to provide the
- 8553 subscriber's telecommunications service; or
- 8554 (ii) those of the marketing entity that seeks to market a telecommunications service to
- 8555 the subscriber; and
- 8556 (d) not derive commissions or compensation based upon the number of change
- 8557 authorizations verified.

- 8558 (5) A telecommunications corporation or its agents seeking to verify the change
8559 authorization shall connect the subscriber to the third-party verifier or arrange for the
8560 third-party verifier to call the subscriber to verify the change authorization.
- 8561 (6) A third-party verifier that obtains the subscriber's oral verification regarding the change
8562 shall record that verification by obtaining appropriate verification data.
- 8563 (7)(a) The record verifying a subscriber's change of provider shall be available to the
8564 subscriber upon request.
- 8565 (b) Information obtained from the subscriber through verification may not be used for
8566 any other purpose.
- 8567 (c) Any intentional unauthorized release of the information in Subsection (7)(b) is
8568 grounds for penalties or other action by the commission or remedies provided by law
8569 to the aggrieved subscriber against the telecommunications corporation, third-party
8570 verifier, their agents, or their employees who are responsible for the violation.
- 8571 (8) The third-party verification shall occur in the same language as that in which the change
8572 was solicited.
- 8573 (9) The verification requirements described in this section shall apply to all changes in the
8574 provider of any public telecommunications service.
- 8575 (10) The commission may promulgate rules:
- 8576 (a) necessary to implement this section;
- 8577 (b) consistent with any rules promulgated by the Federal Communications Commission;
8578 and
- 8579 (c) in a nondiscriminatory and competitively neutral manner.
- 8580 (11)(a) Each subscriber may elect to require the telecommunications corporation
8581 providing the subscriber's local exchange service to implement a freeze until the
8582 subscriber provides authorization for a change to another provider of public
8583 telecommunications services.
- 8584 (b) Once a subscriber has elected the freeze option under Subsection (11)(a), the
8585 telecommunications corporation providing the subscriber's local exchange service
8586 may not process a request to change the subscriber to another provider of
8587 telecommunications services without prior authorization directly from the subscriber.
- 8588 (12)(a) Whenever the subscriber's provider of a telecommunications service changes, the
8589 new provider shall:
- 8590 (i) retain a record of the verified change authorization consistent with requirements of
8591 the Federal Communications Commission or rules issued by the commission; and

8592 (ii) be responsible for providing a conspicuous notice of the change within 30 days of
8593 the effective date of the change of service.

8594 (b) At a minimum, the notice in Subsection (12)(a)(ii) shall identify the new provider,
8595 contain a general description of the service and price, and provide information
8596 necessary for the subscriber to have questions answered or to rescind the change.

8597 (13) Any bill shall identify each telecommunications service provider of telecommunication
8598 service for which billing is rendered.

8599 (14)(a) Any person or provider of telecommunications service inadvertently or
8600 knowingly designating or changing the subscriber's telecommunications service
8601 provider in violation of this section shall refund to the subscriber any amounts
8602 required by the rules of the Federal Communications Commission and the
8603 commission.

8604 (b) The unauthorized provider in Subsection (14)(a) additionally shall:

8605 (i) bear all costs of restoring the customer to the service of the subscriber's original
8606 service provider; and

8607 (ii) pay to any other telecommunications provider any fees set by the commission for
8608 the designation or change.

8609 (15) Proceedings for violations of this section may be commenced by request for agency
8610 action filed with the commission by a subscriber, a telecommunications corporation, the
8611 Division of Public Utilities, or by the commission on its own motion.

8612 (16) Any telecommunications corporation, its agents, or a third-party verifier who violates
8613 this section or rules adopted to implement this section shall be subject to the provisions
8614 of Sections 54-7-23 through 54-7-29.

8615 (17) The commission is granted authority to enforce provisions relating to an unauthorized
8616 telecommunication service provider change in interstate and intrastate
8617 telecommunication service involving telecommunications corporations operating in the
8618 state.

8619 Section 177. Section **58-16a-305** is amended to read:

8620 **58-16a-305 (Effective 05/06/26). License -- Exemptions.**

8621 In addition to the exemptions from licensure in Section 58-1-307, the following persons
8622 may engage in acts included in the definition of the practice of optometry subject to the stated
8623 circumstances and limitations without being licensed under this chapter:

8624 (1) a person who sells contact lenses on prescription provided by a person authorized under
8625 state law to practice either optometry or medicine and surgery if the person complies

- 8626 with Section 58-16a-801;
- 8627 (2) a person who sells eyeglasses or spectacles as articles of merchandise or who fabricates
8628 them from a prescription if the person complies with Subsection 58-16a-801(2), and if
8629 the person:
- 8630 (a) does so in the ordinary course of trade from a permanently located and established
8631 place of business;
 - 8632 (b) does not traffic or attempt to traffic upon assumed skill in testing the eye and
8633 adapting lenses according to the test;
 - 8634 (c) does not duplicate, replace, or accept for replacement any ophthalmic lens, except in
8635 the case of an emergency;
 - 8636 (d) does not use in the testing of the eyes any lenses or instruments other than the lenses
8637 actually sold; and
 - 8638 (e) does not give or offer eyeglasses or spectacles as premiums as defined in Section [
8639 ~~13-26-2~~] 13-26-101; and
- 8640 (3) a person who fits contact lenses under the following conditions:
- 8641 (a) he has a current certification from both the American Board of Opticianry and the
8642 National Contact Lens Examiners;
 - 8643 (b) he does not give or offer contact lenses as premiums;
 - 8644 (c) he does not perform a refraction, over-refraction, or attempt to traffic upon assumed
8645 skill in testing the eye;
 - 8646 (d) he operates in the ordinary course of trade from a permanently located and
8647 established place of business;
 - 8648 (e) he performs the work involved in fitting contact lenses himself and does not delegate
8649 the contact lens fitting to any other individual who is not qualified under this
8650 Subsection (3);
 - 8651 (f) he does not use in the testing of the eye any lenses or instruments other than the
8652 lenses he actually will sell;
 - 8653 (g) he provides services only to a patient who:
 - 8654 (i) presents an unexpired contact lens prescription; or
 - 8655 (ii) has had an eye examination within the prior six months by an optometrist or
8656 ophthalmologist meeting the requirements under Section 58-16a-306;
 - 8657 (h) he maintains a copy of the patient's contact lens prescription for not less than seven
8658 years;
 - 8659 (i) he enters into a written agreement with an optometrist or an ophthalmologist before

- 8660 July 1, 2000, to fit contact lenses prescribed by that optometrist or ophthalmologist;
- 8661 (j) he fits contact lenses for at least two years under the direct supervision of the
- 8662 optometrist or ophthalmologist identified in Subsection (3)(i) before July 1, 2000, as
- 8663 documented in the written agreement; and
- 8664 (k) the optometrist or ophthalmologist described in Subsection (3)(i):
- 8665 (i) ensures that the final contact lens is accurate;
- 8666 (ii) presents a written copy of the prescription to the person fitting the contact lens;
- 8667 and
- 8668 (iii) ensures that a copy of the prescription is provided to the patient, except as
- 8669 provided in Section 58-16a-306.

8670 Section 178. Section **63G-2-305** is amended to read:

8671 **63G-2-305 (Effective 05/06/26). Protected records.**

8672 The following records are protected if properly classified by a governmental entity:

- 8673 (1) trade secrets as defined in Section 13-24-2 if the person submitting the trade secret has
- 8674 provided the governmental entity with the information specified in Section 63G-2-309;
- 8675 (2) commercial information or nonindividual financial information obtained from a person
- 8676 if:
- 8677 (a) disclosure of the information could reasonably be expected to result in unfair
- 8678 competitive injury to the person submitting the information or would impair the
- 8679 ability of the governmental entity to obtain necessary information in the future;
- 8680 (b) the person submitting the information has a greater interest in prohibiting access than
- 8681 the public in obtaining access; and
- 8682 (c) the person submitting the information has provided the governmental entity with the
- 8683 information specified in Section 63G-2-309;
- 8684 (3) commercial or financial information acquired or prepared by a governmental entity to
- 8685 the extent that disclosure would lead to financial speculations in currencies, securities, or
- 8686 commodities that will interfere with a planned transaction by the governmental entity or
- 8687 cause substantial financial injury to the governmental entity or state economy;
- 8688 (4) records, the disclosure of which could cause commercial injury to, or confer a
- 8689 competitive advantage upon a potential or actual competitor of, a commercial project
- 8690 entity as defined in Subsection 11-13-103(4);
- 8691 (5) test questions and answers to be used in future license, certification, registration,
- 8692 employment, or academic examinations;
- 8693 (6) records, the disclosure of which would impair governmental procurement proceedings

8694 or give an unfair advantage to any person proposing to enter into a contract or agreement
8695 with a governmental entity, except, subject to Subsections (1) and (2), that this
8696 Subsection (6) does not restrict the right of a person to have access to, after the contract
8697 or grant has been awarded and signed by all parties:

8698 (a) a bid, proposal, application, or other information submitted to or by a governmental
8699 entity in response to:

8700 (i) an invitation for bids;

8701 (ii) a request for proposals;

8702 (iii) a request for quotes;

8703 (iv) a grant; or

8704 (v) other similar document; or

8705 (b) an unsolicited proposal, as defined in Section 63G-6a-712;

8706 (7) information submitted to or by a governmental entity in response to a request for
8707 information, except, subject to Subsections (1) and (2), that this Subsection (7) does not
8708 restrict the right of a person to have access to the information, after:

8709 (a) a contract directly relating to the subject of the request for information has been
8710 awarded and signed by all parties; or

8711 (b)(i) a final determination is made not to enter into a contract that relates to the
8712 subject of the request for information; and

8713 (ii) at least two years have passed after the day on which the request for information
8714 is issued;

8715 (8) records that would identify real property or the appraisal or estimated value of real or
8716 personal property, including intellectual property, under consideration for public
8717 acquisition before any rights to the property are acquired unless:

8718 (a) public interest in obtaining access to the information is greater than or equal to the
8719 governmental entity's need to acquire the property on the best terms possible;

8720 (b) the information has already been disclosed to persons not employed by or under a
8721 duty of confidentiality to the entity;

8722 (c) in the case of records that would identify property, potential sellers of the described
8723 property have already learned of the governmental entity's plans to acquire the
8724 property;

8725 (d) in the case of records that would identify the appraisal or estimated value of
8726 property, the potential sellers have already learned of the governmental entity's
8727 estimated value of the property; or

- 8728 (e) the property under consideration for public acquisition is a single family residence
8729 and the governmental entity seeking to acquire the property has initiated negotiations
8730 to acquire the property as required under Section 78B-6-505;
- 8731 (9) records prepared in contemplation of sale, exchange, lease, rental, or other compensated
8732 transaction of real or personal property including intellectual property, which, if
8733 disclosed prior to completion of the transaction, would reveal the appraisal or estimated
8734 value of the subject property, unless:
- 8735 (a) the public interest in access is greater than or equal to the interests in restricting
8736 access, including the governmental entity's interest in maximizing the financial
8737 benefit of the transaction; or
- 8738 (b) when prepared by or on behalf of a governmental entity, appraisals or estimates of
8739 the value of the subject property have already been disclosed to persons not
8740 employed by or under a duty of confidentiality to the entity;
- 8741 (10) records created or maintained for civil, criminal, or administrative enforcement
8742 purposes or audit purposes, or for discipline, licensing, certification, or registration
8743 purposes, if release of the records:
- 8744 (a) reasonably could be expected to interfere with investigations undertaken for
8745 enforcement, discipline, licensing, certification, or registration purposes;
- 8746 (b) reasonably could be expected to interfere with audits, disciplinary, or enforcement
8747 proceedings;
- 8748 (c) would create a danger of depriving a person of a right to a fair trial or impartial
8749 hearing;
- 8750 (d) reasonably could be expected to disclose the identity of a source who is not generally
8751 known outside of government and, in the case of a record compiled in the course of
8752 an investigation, disclose information furnished by a source not generally known
8753 outside of government if disclosure would compromise the source; or
- 8754 (e) reasonably could be expected to disclose investigative or audit techniques,
8755 procedures, policies, or orders not generally known outside of government if
8756 disclosure would interfere with enforcement or audit efforts;
- 8757 (11) records the disclosure of which would jeopardize the life or safety of an individual;
- 8758 (12) records the disclosure of which would jeopardize the security of governmental
8759 property, governmental programs, or governmental recordkeeping systems from
8760 damage, theft, or other appropriation or use contrary to law or public policy;
- 8761 (13) records that, if disclosed, would jeopardize the security or safety of a correctional

- 8762 facility, or records relating to incarceration, treatment, probation, or parole, that would
8763 interfere with the control and supervision of an offender's incarceration, treatment,
8764 probation, or parole;
- 8765 (14) records that, if disclosed, would reveal recommendations made to the Board of
8766 Pardons and Parole by an employee of or contractor for the Department of Corrections,
8767 the Board of Pardons and Parole, or the Department of Health and Human Services that
8768 are based on the employee's or contractor's supervision, diagnosis, or treatment of any
8769 person within the board's jurisdiction;
- 8770 (15) records and audit workpapers that identify audit, collection, and operational procedures
8771 and methods used by the State Tax Commission, if disclosure would interfere with
8772 audits or collections;
- 8773 (16) records of a governmental audit agency relating to an ongoing or planned audit until
8774 the final audit is released;
- 8775 (17) records that are subject to the attorney client privilege;
- 8776 (18) records prepared for or by an attorney, consultant, surety, indemnitor, insurer,
8777 employee, or agent of a governmental entity for, or in anticipation of, litigation or a
8778 judicial, quasi-judicial, or administrative proceeding;
- 8779 (19)(a)(i) personal files of a state legislator, including personal correspondence to or
8780 from a member of the Legislature; and
- 8781 (ii) notwithstanding Subsection (19)(a)(i), correspondence that gives notice of
8782 legislative action or policy may not be classified as protected under this section;
8783 and
- 8784 (b)(i) an internal communication that is part of the deliberative process in connection
8785 with the preparation of legislation between:
- 8786 (A) members of a legislative body;
8787 (B) a member of a legislative body and a member of the legislative body's staff; or
8788 (C) members of a legislative body's staff; and
- 8789 (ii) notwithstanding Subsection (19)(b)(i), a communication that gives notice of
8790 legislative action or policy may not be classified as protected under this section;
- 8791 (20)(a) records in the custody or control of the Office of Legislative Research and
8792 General Counsel, that, if disclosed, would reveal a particular legislator's
8793 contemplated legislation or contemplated course of action before the legislator has
8794 elected to support the legislation or course of action, or made the legislation or course
8795 of action public; and

- 8796 (b) notwithstanding Subsection (20)(a), the form to request legislation submitted to the
8797 Office of Legislative Research and General Counsel is a public document unless a
8798 legislator asks that the records requesting the legislation be maintained as protected
8799 records until such time as the legislator elects to make the legislation or course of
8800 action public;
- 8801 (21) a research request from a legislator to a legislative staff member and research findings
8802 prepared in response to the request;
- 8803 (22) drafts, unless otherwise classified as public;
- 8804 (23) records concerning a governmental entity's strategy about:
8805 (a) collective bargaining; or
8806 (b) imminent or pending litigation;
- 8807 (24) records of investigations of loss occurrences and analyses of loss occurrences that may
8808 be covered by the Risk Management Fund, the Employers' Reinsurance Fund, the
8809 Uninsured Employers' Fund, or similar divisions in other governmental entities;
- 8810 (25) records, other than personnel evaluations, that contain a personal recommendation
8811 concerning an individual if disclosure would constitute a clearly unwarranted invasion
8812 of personal privacy, or disclosure is not in the public interest;
- 8813 (26) records that reveal the location of historic, prehistoric, paleontological, or biological
8814 resources that if known would jeopardize the security of those resources or of valuable
8815 historic, scientific, educational, or cultural information;
- 8816 (27) records of independent state agencies if the disclosure of the records would conflict
8817 with the fiduciary obligations of the agency;
- 8818 (28) records of an institution of higher education defined in Section 53H-1-101 regarding
8819 tenure evaluations, appointments, applications for admissions, retention decisions, and
8820 promotions, which could be properly discussed in a meeting closed in accordance with
8821 Title 52, Chapter 4, Open and Public Meetings Act, provided that records of the final
8822 decisions about tenure, appointments, retention, promotions, or those students admitted,
8823 may not be classified as protected under this section;
- 8824 (29) records of the governor's office, including budget recommendations, legislative
8825 proposals, and policy statements, that if disclosed would reveal the governor's
8826 contemplated policies or contemplated courses of action before the governor has
8827 implemented or rejected those policies or courses of action or made them public;
- 8828 (30) records of the Office of the Legislative Fiscal Analyst relating to budget analysis,
8829 revenue estimates, and fiscal notes of proposed legislation before issuance of the final

- 8830 recommendations in these areas;
- 8831 (31) records provided by the United States or by a government entity outside the state that
8832 are given to the governmental entity with a requirement that they be managed as
8833 protected records if the providing entity certifies that the record would not be subject to
8834 public disclosure if retained by it;
- 8835 (32) transcripts, minutes, recordings, or reports of the closed portion of a meeting of a
8836 public body except as provided in Section 52-4-206;
- 8837 (33) records that would reveal the contents of settlement negotiations but not including final
8838 settlements or empirical data to the extent that they are not otherwise exempt from
8839 disclosure;
- 8840 (34) memoranda prepared by staff and used in the decision-making process by an
8841 administrative law judge, a member of the Board of Pardons and Parole, or a member of
8842 any other body charged by law with performing a quasi-judicial function;
- 8843 (35) records that would reveal negotiations regarding assistance or incentives offered by or
8844 requested from a governmental entity for the purpose of encouraging a person to expand
8845 or locate a business in Utah, but only if disclosure would result in actual economic harm
8846 to the person or place the governmental entity at a competitive disadvantage, but this
8847 section may not be used to restrict access to a record evidencing a final contract;
- 8848 (36) materials to which access must be limited for purposes of securing or maintaining the
8849 governmental entity's proprietary protection of intellectual property rights including
8850 patents, copyrights, and trade secrets;
- 8851 (37) the name of a donor or a prospective donor to a governmental entity, including an
8852 institution of higher education defined in Section 53H-1-101, and other information
8853 concerning the donation that could reasonably be expected to reveal the identity of the
8854 donor, provided that:
- 8855 (a) the donor requests anonymity in writing;
- 8856 (b) any terms, conditions, restrictions, or privileges relating to the donation may not be
8857 classified protected by the governmental entity under this Subsection (37); and
- 8858 (c) except for an institution of higher education defined in Section 53H-1-101, the
8859 governmental unit to which the donation is made is primarily engaged in educational,
8860 charitable, or artistic endeavors, and has no regulatory or legislative authority over
8861 the donor, a member of the donor's immediate family, or any entity owned or
8862 controlled by the donor or the donor's immediate family;
- 8863 (38) accident reports, except as provided in Sections 41-6a-404, 41-12a-202, and 73-18-13;

- 8864 (39) a notification of workers' compensation insurance coverage described in Section
8865 34A-2-205;
- 8866 (40) subject to Subsections (40)(g) and (h), the following records of an institution of higher
8867 education defined in Section 53H-1-101, which have been developed, discovered,
8868 disclosed to, or received by or on behalf of faculty, staff, employees, or students of the
8869 institution:
- 8870 (a) unpublished lecture notes;
- 8871 (b) unpublished notes, data, and information:
- 8872 (i) relating to research; and
- 8873 (ii) of:
- 8874 (A) the institution of higher education defined in Section 53H-1-101; or
- 8875 (B) a sponsor of sponsored research;
- 8876 (c) unpublished manuscripts;
- 8877 (d) creative works in process;
- 8878 (e) scholarly correspondence;[-and]
- 8879 (f) confidential information contained in research proposals;
- 8880 (g) this Subsection (40) may not be construed to prohibit disclosure of public
8881 information required [~~pursuant to~~] in accordance with Subsection 53H-14-202(2)(a)
8882 or (b); and
- 8883 (h) this Subsection (40) may not be construed to affect the ownership of a record;
- 8884 (41)(a) records in the custody or control of the Office of the Legislative Auditor General
8885 that would reveal the name of a particular legislator who requests a legislative audit
8886 prior to the date that audit is completed and made public; and
- 8887 (b) notwithstanding Subsection (41)(a), a request for a legislative audit submitted to the
8888 Office of the Legislative Auditor General is a public document unless the legislator
8889 asks that the records in the custody or control of the Office of the Legislative Auditor
8890 General that would reveal the name of a particular legislator who requests a
8891 legislative audit be maintained as protected records until the audit is completed and
8892 made public;
- 8893 (42) records that provide detail as to the location of an explosive, including a map or other
8894 document that indicates the location of:
- 8895 (a) a production facility; or
- 8896 (b) a magazine;
- 8897 (43) information contained in the statewide database of the Division of Aging and Adult

- 8898 Services created by Section 26B-6-210;
- 8899 (44) information contained in the Licensing Information System described in Title 80,
8900 Chapter 2, Child Welfare Services;
- 8901 (45) information regarding National Guard operations or activities in support of the
8902 National Guard's federal mission;
- 8903 (46) records provided by any pawn or secondhand business to a law enforcement agency or
8904 to the central database in compliance with Title 13, Chapter 32a, Pawnshop, Secondhand
8905 Merchandise, and Catalytic Converter Transaction Information Act;
- 8906 (47) information regarding food security, risk, and vulnerability assessments performed by
8907 the Department of Agriculture and Food;
- 8908 (48) except to the extent that the record is exempt from this chapter [~~pursuant to~~] in
8909 accordance with Section 63G-2-106, records related to an emergency plan or program, a
8910 copy of which is provided to or prepared or maintained by the Division of Emergency
8911 Management, and the disclosure of which would jeopardize:
- 8912 (a) the safety of the general public; or
- 8913 (b) the security of:
- 8914 (i) governmental property;
- 8915 (ii) governmental programs; or
- 8916 (iii) the property of a private person who provides the Division of Emergency
8917 Management information;
- 8918 (49) records of the Department of Agriculture and Food that provides for the identification,
8919 tracing, or control of livestock diseases, including any program established under Title
8920 4, Chapter 24, Utah Livestock Brand and Anti-Theft Act, or Title 4, Chapter 31, Control
8921 of Animal Disease;
- 8922 (50) as provided in Section 26B-2-709:
- 8923 (a) information or records held by the Department of Health and Human Services related
8924 to a complaint regarding a provider, program, or facility which the department is
8925 unable to substantiate; and
- 8926 (b) information or records related to a complaint received by the Department of Health
8927 and Human Services from an anonymous complainant regarding a provider, program,
8928 or facility;
- 8929 (51) unless otherwise classified as public under Section 63G-2-301 and except as provided
8930 under Section 41-1a-116, an individual's home address, home telephone number, or
8931 personal mobile phone number, if:

- 8932 (a) the individual is required to provide the information in order to comply with a law,
 8933 ordinance, rule, or order of a government entity; and
- 8934 (b) the subject of the record has a reasonable expectation that this information will be
 8935 kept confidential due to:
- 8936 (i) the nature of the law, ordinance, rule, or order; and
 8937 (ii) the individual complying with the law, ordinance, rule, or order;
- 8938 (52) the portion of the following documents that contains a candidate's residential or
 8939 mailing address, if the candidate provides to the filing officer another address or phone
 8940 number where the candidate may be contacted:
- 8941 (a) a declaration of candidacy, a nomination petition, or a certificate of nomination,
 8942 described in Section 20A-9-201, 20A-9-202, 20A-9-203, 20A-9-404, 20A-9-405,
 8943 20A-9-408, 20A-9-408.5, 20A-9-502, or 20A-9-601;
- 8944 (b) an affidavit of impecuniosity, described in Section 20A-9-201; or
 8945 (c) a notice of intent to gather signatures for candidacy, described in Section 20A-9-408;
- 8946 (53) the name, home address, work addresses, and telephone numbers of an individual that
 8947 is engaged in, or that provides goods or services for, medical or scientific research that is:
- 8948 (a) conducted within the state system of higher education, as described in Section
 8949 53H-1-102; and
 8950 (b) conducted using animals;
- 8951 (54) in accordance with Section 78A-12-203, any record of the Judicial Performance
 8952 Evaluation Commission concerning an individual commissioner's vote, in relation to
 8953 whether a judge meets or exceeds minimum performance standards under Subsection
 8954 78A-12-203(4), and information disclosed under Subsection 78A-12-203(5)(e);
- 8955 (55) information collected and a report prepared by the Judicial Performance Evaluation
 8956 Commission concerning a judge, unless Section 20A-7-702 or Title 78A, Chapter 12,
 8957 Judicial Performance Evaluation Commission Act, requires disclosure of, or makes
 8958 public, the information or report;
- 8959 (56) records provided or received by the Public Lands Policy Coordinating Office in
 8960 furtherance of any contract or other agreement made in accordance with Section
 8961 63L-11-202;
- 8962 (57) information requested by and provided to the 911 Division under Section 63H-7a-302;
- 8963 (58) in accordance with Section 73-10-33:
- 8964 (a) a management plan for a water conveyance facility in the possession of the Division
 8965 of Water Resources or the Board of Water Resources; or

- 8966 (b) an outline of an emergency response plan in possession of the state or a county or
8967 municipality;
- 8968 (59) the following records in the custody or control of the Office of Inspector General of
8969 Medicaid Services, created in Section 63A-13-201:
- 8970 (a) records that would disclose information relating to allegations of personal
8971 misconduct, gross mismanagement, or illegal activity of a person if the information
8972 or allegation cannot be corroborated by the Office of Inspector General of Medicaid
8973 Services through other documents or evidence, and the records relating to the
8974 allegation are not relied upon by the Office of Inspector General of Medicaid
8975 Services in preparing a final investigation report or final audit report;
- 8976 (b) records and audit workpapers to the extent they would disclose the identity of a
8977 person who, during the course of an investigation or audit, communicated the
8978 existence of any Medicaid fraud, waste, or abuse, or a violation or suspected
8979 violation of a law, rule, or regulation adopted under the laws of this state, a political
8980 subdivision of the state, or any recognized entity of the United States, if the
8981 information was disclosed on the condition that the identity of the person be
8982 protected;
- 8983 (c) before the time that an investigation or audit is completed and the final investigation
8984 or final audit report is released, records or drafts circulated to a person who is not an
8985 employee or head of a governmental entity for the person's response or information;
- 8986 (d) records that would disclose an outline or part of any investigation, audit survey plan,
8987 or audit program; or
- 8988 (e) requests for an investigation or audit, if disclosure would risk circumvention of an
8989 investigation or audit;
- 8990 (60) records that reveal methods used by the Office of Inspector General of Medicaid
8991 Services, the fraud unit, or the Department of Health and Human Services, to discover
8992 Medicaid fraud, waste, or abuse;
- 8993 (61) information provided to the Department of Health and Human Services or the Division
8994 of Professional Licensing under Subsections 58-67-304(3) and (4) and Subsections
8995 58-68-304(3) and (4);
- 8996 (62) a record described in Section 63G-12-210;
- 8997 (63) captured plate data that is obtained through an automatic license plate reader system
8998 used by a governmental entity as authorized in Section 41-6a-2003;
- 8999 (64) an audio or video recording created by a body-worn camera, as that term is defined in

- 9000 Section 77-7a-103, that records sound or images inside a hospital or health care facility
9001 as those terms are defined in Section 78B-3-403, inside a clinic of a health care provider,
9002 as that term is defined in Section 78B-3-403, or inside a human service program as that
9003 term is defined in Section 26B-2-101, except for recordings that:
- 9004 (a) depict the commission of an alleged crime;
 - 9005 (b) record any encounter between a law enforcement officer and a person that results in
9006 death or bodily injury, or includes an instance when an officer fires a weapon;
 - 9007 (c) record any encounter that is the subject of a complaint or a legal proceeding against a
9008 law enforcement officer or law enforcement agency;
 - 9009 (d) contain an officer involved critical incident as defined in Subsection 76-2-408(1)(f);
9010 or
 - 9011 (e) have been requested for reclassification as a public record by a subject or authorized
9012 agent of a subject featured in the recording;
- 9013 (65) a record pertaining to the search process for a president of an institution of higher
9014 education described in Section 53H-3-302;
- 9015 (66) an audio recording that is:
- 9016 (a) produced by an audio recording device that is used in conjunction with a device or
9017 piece of equipment designed or intended for resuscitating an individual or for treating
9018 an individual with a life-threatening condition;
 - 9019 (b) produced during an emergency event when an individual employed to provide law
9020 enforcement, fire protection, paramedic, emergency medical, or other first responder
9021 service:
 - 9022 (i) is responding to an individual needing resuscitation or with a life-threatening
9023 condition; and
 - 9024 (ii) uses a device or piece of equipment designed or intended for resuscitating an
9025 individual or for treating an individual with a life-threatening condition; and
 - 9026 (c) intended and used for purposes of training emergency responders how to improve
9027 their response to an emergency situation;
- 9028 (67) records submitted by or prepared in relation to an applicant seeking a recommendation
9029 by the Research and General Counsel Subcommittee, the Budget Subcommittee, or the
9030 Legislative Audit Subcommittee, established under Section 36-12-8, for an employment
9031 position with the Legislature;
- 9032 (68) work papers as defined in Section 31A-2-204;
- 9033 (69) a record made available to Adult Protective Services or a law enforcement agency

- 9034 under Section 61-1-206;
- 9035 (70) a record submitted to the Insurance Department in accordance with Section
- 9036 31A-37-201;
- 9037 (71) a record described in Section 31A-37-503;
- 9038 (72) any record created by the Division of Professional Licensing as a result of Subsection
- 9039 58-37f-304(5) or 58-37f-702(2)(a)(ii);
- 9040 (73) a record described in Section 72-16-306 that relates to the reporting of an injury
- 9041 involving an amusement ride;
- 9042 (74) except as provided in Subsection 63G-2-305.5(1), the signature of an individual on a
- 9043 political petition, or on a request to withdraw a signature from a political petition,
- 9044 including a petition or request described in the following titles:
- 9045 (a) Title 10, Utah Municipal Code;
- 9046 (b) Title 17, Counties;
- 9047 (c) Title 17B, Limited Purpose Local Government Entities - Special Districts;
- 9048 (d) Title 17D, Limited Purpose Local Government Entities - Other Entities; and
- 9049 (e) Title 20A, Election Code;
- 9050 (75) except as provided in Subsection 63G-2-305.5(2), the signature of an individual in a
- 9051 voter registration record;
- 9052 (76) except as provided in Subsection 63G-2-305.5(3), any signature, other than a signature
- 9053 described in Subsection (74) or (75), in the custody of the lieutenant governor or a local
- 9054 political subdivision collected or held under, or in relation to, Title 20A, Election Code;
- 9055 (77) a Form I-918 Supplement B certification as described in Title 77, Chapter 38, Part 5,
- 9056 Victims Guidelines for Prosecutors Act;
- 9057 (78) a record submitted to the Insurance Department under Section 31A-48-103;
- 9058 (79) personal information, as defined in Section 63G-26-102, to the extent disclosure is
- 9059 prohibited under Section 63G-26-103;
- 9060 (80) an image taken of an individual during the process of booking the individual into jail,
- 9061 unless:
- 9062 (a) the individual is convicted of a criminal offense based upon the conduct for which
- 9063 the individual was incarcerated at the time the image was taken;
- 9064 (b) a law enforcement agency releases or disseminates the image:
- 9065 (i) after determining that the individual is a fugitive or an imminent threat to an
- 9066 individual or to public safety and releasing or disseminating the image will assist
- 9067 in apprehending the individual or reducing or eliminating the threat; or

- 9068 (ii) to a potential witness or other individual with direct knowledge of events relevant
9069 to a criminal investigation or criminal proceeding for the purpose of identifying or
9070 locating an individual in connection with the criminal investigation or criminal
9071 proceeding;
- 9072 (c) a judge orders the release or dissemination of the image based on a finding that the
9073 release or dissemination is in furtherance of a legitimate law enforcement interest; or
- 9074 (d) the image is displayed to a person who is permitted to view the image under Section
9075 17-72-802;
- 9076 (81) a record:
- 9077 (a) concerning an interstate claim to the use of waters in the Colorado River system;
- 9078 (b) relating to a judicial proceeding, administrative proceeding, or negotiation with a
9079 representative from another state or the federal government as provided in Section
9080 63M-14-205; and
- 9081 (c) the disclosure of which would:
- 9082 (i) reveal a legal strategy relating to the state's claim to the use of the water in the
9083 Colorado River system;
- 9084 (ii) harm the ability of the Colorado River Authority of Utah or river commissioner to
9085 negotiate the best terms and conditions regarding the use of water in the Colorado
9086 River system; or
- 9087 (iii) give an advantage to another state or to the federal government in negotiations
9088 regarding the use of water in the Colorado River system;
- 9089 (82) any part of an application described in Section 63N-16-201 that the Governor's Office
9090 of Economic Opportunity determines is nonpublic, confidential information that if
9091 disclosed would result in actual economic harm to the applicant, but this Subsection (82)
9092 may not be used to restrict access to a record evidencing a final contract or approval
9093 decision;
- 9094 (83) the following records of a drinking water or wastewater facility:
- 9095 (a) an engineering or architectural drawing of the drinking water or wastewater facility;
9096 and
- 9097 (b) except as provided in Section 63G-2-106, a record detailing tools or processes the
9098 drinking water or wastewater facility uses to secure, or prohibit access to, the records
9099 described in Subsection (83)(a);
- 9100 (84) a statement that an employee of a governmental entity provides to the governmental
9101 entity as part of the governmental entity's personnel or administrative investigation into

- 9102 potential misconduct involving the employee if the governmental entity:
- 9103 (a) requires the statement under threat of employment disciplinary action, including
- 9104 possible termination of employment, for the employee's refusal to provide the
- 9105 statement; and
- 9106 (b) provides the employee assurance that the statement cannot be used against the
- 9107 employee in any criminal proceeding;
- 9108 (85) any part of an application for a Utah Fits All Scholarship account described in Section
- 9109 53F-6-402 or other information identifying a scholarship student as defined in Section
- 9110 53F-6-401;
- 9111 (86) a record:
- 9112 (a) concerning a claim to the use of waters in the Great Salt Lake;
- 9113 (b) relating to a judicial proceeding, administrative proceeding, or negotiation with a
- 9114 person concerning the claim, including a representative from another state or the
- 9115 federal government; and
- 9116 (c) the disclosure of which would:
- 9117 (i) reveal a legal strategy relating to the state's claim to the use of the water in the
- 9118 Great Salt Lake;
- 9119 (ii) harm the ability of the Great Salt Lake commissioner to negotiate the best terms
- 9120 and conditions regarding the use of water in the Great Salt Lake; or
- 9121 (iii) give an advantage to another person including another state or to the federal
- 9122 government in negotiations regarding the use of water in the Great Salt Lake;
- 9123 (87) a consumer complaint described in Section [~~13-2-11~~] 13-2-112, unless the consumer
- 9124 complaint is reclassified as public as described in Subsection [~~13-2-11(4)~~] 13-2-112(3);
- 9125 (88) a record of the Utah water agent, appointed under Section 73-10g-702:
- 9126 (a) concerning a claim to the use of waters;
- 9127 (b) relating to a judicial proceeding, administrative proceeding, or negotiation with a
- 9128 representative from another state, a tribe, the federal government, or other
- 9129 government entity as provided in Title 73, Chapter 10g, Part 7, Utah Water Agent;
- 9130 and
- 9131 (c) the disclosure of which would:
- 9132 (i) reveal a legal strategy relating to the state's claim to the use of the water;
- 9133 (ii) harm the ability of the Utah water agent to negotiate the best terms and conditions
- 9134 regarding the use of water; or
- 9135 (iii) give an advantage to another state, a tribe, the federal government, or other

- 9136 government entity in negotiations regarding the use of water; and
 9137 (89) a record created or maintained for an investigation of the Prosecutor Conduct
 9138 Commission, created in Section 63M-7-1102, that contains any personal identifying
 9139 information of a prosecuting attorney, including:
 9140 (a) a complaint, or a document that is submitted or created for a complaint, received by
 9141 the Prosecutor Conduct Commission; or
 9142 (b) a finding by the Prosecutor Conduct Commission.

9143 Section 179. Section **63G-26-103** is amended to read:

9144 **63G-26-103 (Effective 05/06/26). Protection of personal information.**

- 9145 (1) Except as provided in Subsections (2), (3), and (4), a public agency may not:
 9146 (a) require an individual who is a donor to a nonprofit entity to provide the public
 9147 agency with personal information or otherwise compel the release of personal
 9148 information;
 9149 (b) require a nonprofit entity to provide the public agency with personal information or
 9150 compel the nonprofit entity to release personal information;
 9151 (c) release, publicize, or otherwise publicly disclose personal information in possession
 9152 of a public agency; or
 9153 (d) request or require a current or prospective contractor or grantee of the public agency
 9154 to provide the public agency with a list of nonprofit entities to which the current or
 9155 prospective contractor or grantee has provided financial or nonfinancial support.
 9156 (2) Subsection (1) does not apply to:
 9157 (a) a disclosure of personal information required under Title 20A, Election Code, or
 9158 Title 36, Chapter 11, Lobbyist Disclosure and Regulation Act;
 9159 (b) the release of personal information by a public agency if the information is
 9160 voluntarily released to the public by the individual or nonprofit entity to which the
 9161 personal information relates, including:
 9162 (i) as part of public comment or in a public meeting; or
 9163 (ii) in another manner that is publicly accessible;
 9164 (c) a disclosure of personal information [~~pursuant to~~] in accordance with a lawful warrant
 9165 or court order issued by a court with jurisdiction;
 9166 (d) a lawful request for discovery of personal information in litigation or a criminal
 9167 proceeding if the court with jurisdiction:
 9168 (i) finds that the requestor demonstrates a compelling need for the personal
 9169 information by clear and convincing evidence; and

- 9170 (ii) issues a protective order barring disclosure of personal information to a person
9171 not named in the litigation;
- 9172 (e) admission of personal information as relevant evidence before a court with
9173 jurisdiction, except that a court may not publicly reveal personal information absent a
9174 specific finding of good cause;
- 9175 (f) a nonprofit created under Title 11, Chapter 13a, Governmental Nonprofit
9176 Corporations Act;
- 9177 (g) disclosure of personal information to the Department of Financial Institutions to
9178 conduct regulatory oversight of federally insured depositories to comply with the
9179 requirements of statute, rule, or regulation;
- 9180 (h) disclosure of personal information to the Insurance Department to conduct regulatory
9181 oversight of persons licensed under Title 31A, Insurance Code, to comply with the
9182 requirements of statute, rule, or regulation; or
- 9183 (i) disclosure of personal information that is required, requested, or released by the
9184 following divisions of the Department of Commerce, provided that each division may
9185 only use personal information in connection with the specific request to which the
9186 personal information relates and for a related proceeding:
- 9187 (i) by the Division of Consumer Protection in accordance with the Division of
9188 Consumer Protection's administration and enforcement of a chapter described in
9189 Section [~~13-2-1~~] 13-2-102;
- 9190 (ii) by the Division of Corporations and Commercial Code in accordance with the
9191 Division of Corporations and Commercial Code's authority under Title 13,
9192 Chapter 1a, Division of Corporations and Commercial Code, and in the course of
9193 the Division of Corporations and Commercial Code's administration of:
- 9194 (A) Title 3, Uniform Agricultural Cooperative Association Act;
9195 (B) Title 16, Corporations;
9196 (C) Title 42, Chapter 2, Conducting Business Under Assumed Name;
9197 (D) Title 48, Unincorporated Business Entity Act;
9198 (E) Title 70, Chapter 3a, Registration and Protection of Trademarks and Service
9199 Marks Act; and
9200 (F) Title 70A, Chapter 9a, Uniform Commercial Code - Secured Transactions; and
- 9201 (iii) by the Division of Securities to conduct regulatory oversight of persons regulated
9202 under Title 61, Chapter 1, Utah Uniform Securities Act, to comply with the
9203 requirements of statute, rule, or regulation.

- 9204 (3) Subsections (1)(a), (b), and (d) do not apply to:
- 9205 (a) the request or use of personal information necessary to the State Tax Commission's
- 9206 administration of tax or motor vehicle laws, except that the State Tax Commission
- 9207 may only use personal information in connection with the administration of tax or
- 9208 motor vehicle laws or for a related proceeding; or
- 9209 (b) access to personal information by the Office of the Legislative Auditor General to
- 9210 conduct an audit authorized under Utah Constitution, Article VI, Section 33, and
- 9211 Section 36-12-15, or the state auditor's office to conduct an audit authorized under
- 9212 Title 67, Chapter 3, Auditor, except the legislative auditor general or state auditor
- 9213 may only use the personal information in connection with the specific audit to which
- 9214 the request relates.
- 9215 (4) Subsection (1) does not apply to disclosure of a contributor to a sponsoring
- 9216 organization, as those terms are defined in Section 41-1a-1601.
- 9217 Section 180. Section **71A-4-101** is amended to read:
- 9218 **71A-4-101 (Effective 05/06/26). Definitions.**
- 9219 (1) As used in this chapter:
- 9220 (a) "Accredited" means a veterans service organization, representative, agent, or attorney
- 9221 to whom authority has been granted by the VA to provide assistance to claimants in
- 9222 the preparation, presentation, and prosecution of claims for VA benefits.
- 9223 (b) "Assistance" means an act performed by a person on behalf of a claimant to:
- 9224 (i) provide claimant-specific recommendations for VA benefits; or
- 9225 (ii) prepare or submit an application for VA benefits on behalf of a claimant.
- 9226 (c) "Certify" means to submit in writing to a veteran or the veteran's dependents certain
- 9227 disclosure forms provided by the department.
- 9228 (d) "Claimant" means an individual who has filed or has expressed to an accredited
- 9229 person an intention to file a written application for determination of entitlement to
- 9230 benefits provided under United States Code, Title 38, and implementing directives.
- 9231 (e) "Compensation" means payment of money, a thing of financial value, or a financial
- 9232 benefit.
- 9233 (f) "Division" means the Division of Consumer Protection [~~created within the~~
- 9234 ~~Department of Commeree~~] established in Section [~~43-2-1~~] 13-2-102.
- 9235 (g) "Non-compliant referral" means referring a veteran's or a veteran's dependent's
- 9236 original claim for veteran benefits for assistance to a person who is in violation of the
- 9237 provisions of this chapter.

- 9238 (h) "VA benefits" means any payment, service, commodity, function, or status
 9239 entitlement that is determined under laws administered by the VA pertaining to
 9240 veterans, dependents, and survivors, as well as other potential beneficiaries under
 9241 United States Code Title 38.
- 9242 (i) "Veteran" includes all eligible dependents.
- 9243 (2) Terms defined in Section 71A-1-101 apply to this chapter.
 9244 Section 181. Section **76-5c-401** is amended to read:
 9245 **76-5c-401 (Effective 05/06/26). Definitions.**
 9246 As used in this part:
- 9247 (1) "Consumer" means an individual residing in this state who subscribes to a service
 9248 provided by a service provider for personal or residential use.
- 9249 (2) "Content provider" means a person domiciled in Utah or that generates or hosts content
 9250 in Utah, and that creates, collects, acquires, or organizes electronic data for electronic
 9251 delivery to a consumer with the intent of making a profit.
- 9252 (3) "Division" means the Division of Consumer Protection established in Section 13-2-102.
- 9253 [~~(3)~~] (4)(a) "Hosting company" means a person that provides services or facilities for
 9254 storing or distributing content over the Internet without editorial or creative alteration
 9255 of the content.
- 9256 (b) A hosting company may have policies concerning acceptable use without becoming
 9257 a content provider under Subsection (2).
- 9258 [~~(4)~~] (5) "Internet service provider" means a person engaged in the business of providing
 9259 broadband [~~Internet~~] internet access service, with the intent of making a profit, to
 9260 consumers in Utah.
- 9261 [~~(5)~~] (6) "Properly rated" means content using a labeling system to label material harmful to
 9262 minors provided by the content provider in a way that:
- 9263 (a) accurately appraises a consumer of the presence of material harmful to minors; and
 9264 (b) allows the consumer the ability to control access to material harmful to minors based
 9265 on the material's rating by use of reasonably priced commercially available software,
 9266 including software in the public domain.
- 9267 [~~(6)~~] (7) "Restrict" means to limit access to material harmful to minors by:
 9268 (a) properly rating content; or
 9269 (b) any other reasonable measures feasible under available technology.
- 9270 [~~(7)~~] (8)(a) "Service provider" means an [~~Internet~~] internet service provider.
 9271 (b) "Service provider" does not include a person who does not terminate a service in this

9272 state, but merely transmits data through:

9273 (i) a wire;

9274 (ii) a cable; or

9275 (iii) an antenna.

9276 (c) "Service provider," notwithstanding Subsection [~~(7)(b)~~] (8)(b), includes a person who
9277 leases or rents a wire or cable for the transmission of data.

9278 Section 182. Section **76-5c-402** is amended to read:

9279 **76-5c-402 (Effective 05/06/26). Data service providers -- Internet content**

9280 **harmful to minors.**

9281 (1)(a) Upon request by a consumer, a service provider shall filter content to prevent the
9282 transmission of material harmful to minors to the consumer.

9283 (b) A service provider complies with Subsection (1)(a) if the service provider makes a
9284 good faith effort to apply a generally accepted and commercially reasonable method
9285 of filtering.

9286 (c) At the time of a consumer's subscription to a service provider's service, the service
9287 provider shall notify the consumer in a conspicuous manner that the consumer may
9288 request to have material harmful to minors blocked under Subsection (1)(a).

9289 (2) [~~The Division of Consumer Protection within the Department of Commerce~~] A service
9290 provider shall [;] .

9291 [(a) every other year request from each service provider information on] no later than
9292 July 1 of each even-numbered year, provide information to the division that describes
9293 how the service provider complies with Subsection (1)(a)[;] .

9294 [(b)] (3) The division shall:

9295 (a) publish on the division's website a compilation of the information the division
9296 receives under Subsection [~~(2)(a)~~] (2); and

9297 (b) update the compilation described in Subsection (3)(a) by July 1 of each
9298 odd-numbered year.

9299 [(c) update the compilation described in Subsection (2)(b) every other year.]

9300 [(3)] (4)(a) A service provider may comply with Subsection (1)(a) by providing
9301 in-network filtering to prevent the receipt of material harmful to minors, provided
9302 that the filtering does not affect or interfere with access to [~~Internet~~] internet content
9303 for consumers who do not request filtering under Subsection (1)(a).

9304 (b) A service provider may comply with Subsection (1)(a) by engaging a third party to
9305 provide or referring a consumer to a third party that provides a commercially

- 9306 reasonable method of filtering to block the receipt of material harmful to minors.
- 9307 (c) A service provider may charge a consumer a commercially reasonable fee for
- 9308 providing filtering under this Subsection [~~(3)~~] (4).
- 9309 [~~(4)~~] (5) If the attorney general determines that a service provider violates Subsection (1),
- 9310 the attorney general shall:
- 9311 (a) notify the service provider that the service provider is in violation of Subsection (1);
- 9312 and
- 9313 (b) notify the service provider that the service provider has 90 days to comply with the
- 9314 provision being violated or be subject to the civil penalties described in Subsection [
- 9315 ~~(5)~~] (6).
- 9316 [~~(5)~~] (6)(a) A service provider that intentionally or knowingly violates Subsection (1)(a)
- 9317 is subject to a civil fine of \$2,500 for each separate violation of Subsection (1)(a), up
- 9318 to \$15,000 per day.
- 9319 (b) A service provider that intentionally or knowingly violates Subsection (1)(c) is
- 9320 subject to a civil fine up to \$10,000.
- 9321 [~~(6)~~] (7) [~~A proceeding~~] Only the attorney general may bring an action to impose a civil fine
- 9322 under Subsection [~~(5)~~] may only be brought by the attorney general] (6).
- 9323 Section 183. Section **78B-3-112** is amended to read:
- 9324 **78B-3-112 (Effective 05/06/26). Action for mistaken or fraudulent transaction on**
- 9325 **a reversible blockchain.**
- 9326 (1) As used in this section:
- 9327 (a) "Blockchain" means a digital ledger of transactions:
- 9328 (i) that is distributed across multiple nodes;
- 9329 (ii) that is mathematically verified; and
- 9330 (iii) where the validity of transactions is maintained by consensus of nodes.
- 9331 (b) "Blockchain administrator" means a person that is responsible for maintaining and
- 9332 overseeing a blockchain.
- 9333 (c) "Division" means the Division of Consumer Protection created in Section [~~13-2-1~~]
- 9334 13-2-102.
- 9335 (d) "Fraudulent transaction" means a transaction that a person undertakes with the intent
- 9336 to deceive another person, including a transaction that involves:
- 9337 (i) false representation;
- 9338 (ii) omissions of material fact; or
- 9339 (iii) the use of a false or stolen identity.

- 9340 (e) "Node" means a computer connected to a blockchain.
- 9341 (f) "Proof of identity" means government-issued identification that contains the
- 9342 following information:
- 9343 (i) a person's name;
- 9344 (ii) an individual's date of birth;
- 9345 (iii) a person's address, which is:
- 9346 (A) for an individual, a residential or business street address;
- 9347 (B) for an individual who does not have a residential or business street address, a
- 9348 Post Office box number or the residential or business street address of next of
- 9349 kin or of another contact individual; or
- 9350 (C) for a person other than an individual, the principal place of business; and
- 9351 (iv) an identification number, which is:
- 9352 (A) for a United States person, a taxpayer identification number; or
- 9353 (B) for a non-United States person, a taxpayer identification number, passport
- 9354 number and country of issuance, alien identification card number, or the
- 9355 number and country of issuance of any other government-issued document
- 9356 evidencing nationality or residence and bearing a photograph or similar
- 9357 safeguard.
- 9358 (g) "Reversible blockchain" means a blockchain that:
- 9359 (i) requires the blockchain's users to:
- 9360 (A) provide proof of identity to the blockchain administrator;
- 9361 (B) acknowledge and agree that all transactions occurring on the blockchain are
- 9362 subject to reversal by a sheriff node; and
- 9363 (C) agree to be subject to jurisdiction of a court in Utah; and
- 9364 (ii) requires the blockchain administrator to:
- 9365 (A) verify a user's identity by checking the user's proof of identity against
- 9366 government-issued identification databases; and
- 9367 (B) maintain records of a user's proof of identity for a minimum of five years.
- 9368 (h) "Sheriff node" means the same as that term is defined in Section 67-5-39.
- 9369 (i) "Transaction" means the transfer of digital assets, rights, privileges, or obligations
- 9370 from one person to another that occurs on a blockchain.
- 9371 (j)(i) "User" means a person that interacts with a blockchain.
- 9372 (ii) "User" includes a person that is:
- 9373 (A) sending or receiving transactions;

- 9374 (B) accessing data stored on the blockchain;
- 9375 (C) participating in consensus or governance mechanisms;
- 9376 (D) running a node on the blockchain;
- 9377 (E) interacting with smart contracts or decentralized applications; or
- 9378 (F) holding or managing digital assets.

9379 (2) A plaintiff may bring a cause of action against a person to reverse:

9380 (a) a fraudulent transaction if:

- 9381 (i) the transaction occurred on a reversible blockchain;
- 9382 (ii) the plaintiff entered into the transaction with reasonable reliance on the person's:

- 9383 (A) fraudulent representation;
- 9384 (B) omission of material fact; or
- 9385 (C) use of a false or stolen identity; and

9386 (iii) the plaintiff was injured as a result of that reasonable reliance; or

9387 (b) a mistaken transaction if:

- 9388 (i) the transaction occurs on a reversible blockchain;
- 9389 (ii) the transaction resulted in a transfer of assets:

- 9390 (A) to the wrong recipient; or
- 9391 (B) in the wrong amount; and

9392 (iii) the recipient's refusal to return the assets resulted in the unjust enrichment of the
9393 recipient.

9394 (3) Upon a finding of a mistaken or fraudulent transaction, the court shall issue an order to
9395 the Office of the Attorney General to reverse the transaction in accordance with Section
9396 67-5-39.

9397 Section 184. **Repealer.**

9398 This bill repeals:

9399 Section **13-15-101, Title.**

9400 Section **13-21-1, Short title.**

9401 Section **13-22-1, Short title.**

9402 Section **13-23-1, Short title.**

9403 Section **13-25a-101, Title.**

9404 Section **13-26-1, Short title.**

9405 Section **13-32a-101, Title.**

9406 Section **13-32a-112.1, Annual training.**

9407 Section **13-42-101, Title.**

- 9408 Section **13-42-140, Transitional provisions -- Application to existing transactions.**
- 9409 Section **13-49-101, Title.**
- 9410 Section **13-49-203, Requirement to submit to criminal background check.**
- 9411 Section **13-49-304, Translations -- Prohibited acts.**
- 9412 Section **13-51-101, Title.**
- 9413 Section **13-51-201, Transportation Network Vehicle Recovery Fund -- Creation -- Report**
- 9414 **to the Legislature.**
- 9415 Section **13-51-203, Payment of a claim from the fund.**
- 9416 Section **13-51-204, State not liable.**
- 9417 Section **13-52-101, Title.**
- 9418 Section **13-53-101, Title.**
- 9419 Section **13-57-101, Title.**
- 9420 Section **13-68-203, Requirement to submit to criminal background check.**
- 9421 Section **13-68-304, Translations -- Prohibited acts.**
- 9422 Section **13-68-305, Documents -- Treatment of original documents.**
- 9423 Section 185. **Effective Date.**
- 9424 (1) Except as provided in Subsection (2), this bill takes effect May 6, 2026.
- 9425 (2) The actions affecting Section 13-2-102 (Effective 07/01/26) take effect on July 1, 2026.