

Ashlee Matthews proposes the following substitute bill:

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 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:

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

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345

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

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(a) "Candidate" means a person who:

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

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(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.

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

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(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.

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(ii) "Personal use expenditure" includes:

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

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(B) a household food item or supply;

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(C) a clothing expense, except:

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

367

- 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 ~~[whø]~~ that ~~[-]~~has violated, is violating, or has attempted~~[-]~~ to
- 694 violate 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 [~~13-2-1~~]
 716 ~~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~~]
 719 ~~13-2-102~~ 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~~]
 725 ~~13-2-106~~ or [~~13-2-6~~]
 726 ~~13-2-107~~, a 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 63G-2-305
 831 (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 63G-2-201
850 (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)] (5)(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:

1460 "Notice of Cancellation
 1461 You may cancel this contract, without any penalty or obligation, within five days from
 1462 the date the contract is signed.

1463 If you cancel, any payment made by you under this contract will be returned within 10
 1464 days following receipt by the seller of your cancellation notice.

1465 To cancel this contract, mail or deliver a signed dated copy of this cancellation notice, or
 1466 any other written notice, to _____(name of [seller] credit services organization)_____ at
 1467 _____(address of [seller] credit services organization)_____ (place of business)_____ not later
 1468 than midnight _____(date)_____.

1469 I hereby cancel this transaction.

1470 _____(date) _____

1471 _____
 1472 (purchaser's signature)"

1473 (3) The credit services organization shall give to the buyer:

1474 (a) a copy of the completed contract; and

1475 (b) all other documents the credit services organization requires the buyer to sign at the
 1476 time ~~[they are signed]~~ the buyer signs the documents.

1477 Section 29. Section **13-21-108**, which is renumbered from Section 13-21-7.5 is renumbered
 1478 and amended to read:

1479 **[13-21-7.5] 13-21-108 (Effective 05/06/26). Required disclosures.**

1480 [~~(1)~~ As used in this section:]

1481 [(a) "Consumer reporting agency" means the same as that term is defined in Section
 1482 13-45-102.]

1483 [(b) "Credit report" means the same as that term is defined in Section 13-45-102.]

1484 [(c) "Credit score" means the same as that term is defined in Section 31A-22-320.]

1485 [~~(2)~~] When a [~~consumer~~]credit services organization provides a credit report to a buyer, the
 1486 credit services organization shall provide to the buyer a written disclosure that identifies:

1487 [(a) (1) the [~~consumer~~] credit reporting agency providing the information in the report;

1488 [(b) (2) the name of the credit score model [~~used by~~]the credit reporting agency uses to
 1489 calculate the credit score; and

1490 [(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 ~~Commeree]~~ 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~~ 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 ~~[(c)]~~ (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 ~~[acts]~~ act or [
 1733 ~~practices]~~ 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 [
 1736 ~~(4)(b)]~~ (3)(b) may:
- 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 [(40)] (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[~~,-faesimile 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[
1819 ~~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 ~~[(e) (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) To renew a ~~[health spa]~~ fitness center facility registration under this section, the [
 2351 ~~health spa]~~ fitness center shall submit a registration renewal application [~~to the division]~~
 2352 in accordance with Subsection (2) at least 30 days before the day on which the [~~health~~
 2353 ~~spa]~~ fitness center facility's registration expires.

2354 [(iv)] (4) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,
 2355 the division may establish:

2356 [(A)] (a) the initial ~~[health spa]~~ fitness center facility registration process, including the
 2357 content of any forms;

2358 [(B)] (b) the ~~[health spa]~~ fitness center facility registration renewal process, including the
 2359 content of any forms; and

2360 [(C)] (c) a surety exemption process, including the content of any forms.

2361 [(b)] Each ~~health spa~~ registering a ~~health spa~~ facility in this state shall designate a
 2362 registered agent for receiving service of process.]

2363 [(c)] A ~~health spa's~~ registered agent shall be reasonably available from 8 a.m. until 5 p.m.
 2364 during normal working days.]

2365 [(d)] The division shall charge and collect a fee for registration and registration renewal
 2366 under guidelines provided in Section ~~63J-1-504.~~]

2367 [(e)] If a ~~health spa~~ fails to submit a complete registration renewal application before the
 2368 day on which a ~~health spa~~ facility's registration expires, the ~~health spa~~ shall pay a fee
 2369 of \$25 for each month or part of a month that passes:]

2370 [(i)] after the day on which the registration expires; and]

2371 [(ii)] before the day on which the ~~health spa~~ submits a complete registration renewal
 2372 application.]

2373 [(f)] The fee described in Subsection (1)(e) is in addition to the registration renewal fee
 2374 described in Subsection (1)(d).]

- 2375 ~~[(g) A health spa registering or renewing a registration shall provide the division a copy~~
 2376 ~~of the liability insurance policy that:]~~
- 2377 ~~[(i) covers the health spa; and]~~
- 2378 ~~[(ii) is in effect at the time of the registration or registration renewal.]~~
- 2379 ~~[(h) If information in an application to register or renew the registration of a health spa~~
 2380 ~~facility materially changes or becomes incorrect or incomplete, the applicant shall,~~
 2381 ~~within 30 days after the day on which the information changes or becomes incorrect~~
 2382 ~~or incomplete, correct the application or submit the correct information to the~~
 2383 ~~division in a manner that the division establishes by rule made in accordance with~~
 2384 ~~Title 63G, Chapter 3, Utah Administrative Rulemaking Act.]~~
- 2385 (5) If a fitness center fails to submit a complete registration renewal application before the
 2386 day on which a fitness center facility's registration expires, the fitness center shall pay a
 2387 fee of \$25 for each month or part of a month that passes:
- 2388 (a) after the day on which the registration expires; and
- 2389 (b) before the day on which the fitness center submits a complete registration renewal
 2390 application.
- 2391 (6) The fee described in Subsection (5) is in addition to the registration renewal fee
 2392 described in Subsection (2)(b)(i).
- 2393 ~~[(2)] (7)(a) Except as provided in Section [13-23-6] 13-23-105, for each [health-spa]~~
 2394 ~~fitness center facility a [health-spa] fitness center operates, the [health-spa] fitness~~
 2395 ~~center shall obtain and maintain:~~
- 2396 (i) a ~~[performance]~~ surety bond issued by a surety authorized to transact surety
 2397 business in this state; ~~or~~
- 2398 ~~[(ii) an irrevocable letter of credit issued by a financial institution authorized to do~~
 2399 ~~business in this state; or]~~
- 2400 ~~[(iii)] (ii) a certificate of deposit in a financial institution authorized under the laws of~~
 2401 ~~this state or the United States to accept deposits from the public.~~
- 2402 (b) The fitness center shall make the bond~~[, letter of credit,]~~ or certificate of deposit
 2403 described in Subsection ~~[(2)(a)] (7)(a) [shall be]~~payable to the division for the benefit
 2404 of a consumer who incurs damages as the result of the ~~[health-spa] fitness center:~~
- 2405 (i) violating this chapter; or
- 2406 (ii) going out of business.
- 2407 (c)~~[(f)]~~ After each consumer [has fully recovered] recovers actual damages, the
 2408 division may recover from the surety bond~~[, letter of credit,]~~ or certificate of

- 2409 deposit described in Subsection [(2)(a)] [~~the costs of collecting and distributing~~
 2410 ~~funds under this section, in an amount up to 10% of the face value of the bond,~~
 2411 ~~letter of credit, or certificate of deposit]~~ (7)(a) any administrative fine, civil
 2412 penalty, investigative cost, attorney fees, or other cost of collecting and
 2413 distributing funds in accordance with this chapter.
- 2414 [(ii) ~~The total liability of the issuer of the bond, letter of credit, or certificate of~~
 2415 ~~deposit described in this Subsection (2) may not exceed the amount of the bond,~~
 2416 ~~letter of credit, or certificate of deposit.~~]
- 2417 [(iii) ~~A health spa shall maintain a bond, letter of credit, or certificate of deposit~~
 2418 ~~described in this Subsection (2) in force for one year after the day on which the~~
 2419 ~~health spa notifies the division in writing that the health spa has ceased all~~
 2420 ~~activities regulated under this chapter at the health spa facility.]~~
- 2421 (d)[(i) ~~The division may impose a fine against a health spa that fails to comply with~~
 2422 ~~the requirements of this Subsection (2) of up to \$100 per day that the health spa~~
 2423 ~~remains out of compliance.:~~]
- 2424 [(ii) ~~The division shall deposit each fine the division collects under this Subsection~~
 2425 ~~(2)(d) into the Consumer Protection Education and Training Fund created in~~
 2426 ~~Section 13-2-8.:~~]
- 2427 [(3)] (8)(a) In accordance with the schedule established in Subsection [(3)(b)] (8)(b), a [
 2428 ~~health spa]~~ fitness center shall base the minimum principal amount of the bond[, ~~letter~~
 2429 ~~of credit,]~~ or certificate of deposit required under Subsection [(2)] (7) on:
- 2430 (i) the number of unexpired contracts for a [~~health spa]~~ fitness center service, at the
 2431 time the [~~health spa]~~ fitness center submits the [~~health spa]~~ fitness center facility
 2432 registration or registration renewal application, that designate the [~~health spa]~~
 2433 fitness center facility as the consumer's primary location; or
- 2434 (ii) if at the time the [~~health spa]~~ fitness center submits the [~~health spa]~~ fitness center
 2435 facility registration application the [~~health spa]~~ fitness center has not executed a
 2436 contract for a [~~health spa]~~ fitness center service that designates the [~~health spa]~~
 2437 fitness center facility as a consumer's primary location, the number of contracts
 2438 for a [~~health spa]~~ fitness center service designating the [~~health spa]~~ fitness center
 2439 facility as a consumer's primary location that the [~~health spa]~~ fitness center
 2440 reasonably expects to execute during the [~~health spa]~~ fitness center facility's first
 2441 year of registration.
- 2442 (b)

2443	Principal Amount of <u>Surety Bond</u> [, Letter of Credit, or Certificate of Deposit	Number of Contracts
2444	\$5,000	100 or fewer
2445	\$10,000	101 to 250
2446	\$15,000	251 to 500
2447	35,000	501 to 1,500
2448	50,000	1,501 to 3,000
2449	75,000	3,001 or more

2450 (c) A [health-spa] fitness center shall comply with Subsections [~~(3)(a)~~] (8)(a) and (b) with
 2451 respect to all of the [health-spa's] fitness center's unexpired contracts for a [health-spa]
 2452 fitness center service that do not satisfy the criteria in Section [~~13-23-6~~] 13-23-105.

2453 [~~(4)~~] (9) A [health-spa] fitness center shall furnish a copy of the current surety bond[~~, letter~~
 2454 ~~of credit,~~] or certificate of deposit to the division before selling, offering or attempting to
 2455 sell, soliciting the sale of, or becoming a party to any contract to provide a [health-spa]
 2456 fitness center service.

2457 [~~(5)~~] (10) A [health-spa] fitness center shall:

2458 (a) maintain accurate records of:

2459 (i) the surety bond[~~, letter of credit,~~] or certificate of deposit; and

2460 (ii) of each payment made, due, or to become due to the issuer; and

2461 (b) open the records described in Subsection [~~(5)(a)~~] (10)(a) to inspection by the division
 2462 at any time during normal business hours.

2463 [~~(6)~~] (11)(a) A [health-spa] fitness center with a [health-spa] fitness center facility

2464 registered under this section shall submit a new initial registration for the [health-spa]

2465 fitness center facility, if the [health-spa] fitness center:

2466 (i) changes ownership;

2467 (ii) permanently ceases and then again commences operation at the [health-spa] fitness
 2468 center facility; or

2469 (iii) relocates the [health-spa] fitness center facility.

2470 (b) The former owner of a [health-spa] fitness center may not release, cancel, or

2471 terminate the owner's liability under any surety bond[~~, letter of credit,~~] or certificate

2472 of deposit previously filed with the division, unless:

2473 (i) the new owner [~~has filed~~] files a new bond[~~, letter of credit,~~] or certificate of
 2474 deposit for the benefit of consumers covered under the previous owner's surety
 2475 bond[~~, letter of credit,~~] or certificate of deposit; or

2476 (ii) the former owner [~~has refunded~~] refunds all unearned payments to consumers.

2477 [~~(7)~~] (12) If a [~~health spa~~] fitness center permanently ceases operation or relocates a [~~health~~
 2478 spa] fitness center facility, the [~~health spa~~] fitness center shall provide the division notice
 2479 at least 45 days before the day on which [~~health spa~~] fitness center permanently ceases
 2480 operation or relocates the [~~health spa~~] fitness center facility.

2481 (13) A fitness center may not:

- 2482 (a) represent that the division or the state endorses or approves the fitness center;
- 2483 (b) omit from a filing with the division a material statement of fact required by this
 2484 chapter or rule the division makes in accordance with this chapter; or
- 2485 (c) include in a filing with the division a material statement of fact that the fitness center
 2486 or the fitness center's principal knew or should have known to be false, deceptive,
 2487 inaccurate, or misleading.

2488 (14) A fitness center commits a separate violation of this chapter for each day that the
 2489 fitness center operates a fitness center facility without registering the fitness center
 2490 facility with the division in accordance with Subsection (2).

2491 Section 52. Section **13-23-105**, which is renumbered from Section 13-23-6 is renumbered
 2492 and amended to read:

2493 **[13-23-6] 13-23-105 (Effective 05/06/26). Exemptions from surety bond or**
 2494 **certificate of deposit requirement.**

2495 (1) A [~~health spa~~] fitness center is exempt from Subsections [~~13-23-5(2)~~] 13-23-104(7)
 2496 through [~~(5)~~] (10) for a [~~health spa~~] fitness center facility, if the [~~health spa~~] fitness center
 2497 only offers access to a [~~health spa~~] fitness center service at the [~~health spa~~] fitness center
 2498 facility through:

- 2499 (a) the purchase of an individual class or session;
- 2500 (b) the purchase of a package:
 - 2501 (i) with a defined number of classes or sessions; and
 - 2502 (ii) for which the health spa may not hold more than \$150 worth of a consumer's
 2503 unused credit;
- 2504 (c) the purchase of a monthly membership or pass, payment for which the [~~health spa~~]
 2505 fitness center does not collect from a consumer more than two months in advance;
- 2506 (d) an installment contract that:

2507 (i) provides for the consumer to make all payments due under the contract, including
 2508 a down payment, an enrollment fee, a membership fee, or any other payment to
 2509 the ~~[health spa]~~ fitness center, in equal monthly installments spread over the entire
 2510 term of the contract; and

2511 (ii) contains the following clause: "If this ~~[health spa]~~ fitness center ceases operations
 2512 at or changes the consumer's primary location in violation of Utah Code
 2513 Subsection ~~[13-23-3(7)]~~ 13-23-102(7), (8), or (9), no further payments under this
 2514 contract shall be due to anyone, including any assignee of the contract or
 2515 purchaser of any note associated with or contained in this contract."; or

2516 (e) a combination of ~~[health spa]~~ fitness center services described in Subsections (1)(a)
 2517 through (d).

2518 (2) For purposes of finding the principal amount for the surety bond~~[-letter of credit,]~~ or
 2519 certificate of deposit required under Section ~~[13-23-5]~~ 13-23-104, a ~~[health spa]~~ fitness
 2520 center is not required to include in the calculation described in Subsection ~~[13-23-5(3)]~~
 2521 13-23-104(8) a contract that offers access to a ~~[health spa]~~ fitness center service as
 2522 described in Subsection (1).

2523 (3) A ~~[health spa]~~ fitness center that claims exemption from Subsections ~~[13-23-5(2)]~~
 2524 13-23-104(7) through ~~[(5)]~~ (10) or that a contract should be excluded from the
 2525 calculation described in Subsection ~~[13-23-5(3)]~~ 13-23-104(8) bears the burden of
 2526 proving to the division that the health spa or contract meets the relevant criteria
 2527 described in Subsection (1) or (2).

2528 Section 53. Section **13-23-106**, which is renumbered from Section 13-23-7 is renumbered
 2529 and amended to read:

2530 **~~[13-23-7]~~ 13-23-106 (Effective 05/06/26). Enforcement -- Costs and attorney fees**
 2531 **-- Penalties.**

2532 ~~[(1)(a) The division may, on behalf of a consumer or on the division's own behalf, file~~
 2533 ~~an action for injunctive relief, damages, or both to enforce this chapter.]~~

2534 ~~[(b) In addition to any relief granted, the division is entitled to an award for reasonable~~
 2535 ~~attorney's fees, court costs, and reasonable investigative expenses.]~~

2536 (1) In addition to the division's enforcement powers under Chapter 2, Division of Consumer
 2537 Protection, the division may:

2538 (a) impose an administrative fine of up to \$2,500 for a violation of this chapter; and

2539 (b) bring an action in a court with jurisdiction to enforce a provision of this chapter.

2540 (2) In an action described in Subsection (1)(b), the court may:

- 2541 (a) declare that an act or practice violates a provision of this chapter;
 2542 (b) issue an injunction for a violation of this chapter;
 2543 (c) order disgorgement of any money received in violation of this chapter;
 2544 (d) order payment of disgorged money to an injured purchaser or consumer;
 2545 (e) impose a fine of up to \$2,500 for a violation of this chapter; and
 2546 (f) award any other relief that the court deems reasonable and necessary.
- 2547 ~~[(2)]~~ (3)(a) A person who willfully violates a provision of this chapter, either by failing
 2548 to comply with any requirement or by doing any act prohibited in this chapter, is
 2549 guilty of a class B misdemeanor.
- 2550 (b) Each day a person commits or permits to continue a violation described in
 2551 Subsection ~~[(2)(a) is committed or permitted to continue]~~ (3)(a) constitutes a separate
 2552 punishable offense.
- 2553 (c) In the case of a second offense, the person is guilty of a class A misdemeanor.
 2554 (d) In the case of a third or subsequent offense, the person is guilty of a third degree
 2555 felony.
- 2556 ~~[(3)(a) In addition to any other penalty available under this chapter, a person who~~
 2557 ~~violates this chapter is subject to:]~~
- 2558 ~~[(i) a cease and desist order; and]~~
 2559 ~~[(ii) an administrative fine of up to \$2,500 for each separate violation that is not a~~
 2560 ~~violation described in Subsection 13-23-5(2)(d) up to \$10,000 for any series of~~
 2561 ~~violations arising out of the same operative facts.]~~
- 2562 ~~[(b) The division shall deposit all administrative fines collected under this chapter into~~
 2563 ~~the Consumer Protection Education and Training Fund created in Section 13-2-8.]~~
- 2564 Section 54. Section **13-23-107**, which is renumbered from Section 13-23-8 is renumbered
 2565 and amended to read:
- 2566 **[13-23-8] 13-23-107 (Effective 05/06/26). Grounds for denial, suspension, or**
 2567 **revocation.**
- 2568 ~~[The director may, in-]~~ In accordance with Title 63G, Chapter 4, Administrative
 2569 Procedures Act, ~~[issue an order]~~ the director may initiate adjudicative proceedings to deny,
 2570 suspend, or revoke an application or registration ~~[upon a finding that the order is in the public~~
 2571 ~~interest and that] if:~~
- 2572 (1) the division finds that the denial, suspension, or revocation is in the public interest;
 2573 ~~[(4)]~~ (2)(a) the application for registration or renewal is incomplete or misleading in a
 2574 material respect; or

- 2575 [(2)] (b) the applicant or [~~person registered under this chapter or an officer, director,~~
 2576 ~~agent, or employee of the applicant or registrant has~~] the applicant's principal:
 2577 [(a)] (i) [~~violated this chapter~~] violates, causes a violation, allows a violation, or fails
 2578 to satisfy the requirements of a provision of:
 2579 (A) this chapter; or
 2580 (B) a rule the division makes in accordance with this chapter;
 2581 [(b)] (ii) [~~violated~~] violates Chapter 11, Utah Consumer Sales Practices Act;
 2582 [(c)] (iii) [~~been~~] is enjoined by a court, or is the subject of an administrative order
 2583 issued in this or another state, if the injunction or order:
 2584 [(i)] (A) includes a finding or admission of fraud, breach of fiduciary duty, or
 2585 material misrepresentation; or
 2586 [(ii)] (B) is based on a finding of lack of integrity, truthfulness, or mental
 2587 competence of the applicant;
 2588 [(d)] (iv) [~~obtained~~] obtains or [~~attempted~~] attempts to obtain a registration by [
 2589 ~~misrepresentation~~] misrepresenting a material fact;
 2590 [(e)] (v) [~~failed~~] fails to [~~timely~~] provide information the division [~~with any~~
 2591 ~~information required by this chapter~~] requests; or
 2592 [(f)] (vi) [~~failed~~] fails to pay a fine imposed by the division or a court;
 2593 (vii) fails to pay the fee described in Subsection 13-23-104(2)(b)(i); or
 2594 (viii) is convicted of a crime involving theft, fraud, or dishonesty.
- 2595 (3) the applicant's or registrant's surety bond[~~, letter of credit,~~] or certificate of deposit
 2596 ceases to be in effect;
- 2597 (4) the applicant or registrant requested an exemption from maintaining a surety bond[~~,~~
 2598 ~~letter of credit,~~] or certificate of deposit under Section [~~13-23-6~~] 13-23-105, but does not
 2599 meet the requirements for exemption;
- 2600 (5) the applicant or registrant excluded from the principal amount calculation described in
 2601 Subsection [~~13-23-5(3)~~] 13-23-104(8) for a surety bond[~~, letter of credit,~~] or certificate of
 2602 deposit, a contract that did not meet the requirements for exclusion described in Section [
 2603 ~~13-23-6~~] 13-23-105; or
- 2604 (6) the applicant or registrant ceases to provide [~~health spa~~] fitness center services.
- 2605 Section 55. Section **13-25a-105** is amended to read:
- 2606 **13-25a-105 (Effective 05/06/26). Penalties -- Administrative and criminal.**
- 2607 (1) Any person who violates this chapter is subject to:
- 2608 (a) a cease and desist order; and

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

2623 Section 56. Section **13-26-101**, which is renumbered from Section 13-26-2 is renumbered
 2624 and amended to read:

2625 **Part 1. General Provisions**

2626 **~~[13-26-2]~~ 13-26-101 (Effective 05/06/26). Definitions.**

2627 As used in this chapter~~[, unless the context otherwise requires]~~:

- 2628 (1) "Affiliated person" means a seller or a seller's contractor, director, employee, officer,
 2629 owner, or partner.
- 2630 (2) "Continuity plan" means a shipment, with the prior express consent of the buyer, at
 2631 regular intervals of similar special-interest products, in which there is no binding
 2632 commitment period or purchase amount.
- 2633 (3) "Director" means the director of the division appointed under Section 13-2-103.
- 2634 ~~[(3)]~~ (4) "Division" means the Division of Consumer Protection created in Section 13-2-102.
- 2635 ~~[(4)]~~ (5) "Fictitious personal name" means a name other than an individual's legal name.
- 2636 (6) "Material fact" means information that a person of ordinary intelligence or prudence
 2637 would consider important in deciding whether to accept an offer extended through a
 2638 telephone solicitation.
- 2639 ~~[(5)]~~ (7) "Material statement" ~~[or "material fact"]~~ means ~~[information]~~ a statement a seller or
 2640 a solicitor makes that a person of ordinary intelligence or prudence would consider
 2641 important in deciding whether to accept an offer extended through a telephone
 2642 solicitation.

2643 [(6)] (8) "Participant" means a person seeking to register or renew a registration as a seller
 2644 including:

- 2645 (a) a seller;
 2646 (b) an owner;
 2647 (c) an officer;
 2648 (d) a director;
 2649 (e) a member or manager of a limited liability company;
 2650 (f) a principal;
 2651 (g) a trustee;
 2652 (h) a general or limited partner;
 2653 (i) a sole proprietor; or
 2654 (j) an individual with a controlling interest in an entity.

2655 [(7)] (9) "Premium" means a gift, bonus, prize, award, certificate, or other document by
 2656 which a prospective purchaser is given a right, chance, or privilege to purchase or
 2657 receive goods or services with a stated or represented value of \$25 or more as an
 2658 inducement to a prospective purchaser to purchase other goods or services.

2659 [(8)] (10) "Seller" means a person, or a group of persons engaged in a common effort to
 2660 conduct a telephone solicitation, that:

- 2661 (a) on behalf of the person, or the group of persons engaged in a common effort to
 2662 conduct a telephone solicitation:
 2663 (i) makes a telephone solicitation; or
 2664 (ii) causes a telephone solicitation to be made; or
 2665 (b) through a [~~telephone~~]solicitor:
 2666 (i) makes a telephone solicitation; or
 2667 (ii) causes a telephone solicitation to be made.

2668 (11) "Solicitor" means an individual who engages in a telephone solicitation on behalf of a
 2669 seller.

2670 [(9)] (12) [~~"Subscription arrangements," "standing-~~] "Standing order arrangements," [
 2671 "supplements," and "series arrangements" mean products or services provided] means a
 2672 product or service that a person provides, with the prior express request or consent of the
 2673 buyer, for a specified period of time at a price dependent on the duration of service and
 2674 to complement an initial purchase.

2675 [(10)] (13)(a) "Telephone solicitation[;]" [~~"sale," "selling," or "solicitation of sale"-~~]
 2676 means:

- 2677 (i) a sale or solicitation of goods or services in which:
- 2678 (A)(I) the seller solicits the sale over the telephone;
- 2679 (II) the purchaser's agreement to purchase is made over the telephone; and
- 2680 (III) the purchaser, over the telephone, pays for or agrees to commit to payment
- 2681 for goods or services prior to or upon receipt by the purchaser of the goods
- 2682 or services;
- 2683 (B) the seller, not exempt under Section ~~[13-26-4]~~ 13-26-104, induces a
- 2684 prospective purchaser over the telephone, to make and keep an appointment
- 2685 that directly results in the purchase of goods or services by the purchaser that
- 2686 would not have occurred without the telephone solicitation and inducement by
- 2687 the seller;
- 2688 (C) the seller offers or promises a premium to a prospective purchaser if:
- 2689 (I) the seller induces the prospective purchaser to initiate a telephone contact
- 2690 with the seller; and
- 2691 (II) the resulting solicitation meets the requirements of this Subsection ~~[(10)(a)]~~
- 2692 (13)(a); or
- 2693 (D) the seller solicits a charitable donation involving the exchange of any
- 2694 premium, prize, gift, ticket, subscription, or other benefit in connection with an
- 2695 appeal made for a charitable purpose by an organization that is not otherwise
- 2696 exempt under Subsection ~~[13-26-4(2)(b)(iv)]~~ 13-26-104(2)(b)(iv); or
- 2697 (ii) a ~~[telephone solicitation as defined in Section 13-25a-102]~~ person making or
- 2698 causing to be made an unsolicited telephone call, including calls made by use of
- 2699 an automated telephone dialing system.
- 2700 (b) "Telephone solicitation[;]" ["sale," "selling," or "solicitation of sale"] does not
- 2701 include a sale or solicitation that occurs solely through ~~[an Internet]~~ a website without
- 2702 the use of a telephone call.
- 2703 ~~[(e) A solicitation of sale or telephone solicitation is considered complete when made,~~
- 2704 ~~whether or not the person receiving the solicitation agrees to the sale or to make a~~
- 2705 ~~charitable donation.]~~
- 2706 ~~[(11) "Telephone solicitor" or "solicitor" means an individual who engages in a telephone~~
- 2707 ~~solicitation on behalf of a seller.]~~
- 2708 Section 57. Section **13-26-102**, which is renumbered from Section 13-26-3 is renumbered
- 2709 and amended to read:
- 2710 **[13-26-3] 13-26-102 (Effective 05/06/26). Registration and surety bond or**

2711 **certificate of deposit required.**

2712 (1)(a) Unless exempt under Section [~~13-26-4~~] 13-26-104, [each] a seller shall register
 2713 annually with the division before engaging in telephone solicitations if:

2714 (i) the seller engages in telephone solicitations that:

2715 (A) originate in Utah; or

2716 (B) are received in Utah; or

2717 (ii) the seller, or a solicitor on behalf of the seller, conducts [~~any business operations~~]
 2718 a business operation in Utah.

2719 [~~(b) The registration form shall designate an agent residing in this state who is~~
 2720 ~~authorized by the seller to receive service of process in any action brought by this~~
 2721 ~~state or a resident of this state.]~~

2722 [~~(c) If a seller fails to designate an agent to receive service or fails to appoint a successor~~
 2723 ~~to the agent, the division shall:]~~

2724 [~~(i) deny the seller's application for an initial or renewal registration; and]~~

2725 [~~(ii) if the application is for a renewal registration, suspend the seller's current~~
 2726 ~~registration until the seller designates an agent.]~~

2727 [~~(d) For purposes of this section only, the registered agent of a seller shall provide the~~
 2728 ~~division the registered agent's proof of residency in the state in the form of:]~~

2729 [~~(i) a valid Utah driver license;]~~

2730 [~~(ii) a valid governmental photo identification issued to a resident of this state; or]~~

2731 [~~(iii) other verifiable identification indicating residency in this state.]~~

2732 (2) To register as a seller, a person shall submit to the division a registration application:

2733 (a) in the manner the division determines; and

2734 (b) that includes:

2735 (i) a registration application fee in an amount the division determines in accordance
 2736 with Section 63J-1-504;

2737 (ii) any information the division requires by rule the division makes in accordance
 2738 with Title 63G, Chapter 3, Utah Administrative Rulemaking Act; and

2739 (iii) a designated registered agent for service of process in this state and the registered
 2740 agent's:

2741 (A) name;

2742 (B) street address;

2743 (C) mailing address; and

2744 (D) telephone number.

- 2745 (3) A seller that is subject to this chapter shall obtain and maintain the following:
 2746 (a) a surety bond issued by a surety authorized to transact security business in this state;
 2747 or
 2748 (b) a certificate of deposit held in this state in a financial institution authorized under the
 2749 laws of this state or the laws of the United States to accept deposits from the public.
- 2750 [~~(2) The division may impose an annual registration fee set in accordance with Section~~
 2751 ~~63J-1-504 that may include the cost of the criminal background check described in~~
 2752 ~~Subsection (4).]~~
- 2753 [~~(3)(a) Each seller subject to this chapter engaging in telephone solicitation or sales in~~
 2754 ~~this state shall obtain and maintain the following security:]~~
- 2755 [~~(i) a performance bond issued by a surety authorized to transact surety business in~~
 2756 ~~this state;]~~
- 2757 [~~(ii) an irrevocable letter of credit issued by a financial institution authorized under~~
 2758 ~~the laws of this state or the United States doing business in this state; or]~~
- 2759 [~~(iii) a certificate of deposit held in this state in a financial institution authorized~~
 2760 ~~under the laws of this state or the United States to accept deposits from the public.]~~
- 2761 [(b) A seller's bond, letter of credit, or certificate of deposit shall be payable to the
 2762 division for the benefit of any consumer who incurs damages as the result of the
 2763 seller's violation of this chapter.]
- 2764 [(c) If the consumer has first recovered full damages, the division may recover from the
 2765 bond, letter of credit, or certificate of deposit administrative fines, civil penalties,
 2766 investigative costs, attorney fees, and other costs of collecting and distributing funds
 2767 under this section.]
- 2768 [(d) A seller shall keep a bond, certificate of deposit, or letter of credit in force for one
 2769 year after the day on which the seller notifies the division in writing that the seller
 2770 has ceased all activities regulated by this chapter.]
- 2771 [(e)] (4) [The seller shall post a bond, irrevocable letter of credit, or certificate of deposit in
 2772 the amount of] The surety bond or certificate of deposit described in Subsection (3) shall
 2773 be:
- 2774 (a) in the amount of:
- 2775 (i) \$25,000 if:
- 2776 (A) [~~neither~~]the seller [~~nor any~~] or an affiliated person has not violated this
 2777 chapter in the three-year period immediately before the day on which the seller
 2778 files the application; and

- 2779 (B) the seller has fewer than 10 employees;
- 2780 (ii) \$50,000 if:
- 2781 (A) ~~[neither-]~~the seller ~~[nor any]~~ or an affiliated person has not violated this
- 2782 chapter in the three-year period immediately before the day on which the seller
- 2783 files the application; and
- 2784 (B) the seller has 10 or more employees; or
- 2785 (iii) \$75,000 if the seller or ~~[any]~~ an affiliated person has violated this chapter in the
- 2786 three-year period immediately before the day on which the seller files the
- 2787 application~~[-]~~ ; and
- 2788 (b) payable to the division for the benefit of a consumer who incurs damages as the
- 2789 result of the seller's violation of this chapter.
- 2790 ~~[(4) To register or renew a registration as a seller, a participant:]~~
- 2791 ~~[(a) may not have been convicted of a felony in the 10-year period immediately before~~
- 2792 ~~the day on which the participant files the application;]~~
- 2793 ~~[(b) may not have been convicted of a misdemeanor involving moral turpitude,~~
- 2794 ~~including theft, fraud, or dishonesty, in the 10-year period immediately before the~~
- 2795 ~~day on which the participant files the application; and]~~
- 2796 ~~[(c) shall submit to the division:]~~
- 2797 ~~[(i) the participant's fingerprints, in a form acceptable to the division, for purposes of~~
- 2798 ~~a criminal background check; and]~~
- 2799 ~~[(ii) consent to a criminal background check by the Bureau of Criminal Identification~~
- 2800 ~~created in Section 53-10-201.]~~
- 2801 (5) If the consumer recovers actual damages from an action resulting from the seller's
- 2802 violation of this chapter before the division distributes the funds in the surety bond or
- 2803 certificate of deposit described in Subsection (3) to the consumer in accordance with
- 2804 Subsection (4)(b), the division may recover from the surety bond or certificate of deposit:
- 2805 (a) administrative fines;
- 2806 (b) civil penalties;
- 2807 (c) investigative costs;
- 2808 (d) attorney fees; and
- 2809 (e) other costs of collecting and distributing funds under this chapter.
- 2810 (6) A seller shall submit to the division, as part of the seller's registration application:
- 2811 (a) a fingerprint card in a form the division approves;
- 2812 (b) consent to a criminal background check conducted by:

2813 (i) the Bureau of Criminal Identification created in Section 53-10-201; or
 2814 (ii) another state or federal agency that performs criminal background checks; and
 2815 (c) provide a disclosure that states whether a seller or an affiliated person has been
 2816 convicted of a felony or misdemeanor involving theft, fraud, or dishonesty, in the
 2817 10-year period immediately preceding the day on which the seller files the
 2818 application.

2819 (7) A seller shall pay the cost of:

2820 (a) the fingerprint card described in Subsection (6)(a); and

2821 (b) the criminal background check described in Subsection (6)(b).

2822 (8) A seller registration is effective for one year after the day on which the division
 2823 approves a seller's registration application.

2824 (9) To renew a seller registration, a seller shall submit a registration renewal application to
 2825 the division at least 30 days before the day on which the seller's registration expires.

2826 (10) Registration under this section does not constitute an approval or endorsement of the
 2827 seller by the division or the state.

2828 [~~(5) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the~~
 2829 ~~division may establish by rule the registration requirements for a seller.]~~

2830 [~~(6) If information in an application for registration or for renewal of registration as a seller~~
 2831 ~~materially changes or becomes incorrect or incomplete, the applicant shall, within 30~~
 2832 ~~days after the day on which information changes or becomes incorrect or incomplete,~~
 2833 ~~submit the correct information to the division in a manner that the division establishes~~
 2834 ~~by rule.]~~

2835 [~~(7) The division director may deny or revoke a registration under this section for any~~
 2836 ~~violation of this chapter.]~~

2837 Section 58. Section **13-26-103** is enacted to read:

2838 **13-26-103 (Effective 05/06/26). Denial, suspension, or revocation of an**
 2839 **application or registration.**

2840 In accordance with Chapter 2, Division of Consumer Protection, and Title 63G, Chapter
 2841 4, Administrative Procedures Act, the division may initiate adjudicative proceedings to deny,
 2842 suspend, or revoke an application or registration if:

2843 (1) the division finds that the denial, suspension, or revocation is in the public interest; and

2844 (2)(a) the registration is incomplete, false, or misleading; or

2845 (b) the applicant or the applicant's principal:

2846 (i) violates, causes a violation, allows a violation, or fails to satisfy the requirements

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

2862 Section 59. Section **13-26-104**, which is renumbered from Section 13-26-4 is renumbered
2863 and amended to read:

2864 **[13-26-4] 13-26-104 (Effective 05/06/26). Exemptions from registration.**

- 2865 (1) In an enforcement action initiated by the division, a person claiming an exemption has
2866 the burden of proving that the person is entitled to the exemption.
- 2867 (2) The following are exempt from this chapter except for the requirements described in
2868 Sections ~~[13-26-8]~~ 13-26-106 and ~~[13-26-11]~~ 13-26-108:
- 2869 (a) a broker, agent, dealer, or sales professional licensed in this state, when soliciting
2870 sales within the scope of the broker's, agent's, dealer's, or sales professional's license;
- 2871 (b) the solicitation of sales by:
- 2872 (i) a public utility that is regulated under Title 54, Public Utilities, or by an affiliate of
2873 the public utility;
- 2874 (ii) a newspaper of general circulation;
- 2875 (iii) a solicitation of sale made by a broadcaster licensed by a state or federal
2876 authority;
- 2877 (iv) a nonprofit organization if no part of the net earnings from the sale inures to the
2878 benefit of:
- 2879 (A) a member, officer, trustee, or serving board member of the organization; or
- 2880 (B) an individual, or a family member of an individual, holding a position of

- 2881 authority or trust in the organization; and
- 2882 (v) a person who periodically publishes and delivers a catalog of the seller's
- 2883 merchandise to prospective purchasers, if the catalog:
- 2884 (A) contains the price and a written description or illustration of each item offered
- 2885 for sale;
- 2886 (B) includes the seller's business address;
- 2887 (C) includes at least 24 pages of written material and illustrations;
- 2888 (D) is distributed in more than one state; and
- 2889 (E) has an annual circulation by mailing of not less than 250,000;
- 2890 (c) a publicly traded corporation registered with the Securities and Exchange
- 2891 Commission, or a subsidiary of the publicly traded corporation;
- 2892 (d) the solicitation of a depository institution as defined in Section 7-1-103, a subsidiary
- 2893 of a depository institution, personal property broker, securities broker, investment
- 2894 adviser, consumer finance lender, or insurer subject to regulation by an official
- 2895 agency of this state or the United States;
- 2896 (e) the solicitation by a person soliciting only the sale of telephone services to be
- 2897 provided by the person or the person's employer;
- 2898 (f) the solicitation of a person relating to a transaction regulated by the Commodities
- 2899 Futures Trading Commission, if:
- 2900 (i) the person is registered with or temporarily licensed by the commission to conduct
- 2901 the activity under the Commodity Exchange Act; and
- 2902 (ii) the registration or license has not expired or been suspended or revoked;
- 2903 (g) the solicitation of a contract for the maintenance or repair of goods previously
- 2904 purchased from the person:
- 2905 (i) who is making the solicitation; or
- 2906 (ii) on whose behalf the solicitation is made;
- 2907 (h) the solicitation of previous customers of the person on whose behalf the call is made
- 2908 if the person making the call:
- 2909 (i) does not offer any premium in conjunction with a sale or offer;
- 2910 (ii) is not selling an investment or an opportunity for an investment that is not
- 2911 registered with a state or federal authority; and
- 2912 (iii) is not regularly engaged in telephone sales;
- 2913 (i) the solicitation of a sale that is an isolated transaction and not done in the course of a
- 2914 pattern of repeated transactions of a similar nature;

- 2915 (j) the solicitation of a person by a retail business that has been in operation for at least
2916 five years in Utah under the same name as that used in connection with telemarketing
2917 if the following occur on a continuing basis:
- 2918 (i) at the retail business's place of business, the retail business:
- 2919 (A) displays and offers products for sale; or
2920 (B) offers services for sale and provides the services at the place of business; and
- 2921 (ii) a majority of the retail business's business involves the activities described in
2922 Subsection (2)(j)(i);
- 2923 (k) a person primarily soliciting the sale of a magazine or periodical sold by the
2924 publisher or the publisher's agent through a written agreement, or printed or recorded
2925 material through a contractual plan, such as a book or record club, continuity plan, [
2926 ~~subscription,~~] or standing order arrangement, [~~or supplement or series arrangement~~]
2927 if:
- 2928 (i) the person provides the consumer with a form that the consumer may use to
2929 instruct the person not to ship the offered merchandise, and the arrangement is
2930 regulated by the Federal Trade Commission trade regulation concerning use of
2931 negative option plans by a person making a sale in commerce; or
- 2932 (ii)(A) the person periodically ships merchandise to a consumer who has
2933 consented in advance to receive the merchandise on a periodic basis; and
2934 (B) the consumer retains the right to cancel at any time and receive a full refund
2935 for the unused portion;
- 2936 (l) a telephone marketing service company that provides telemarketing sales services
2937 under contract to a person making a sale if:
- 2938 (i) the telephone marketing service company has been doing business regularly with
2939 customers in Utah for at least five years under the same business name and with
2940 the telephone marketing service company's principal office in the same location;
- 2941 (ii) at least 75% of the telephone marketing service company's contracts are
2942 performed on behalf of persons exempt from registration under this chapter; and
- 2943 (iii) neither the telephone marketing service company nor the telephone marketing
2944 service company's principals have been enjoined from doing business or subjected
2945 to criminal actions for the telephone marketing service company's or the telephone
2946 marketing company's principal's business activities in this or any other state;
- 2947 (m) a credit services organization that holds a current registration with the division
2948 under Chapter 21, Credit Services Organizations Act, if the credit services

2949 organization's telephone solicitations are limited to the solicitation of services
 2950 regulated under Chapter 21, Credit Services Organizations Act; and
 2951 (n) a provider that holds a current registration with the division under Chapter 42,
 2952 Uniform Debt-Management Services Act, if the provider's telephone solicitations are
 2953 limited to the solicitation of services regulated under Chapter 42, Uniform
 2954 Debt-Management Services Act.

2955 Section 60. Section **13-26-105**, which is renumbered from Section 13-26-5 is renumbered
 2956 and amended to read:

2957 **[13-26-5] 13-26-105 (Effective 05/06/26). Right of rescission -- Cancellation.**

2958 (1) As used in this section, "business day" means a day other than Saturday, Sunday or a
 2959 federal or state holiday.

2960 (2) Before engaging in a solicitation with a consumer, a seller or a seller's solicitor shall
 2961 orally advise the consumer of the seller or the seller's solicitor's:

2962 (a) legal name;

2963 (b) telephone number;

2964 (c) complete mailing address; and

2965 (d) email address.

2966 [~~(2)~~] (3)(a) Except as provided in Subsections [~~(2)~~](b) (3)(b) and (c), in addition to any
 2967 right to otherwise revoke an offer, a person who makes a purchase from a seller may
 2968 cancel the sale at or before [midnight of] 11:59 p.m. on the third business day after the
 2969 day on which the person receives the merchandise or premium, whichever is later,
 2970 provided that the seller or the seller's solicitor advises the purchaser of the purchaser's
 2971 cancellation rights under this chapter at the time the seller or seller's solicitor makes
 2972 the solicitation[is made].

2973 (b) If the seller or the seller's solicitor fails to orally advise a purchaser of the right to
 2974 cancel under this section at the time of a solicitation, the purchaser's right to cancel is
 2975 extended to 90 days after the day on which the person receives the merchandise or
 2976 premium.

2977 (c) If the seller or the seller's solicitor fails to orally advise a purchaser of the seller's or
 2978 the seller's solicitor's legal name, telephone number, and complete address at the time
 2979 of a solicitation, the purchaser may cancel the sale at any time.

2980 (d) Except as provided in Subsection [~~(5)~~] (6), a seller shall provide a full refund to a
 2981 purchaser who cancels a sale in accordance with this section.

2982 [~~(3)~~] (4) A purchaser may cancel a sale by:

2983 (a) mailing a notice of cancellation to the seller or seller's solicitor's [~~correct~~]address, [
 2984 ~~postage prepaid~~] or email address the seller or seller's solicitor provides in accordance
 2985 with Subsection (2); or

2986 (b) if the seller or the seller's solicitor fails to provide the purchaser with the seller's or
 2987 the seller's solicitor's [~~correct~~]address or email address in accordance with
 2988 Subsection (2), sending a written notice of cancellation to the division's office[
 2989 ~~postage prepaid~~].

2990 [~~(4)~~] (5)(a) If a purchaser cancels a sale and the seller or the seller's solicitor [~~provides~~
 2991 ~~the purchaser with the seller's correct address~~] complies with Subsection (2), the
 2992 purchaser shall, within seven business days after the day on which the purchaser
 2993 exercises the right to cancel, make a reasonable attempt to:

2994 (i) if the canceled sale involves durable goods, return the goods to the seller; or

2995 (ii) if the canceled sale involves expendable goods, return any unused portion of the
 2996 goods to the seller.

2997 (b) If the seller or the seller's solicitor fails to [~~provide to a purchaser the seller's correct~~
 2998 ~~address~~] provide the information required by Subsection (2), a purchaser who cancels
 2999 a sale is not required to return any canceled goods to the seller.

3000 [~~(5)~~] (6)(a) If the purchaser who cancels a sale has used any portion of the services or
 3001 goods purchased, the purchaser shall provide the seller a reasonable allowance for the
 3002 value given.

3003 (b) A seller may deduct the reasonable allowance described in Subsection [~~(5)(a)~~] (6)(a)
 3004 from any refund due the purchaser.

3005 Section 61. Section **13-26-106**, which is renumbered from Section 13-26-8 is renumbered
 3006 and amended to read:

3007 **[~~13-26-8~~] 13-26-106 (Effective 05/06/26). Penalties and enforcement.**

3008 (1) In addition to the division's enforcement powers described in Chapter 2, Division of
 3009 Consumer Protection:

3010 (a) the director may impose an administrative fine of up to \$2,500 for each violation of
 3011 this chapter; and

3012 (b) the division may bring an action in a court with jurisdiction to enforce a provision of
 3013 this chapter.

3014 (2) If the division brings an action in accordance with Subsection (1)(b):

3015 (a) the court may:

3016 (i) declare that an act or practice violates a provision of this chapter;

- 3017 (ii) issue an injunction for a violation of this chapter;
 3018 (iii) order disgorgement of any money received in violation of this chapter;
 3019 (iv) order payment of disgorged money to an injured purchaser or consumer;
 3020 (v) impose a fine of up to \$2,500 for each violation of this chapter; or
 3021 (vi) award any other relief that the court deems reasonable and necessary; and

3022 (b) if the court grants judgment or injunctive relief to the division, the court shall award
 3023 the division:

- 3024 (i) reasonable attorney fees;
 3025 (ii) court costs; and
 3026 (iii) investigative fees.

3027 (3)(a) A person that violates an administrative or court order issued for a violation of
 3028 this chapter is subject to a civil penalty of no more than \$5,000 for each violation.

3029 (b) A court may impose a civil penalty authorized under this section in a civil action
 3030 brought by the division.

3031 ~~[(1)]~~ (4)(a) A seller or solicitor who violates a provision of this chapter is guilty of:

- 3032 (i) a class B misdemeanor for a first violation;
 3033 (ii) if the seller or solicitor has one prior violation of this chapter, a class A
 3034 misdemeanor; and
 3035 (iii) if the seller or solicitor has two prior violations of this chapter, a third-degree
 3036 felony.

3037 (b) For the purposes of Subsection ~~[(1)(a)]~~ (5)(a), a prior violation includes:

- 3038 (i) a final prior conviction;
 3039 (ii) a final determination by a court of competent jurisdiction; or
 3040 (iii) a final determination in an administrative adjudicative proceeding.

3041 ~~[(2) A person who violates a provision of this chapter is subject to a civil penalty in a court~~
 3042 ~~of competent jurisdiction of up to \$2,500 for each violation of this chapter.]~~

3043 ~~[(3)]~~ (5)~~[(a) The division may:]~~

- 3044 ~~[(i) in accordance with Title 63G, Chapter 4, Administrative Procedures Act, conduct~~
 3045 ~~an administrative proceeding to enforce the provisions of this chapter;]~~
 3046 ~~[(ii) bring a court action to enforce the provisions of this chapter; and]~~
 3047 ~~[(iii) in addition to other penalties described in this chapter, issue a cease and desist~~
 3048 ~~order and impose an administrative fine of up to \$2,500 for each violation of this~~
 3049 ~~chapter.]~~

3050 ~~[(b)]~~ For purposes of this section, each telephone solicitation ~~[made]~~ a person makes in

3051 violation of this chapter is a separate violation.

3052 [~~(4) The division shall deposit all administrative fines and civil penalties collected under~~
 3053 ~~this chapter into the Consumer Protection Education and Training Fund created in~~
 3054 ~~Section 13-2-8.~~]

3055 Section 62. Section **13-26-107**, which is renumbered from Section 13-26-10 is renumbered
 3056 and amended to read:

3057 **[~~13-26-10~~ 13-26-107 (Effective 05/06/26). Provisions of chapter not exclusive.**

3058 The remedies, duties, prohibitions, and penalties of this chapter are not exclusive and are
 3059 in addition to all other causes of action, remedies, and penalties provided by law.

3060 Section 63. Section **13-26-108**, which is renumbered from Section 13-26-11 is renumbered
 3061 and amended to read:

3062 **[~~13-26-11~~ 13-26-108 (Effective 05/06/26). Prohibited practices.**

3063 (1) It is unlawful for a seller to:

3064 (a) solicit a prospective purchaser if the seller is not registered with the division or is
 3065 exempt from registration under this chapter;

3066 (b) in connection with a telephone solicitation [~~or a filing with the division~~], make or
 3067 cause to be made a false [~~material~~] statement or fail to disclose a material fact
 3068 necessary to make the seller's statement not misleading;

3069 (c) make or authorize the making of a misrepresentation to a purchaser or prospective
 3070 purchaser about the seller's compliance with this chapter;

3071 (d) fail to refund within 30 days any amount due a purchaser who exercises the right to
 3072 cancel under Section [~~13-26-5~~] 13-26-105;

3073 (e) unless the seller is exempt under Section [~~13-26-4~~] 13-26-104, fail to orally advise a
 3074 purchaser of the purchaser's right to cancel under Section [~~13-26-5~~] 13-26-105;

3075 (f) employ an inmate in a correctional facility for telephone soliciting operations when
 3076 the employment would give the inmate access to an individual's personal data,
 3077 including the individual's name, address, telephone number, Social Security number,
 3078 credit card information, or physical description; or

3079 (g) cause or permit a solicitor to violate a provision of this chapter.

3080 (2) It is unlawful for a solicitor to:

3081 (a) use a fictitious personal name in connection with a telephone solicitation;

3082 (b) in connection with a telephone solicitation, make or cause to be made a false material
 3083 statement or fail to disclose a material fact necessary to make the solicitor's statement
 3084 not misleading;

- 3085 (c) make a misrepresentation to a purchaser or prospective purchaser about the solicitor's
 3086 compliance with this chapter; or
- 3087 (d) unless the solicitor is exempt under Section [~~13-26-4~~] 13-26-104, fail to orally advise
 3088 a purchaser of the purchaser's right to cancel under Section [~~13-26-5~~] 13-26-105.
- 3089 (3) If a person knows or has reason to know that a seller or solicitor [~~is engaged~~] engages in
 3090 an act or practice that violates this chapter, it is unlawful for the person to:
- 3091 (a) benefit from the seller's or solicitor's services; or
- 3092 (b) provide substantial assistance or support to the seller or solicitor.
- 3093 (4) A seller or a seller's solicitor may not:
- 3094 (a) represent that the division or the state approves or endorses the seller;
- 3095 (b) omit from a filing with the division a material statement of fact required by:
- 3096 (i) this chapter; or
- 3097 (ii) a rule made by the division in accordance with this chapter; or
- 3098 (c) include in a filing with the division a material statement of fact that the seller or
 3099 seller's principal knew or should have known to be false, deceptive, inaccurate, or
 3100 misleading.
- 3101 (5) A solicitation of sale or telephone solicitation is considered complete when made,
 3102 regardless of whether the person receiving the solicitation agrees to the sale or to make a
 3103 charitable donation.
- 3104 Section 64. Section **13-28-7** is amended to read:
- 3105 **13-28-7 (Effective 05/06/26). Penalties -- Administrative and criminal.**
- 3106 (1) Any person who violates this chapter shall be subject to:
- 3107 (a) a cease and desist order; and
- 3108 (b) an administrative fine of not less than \$100 or more than \$5,000 for each separate
 3109 violation.
- 3110 (2) All administrative fines shall be deposited in the Consumer Protection Education and
 3111 Training Fund created in Section [~~13-2-8~~] 13-2-109.
- 3112 (3) Any person who intentionally violates this part is guilty of a class A misdemeanor and
 3113 may be fined up to \$10,000. A person intentionally violates this part if the violation
 3114 occurs after the division, attorney general, or a district or county attorney notifies the
 3115 person by certified mail that the person is in violation of this chapter.
- 3116 Section 65. Section **13-32a-102.5** is amended to read:
- 3117 **13-32a-102.5 (Effective 05/06/26). Administration and enforcement.**
- 3118 (1) The division shall administer and enforce this chapter in accordance with the authority

3119 under Title 13, Chapter 2, Division of Consumer Protection.

3120 [~~(2) The attorney general, upon request, shall give legal advice to, and act as counsel for,~~
3121 ~~the division in the exercise of its responsibilities under this chapter.~~]

3122 [(3)] (2) Reasonable attorney fees, costs, and interest shall be awarded to the division in any
3123 action brought to enforce the provisions of this chapter.

3124 [(4)] (3) Municipal and county law enforcement agencies, prosecutorial agencies, and
3125 governmental agencies may enforce the criminal and civil provisions of this chapter.

3126 Section 66. Section **13-32a-106.5** is amended to read:

3127 **13-32a-106.5 (Effective 05/06/26). Confidentiality of pawn and purchase**
3128 **transactions.**

3129 (1) A ticket, copy of a ticket, information from a ticket, or information required under
3130 Section 13-32a-104.7 delivered to a local law enforcement agency or transmitted to the
3131 central database under Section 13-32a-106 is a protected record under Section 63G-2-305.

3132 (2) In addition to use by the issuing pawn or secondhand business or catalytic converter
3133 purchaser, the ticket, copy of a ticket, information from a ticket, or information required
3134 under Section 13-32a-104.7 may be used only by a law enforcement agency and the
3135 division and only for the law enforcement and administrative enforcement purposes of:

3136 (a) investigating possible criminal conduct involving the property delivered:

3137 (i) to the pawn or secondhand business in a pawn transaction or secondhand
3138 merchandise transaction; or

3139 (ii) to a catalytic converter purchaser in a catalytic converter purchase;

3140 (b) investigating a possible violation of the record keeping or reporting requirements of
3141 this chapter when the local law enforcement agency or the division, based on a
3142 review of the records and information received, has reason to believe that a violation
3143 has occurred;

3144 (c) responding to an inquiry from an insurance company investigating a claim for
3145 physical loss of described property by searching the central database to determine if
3146 property matching the description has been delivered to a pawn or secondhand
3147 business or catalytic converter purchaser by another person in a pawn transaction,
3148 secondhand merchandise purchase transaction, or catalytic converter purchase and if
3149 so, obtaining from the central database:

3150 (i) a description of the property;

3151 (ii) the name and address of the pawn or secondhand business or catalytic converter
3152 purchaser that received the property; and

- 3153 (iii) the name, address, and date of birth of the conveying individual; and
 3154 (d) taking enforcement action under Section [~~13-2-5~~] 13-2-106 against a pawn or
 3155 secondhand business or catalytic converter purchaser.
- 3156 (3) An insurance company making a request under Subsection (2)(c) shall provide the
 3157 police report case number concerning the described property.
- 3158 (4)(a) A person may not knowingly and intentionally use, release, publish, or otherwise
 3159 make available to any person any information obtained from the central database for
 3160 any purpose other than those specified in Subsection (2).
- 3161 (b) Each separate violation of Subsection (4)(a) is a class B misdemeanor.
- 3162 (c) Each separate violation of Subsection (4)(a) is subject to a civil penalty not to exceed
 3163 \$250.
- 3164 Section 67. Section **13-34-102** is amended to read:
- 3165 **13-34-102 (Effective 05/06/26). Division responsibilities.**
- 3166 (1) The division shall:
- 3167 (a) exercise [~~its~~] the division's enforcement powers in accordance with Chapter 2,
 3168 Division of Consumer Protection, and this chapter;
- 3169 (b) make rules in accordance with Title 63G, Chapter 3, Utah Administrative
 3170 Rulemaking Act, to:
- 3171 (i) establish the content of a registration statement required under this chapter;
 3172 (ii) establish a process for reviewing and responding to complaints the division
 3173 receives in accordance with this chapter; and
- 3174 (iii) establish a [~~graduated~~]-fee [~~structure~~]-in accordance with Section 63J-1-504 for
 3175 filing a registration statement;
- 3176 (c) issue a registration certificate or state authorization certificate to a postsecondary
 3177 school upon the division's receipt and approval of a qualifying registration statement;
- 3178 (d) maintain and publish a list of postsecondary schools to which the division has issued
 3179 a:
- 3180 (i) registration certificate; or
 3181 (ii) state authorization certificate; and
- 3182 (e) deposit fees established in accordance with Subsection (1)(b)(iii), and collected in
 3183 accordance with this chapter into the Commerce Service Account created in Section
 3184 13-1-2.
- 3185 (2) The division may:
- 3186 (a) accept a copy of an educational credential from a postsecondary school that ceases

- 3187 operation;
- 3188 (b) charge a reasonable fee for providing a copy of an educational credential;
- 3189 (c) upon request, provide a letter confirming that a postsecondary school is exempt from
- 3190 registration in accordance with Section 13-34-111; and
- 3191 (d) negotiate and enter into an interstate reciprocity agreement with another state, if in
- 3192 the judgment of the division, the agreement is consistent with the purposes of this
- 3193 chapter.

3194 Section 68. Section **13-34-103** is amended to read:

3195 **13-34-103 (Effective 05/06/26). Rulemaking authority.**

3196 In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the

3197 division may make rules:

- 3198 (1) establishing the form and content of:
- 3199 (a) a registration statement; and
- 3200 (b) a surety bond, certificate of deposit, [~~irrevocable letter of credit,~~] or other proof of
- 3201 financial viability required under Section 13-34-202;
- 3202 (2) specifying the information a postsecondary school is required to provide with a
- 3203 registration statement, which may vary based upon factors including:
- 3204 (a) the certificate the postsecondary school seeks;
- 3205 (b) whether the postsecondary school is an accredited postsecondary school; and
- 3206 (c) whether the postsecondary school is a longstanding nonprofit accredited
- 3207 postsecondary school;
- 3208 (3) establishing the amount of a surety bond[;] or certificate of deposit[~~, or irrevocable letter~~
- 3209 ~~of credit~~] required under Section 13-34-202, not to exceed an amount equal to the tuition
- 3210 and fees a postsecondary school anticipates receiving during a school year;
- 3211 (4) providing for the execution and cancellation of the surety bond[;] or certificate of deposit[
- 3212 ~~, or irrevocable letter of credit~~] a postsecondary school obtains in accordance with
- 3213 Section 13-34-202;
- 3214 (5) establishing the amount of money a school may charge a student in a 12 month period to
- 3215 qualify for an exemption in accordance with Subsection 13-34-111(3)(d)(i)(C);
- 3216 (6) specifying acts or practices that:
- 3217 (a) are prohibited in accordance with Section 13-34-108; and
- 3218 (b) a postsecondary school that intends to cease operating is required to carry out;
- 3219 (7) specifying student outcomes a postsecondary school is required to disclose under
- 3220 Section 13-34-109;

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

3232 Section 69. Section **13-34-104** is amended to read:

3233 **13-34-104 (Effective 05/06/26). Enforcement powers -- Action by division --**

3234 **Referral.**

- 3235 (1)(a) In addition to the division's other enforcement powers under Chapter 2, Division
 3236 of Consumer Protection, and elsewhere in this chapter, the division may, in response
 3237 to a complaint or on the division's own initiative, investigate a postsecondary school
 3238 to verify compliance with this chapter.
- 3239 (b) For the purpose of an investigation described in Subsection (1)(a), the division may:
- 3240 (i) administer an oath or affirmation;
 - 3241 (ii) issue a subpoena for testimony or the production of evidence;
 - 3242 (iii) visit a postsecondary school's physical location; and
 - 3243 (iv) conduct an audit.
- 3244 (2)(a) The division may provide information concerning a potential violation of this
 3245 chapter or rule made under this chapter to the attorney general, the county attorney,
 3246 or district attorney of any county or prosecution district in which the violation or
 3247 potential violation is occurring or has occurred.
- 3248 (b) The attorney described in Subsection (2)(a) shall investigate the information
 3249 provided by the division and immediately prosecute or bring suit to enjoin an act
 3250 determined to be a violation of the chapter or rule.
- 3251 (3) In addition to other penalties and remedies in this chapter, and in addition to the
 3252 division's other enforcement powers under Section [~~13-2-6~~] 13-2-107, the division may:
- 3253 (a) issue a cease and desist order;
 - 3254 (b) impose an administrative fine for a violation of this chapter as described in Section

- 3255 13-34-105; or
- 3256 (c) bring an action in a court of competent jurisdiction to enforce a provision of this
- 3257 chapter.
- 3258 (4) In an action the division brings to enforce a provision of this chapter, the court may:
- 3259 (a) declare that an act or practice violates a provision of this chapter;
- 3260 (b) issue an injunction for a violation of this chapter;
- 3261 (c) order disgorgement of money received in violation of this chapter;
- 3262 (d) order payment of disgorged money to an injured person;
- 3263 (e) impose a fine;
- 3264 (f) order payment of a fine imposed under Section 13-34-105;
- 3265 (g) order production of educational records to the division; or
- 3266 (h) award any other relief the court deems reasonable and necessary.
- 3267 (5) If a court of competent jurisdiction grants judgment or injunctive relief in the division's
- 3268 favor, the court shall award the division:
- 3269 (a) reasonable attorney fees;
- 3270 (b) court costs; and
- 3271 (c) investigative fees.
- 3272 (6) The division shall deposit all money the division receives for the payment of a fine or
- 3273 civil penalty imposed under this section into the Consumer Protection Education and
- 3274 Training Fund created in Section [~~13-2-8~~] 13-2-109.
- 3275 Section 70. Section **13-34-105** is amended to read:
- 3276 **13-34-105 (Effective 05/06/26). Penalties and remedies.**
- 3277 (1) In addition to the division's enforcement powers under Chapter 2, Division of Consumer
- 3278 Protection, and elsewhere in this chapter, the division director may, for a violation of
- 3279 this chapter:
- 3280 (a) issue a cease and desist order; and
- 3281 (b) impose an administrative fine of up to:
- 3282 (i) \$250 per day that a postsecondary school operates without an effective registration
- 3283 certificate;
- 3284 (ii) \$1,000 for each violation of Section 13-34-203;
- 3285 (iii) \$2,500 for each violation of this chapter that is not:
- 3286 (A) described in Subsections (1)(b)(i) or (ii); or
- 3287 (B) an intentional violation; or
- 3288 (iv) \$5,000 for each intentional violation of this chapter.

- 3289 (2) A person intentionally violates this chapter if:
- 3290 (a)(i) the violation occurs after one of the following notifies the person that the
- 3291 person has violated or is violating this chapter:
- 3292 (A) the division;
- 3293 (B) the attorney general; or
- 3294 (C) a district attorney or county attorney; and
- 3295 (ii) the violation is the same as the violation of which the person was notified under
- 3296 Subsection (2)(a)(i); or
- 3297 (b) a person violates a cease and desist order the division issues under Subsection (1)(a).
- 3298 (3) An intentional violation of this chapter is a class B misdemeanor.
- 3299 (4) The division shall deposit all money the division receives as payment for administrative
- 3300 fines imposed under Subsection (1)(b) into the Consumer Protection Education and
- 3301 Training Fund created in Section [~~13-2-8~~] 13-2-109.
- 3302 Section 71. Section **13-34-106** is amended to read:
- 3303 **13-34-106 (Effective 05/06/26). Denial, suspension, or revocation of registration**
- 3304 **statement, registration certificate, or state authorization certificate -- Limits on**
- 3305 **registration certificate and state authorization certificate.**
- 3306 (1) In accordance with Chapter 2, Division of Consumer Protection, and Title 63G, Chapter
- 3307 4, Administrative Procedures Act, the division may initiate adjudicative proceedings to
- 3308 deny, suspend, or revoke a registration statement, registration certificate, or state
- 3309 authorization certificate if:
- 3310 (a) the division finds that the denial, suspension, or revocation is in the public interest;
- 3311 and
- 3312 (b)(i) the registration statement is incomplete, false, or misleading;
- 3313 (ii) the division determines that a postsecondary school's educational credential
- 3314 represents undertaking or completing an educational achievement that has not
- 3315 been undertaken or completed; or
- 3316 (iii) a postsecondary school or a principal of the postsecondary school~~[-has]~~:
- 3317 (A) [~~violated~~] violates, [~~caused~~] causes a violation, or [~~allowed~~] allows a violation
- 3318 of a provision of:
- 3319 (I) this chapter;
- 3320 (II) a rule made by the division under this chapter; or
- 3321 (III) a commitment made in a registration statement;
- 3322 (B) [~~violated~~] violates Chapter 11, Utah Consumer Sales Practices Act;

- 3323 (C) [~~been-~~] is enjoined by a court, or is the subject of an administrative or judicial
 3324 order issued in Utah or another state, if the injunction or order:
 3325 (I) includes a finding or admission of fraud, breach of fiduciary duty, or
 3326 material misrepresentation; or
 3327 (II) [~~was-~~] is based on a finding of lack of integrity, truthfulness, or mental
 3328 competence;
 3329 (D) [~~been-~~] is convicted of a crime involving theft, fraud, or dishonesty;
 3330 (E) [~~obtained-~~] obtains or [~~attempted-~~] attempts to obtain a registration certificate by
 3331 misrepresenting any material fact;
 3332 (F) [~~failed-~~] fails to timely file with the division a report required by:
 3333 (I) this chapter; or
 3334 (II) a rule [~~made by-~~]the division makes under this chapter;
 3335 (G) [~~failed-~~] fails to [~~furnish-~~] provide information [~~requested by-~~]the division
 3336 requests;
 3337 (H) [~~failed-~~] fails to pay an administrative fine [~~imposed by-~~]the division imposes
 3338 under this chapter, or a fine [~~imposed by-~~]an administrative or judicial order in
 3339 Utah or another state imposes;
 3340 (I) [~~failed-~~] fails to demonstrate fiscal responsibility;
 3341 (J) [~~failed-~~] fails to pay the fee required to file a registration statement;
 3342 (K) [~~failed-~~] fails to satisfy the requirements of this chapter or rule made by the
 3343 division under this chapter; or
 3344 (L) [~~failed-~~] fails to satisfy a reasonable restriction or condition the division
 3345 imposes under Subsection (2).

- 3346 (2) The division may impose reasonable restrictions and conditions on a postsecondary
 3347 school's registration certificate or state authorization certificate if:
 3348 (a) the restriction or condition protects student interests; and
 3349 (b) a behavior or condition described in Subsection (1)(b) applies to the postsecondary
 3350 school or the postsecondary school's principal, registration statement, or educational
 3351 credential.

3352 Section 72. Section **13-34-108** is amended to read:

3353 **13-34-108 (Effective 05/06/26). Prohibited acts.**

- 3354 (1) A person may not operate a postsecondary school in this state unless:
 3355 (a)(i) the person files with the division a registration statement for the postsecondary
 3356 school that complies with:

- 3357 (A) the requirements of this chapter; and
3358 (B) rules made by the division; and
3359 (ii) the division issues a registration certificate to the postsecondary school; or
3360 (b) the postsecondary school is exempt from the requirement to submit a registration
3361 statement under Section 13-34-111.
- 3362 (2) A person ~~[who]~~ that operates a postsecondary school, a postsecondary school, or a
3363 postsecondary school's agent or principal may not:
- 3364 (a) omit from a registration statement a material statement of fact required by this
3365 chapter or rule ~~[made by]~~ the division makes under this chapter;
3366 (b) include in a registration statement any material statement of fact that the person,
3367 postsecondary school, or the postsecondary school's principal or agent knew or
3368 should have known to be false, deceptive, inaccurate, or misleading;
3369 (c) in connection with any investigation or request for information made by the division
3370 in accordance with this chapter, make any material statement of fact that the person,
3371 postsecondary school, or agent knew or should have known to be false, deceptive,
3372 inaccurate, or misleading;
3373 (d) fail to provide a refund to a student within 30 days of receiving a valid request for a
3374 refund;
3375 (e) engage in a deceptive act or practice in connection with offering or providing
3376 postsecondary education;
3377 (f) make or cause to be made an oral, written, or visual statement or representation that
3378 the person who operates a postsecondary school, a postsecondary school, or a
3379 postsecondary school's principal or agent knows or should know is false, deceptive,
3380 substantially inaccurate, or misleading;~~[-or]~~
3381 (g) fail to comply with the requirements of this chapter or rule made under this chapter~~[-:]~~ ;
3382 or
3383 (h) fail to satisfy a reasonable restriction or condition the division imposes in accordance
3384 with Subsection 13-34-106(2).
- 3385 (3)(a) A postsecondary school may not offer, sell, or award an educational credential
3386 unless the recipient of the educational credential ~~[has received]~~ receives instruction
3387 and successfully ~~[completed]~~ completes requirements for the educational credential
3388 that are commensurate with reasonable standards applicable to the educational
3389 credential.
3390 (b) Subsection (3)(a) does not apply to:

- 3391 (i) an educational credential that is clearly and conspicuously designated as an
 3392 honorary educational credential; or
 3393 (ii) a certificate or other award that does not designate enrollment in or successful
 3394 completion of instruction or requirements to obtain a credential.
- 3395 (4) A postsecondary school's name [~~shall~~] may not contain [~~any~~] a reference that is
 3396 misleading to a student or the public with respect to the type or nature of the
 3397 postsecondary school's services, affiliation, or structure.
- 3398 (5) A postsecondary school's principal or agent may not misrepresent the principal's or
 3399 agent's level of educational attainment or other qualification in connection with the
 3400 postsecondary school's operation.
- 3401 (6) A postsecondary school may not represent that [~~it is endorsed or approved by~~] the
 3402 division or the state endorses or approves the postsecondary school.
- 3403 (7) After a postsecondary school provides notice to the division that the postsecondary
 3404 school will cease operations as described in Section 13-34-205, the postsecondary
 3405 school may not:
 3406 (a) advertise, recruit, enroll, or offer services to a new student;
 3407 (b) charge an existing student for services beyond [~~those~~] the services for which the
 3408 student has already paid or is obligated to pay;
 3409 (c) fail to notify a student that the postsecondary school intends to cease operations; or
 3410 (d) fail to comply with the requirements of Section 13-34-205.
- 3411 (8) A violation of this chapter is also a violation of Subsection 13-11-4(1).
 3412 Section 73. Section **13-34-109** is amended to read:
 3413 **13-34-109 (Effective 05/06/26). Required disclosures.**
- 3414 (1) As used in this section, "cooling off period" means a three-business day period during
 3415 which a student may rescind an enrollment agreement and receive a refund of all money
 3416 paid, except:
 3417 (a) a reasonable application fee; and
 3418 (b) a deposit that does not exceed 10% of the total cost of tuition for the first term.
- 3419 (2) Before a postsecondary school may enroll or accept payment from a student, the
 3420 postsecondary school shall clearly and conspicuously disclose in writing to the student:
 3421 (a) the postsecondary school's name, address, and location;
 3422 (b) the requirements or qualifications a student is required to satisfy to enroll in the
 3423 postsecondary school;
 3424 (c) a complete description of the services for which the student will pay, including:

- 3425 (i) facilities, faculty, resources, or equipment that the student may use in connection
3426 with the services, or to access the services;
- 3427 (ii) the duration of services provided; and
3428 (iii) completion or graduation requirements;
- 3429 (d) information regarding how the postsecondary school's services relate to state
3430 licensing requirements if the services are intended to prepare a student for licensure;
- 3431 (e) tuition, fees, and any other charge or expense to be paid by the student;
- 3432 (f) a financial assistance policy, if any;
- 3433 (g) the complete terms of any financing agreement, including an income sharing or other
3434 agreement, offered to the student;
- 3435 (h) the postsecondary school's cancellation and tuition refund policy which shall include,
3436 at a minimum:
- 3437 (i) a cooling off period that may not end before midnight on the third business day
3438 after the latest of:
- 3439 (A) the day on which the student signs the enrollment agreement;
- 3440 (B) the day on which the student pays the postsecondary school for services, other
3441 than an application fee;
- 3442 (C) the day on which the student first attends the postsecondary school; or
3443 (D) the day on which the student first gains access to the postsecondary school's
3444 services; and
- 3445 (ii) a written description of the postsecondary school's refund policy following the
3446 cooling off period described in Subsection (2)(h)(i);
- 3447 (i)(i) whether the postsecondary school is accredited by an accrediting agency; and
3448 (ii) whether the program in which a student intends to enroll is accredited by an
3449 accrediting agency, if applicable;
- 3450 (j) the existence and amount of the postsecondary school's surety bond[~~;~~] or certificate of
3451 deposit[~~;~~ ~~or irrevocable letter of credit~~];
- 3452 (k) information regarding how to file a complaint against the postsecondary school with
3453 the division, the postsecondary school's accrediting agency, and the postsecondary
3454 school's approval or licensing entity; and
- 3455 (l) student outcomes specified in rules made by the division under Section 13-34-103.
- 3456 (3) A postsecondary school may comply with Subsection (2)(k) by placing a conspicuous
3457 link on the postsecondary school's website that connects to:
- 3458 (a) the contact information for each entity described in Subsection (2)(k) with which a

- 3459 person may file a complaint; or
- 3460 (b) a third party's website that states the contact information for each entity described in
- 3461 Subsection (2)(k) with which a person may file a complaint.
- 3462 Section 74. Section **13-34-111** is amended to read:
- 3463 **13-34-111 (Effective 05/06/26). Exemptions.**
- 3464 (1) As used in this section, "State Authorization Reciprocity Agreement" or "SARA" means
- 3465 an agreement among member states, districts, and territories establishing comparable
- 3466 national standards for offering interstate postsecondary distance education courses and
- 3467 programs.
- 3468 (2)(a) Except as provided in Subsection (2)(b), this chapter does not apply to a public
- 3469 postsecondary school.
- 3470 (b) Notwithstanding Subsection (2)(a), the division may issue a state authorization
- 3471 certificate to a public postsecondary school in accordance with Section 13-34-302.
- 3472 (3) A postsecondary school is exempt from Sections 13-34-201 through 13-34-205 if[~~the~~
- 3473 ~~postsecondary school~~]:
- 3474 (a)[~~(i)~~] the postsecondary school:
- 3475 (i) is an active participant institution in SARA that provides distance education to [a
- 3476 ~~person~~] an individual in Utah in accordance with SARA; and
- 3477 (ii) does not maintain a physical presence in the state;
- 3478 (b) [~~is owned, controlled, operated, or maintained by~~] a bona fide church or religious
- 3479 organization that is exempt from property taxation by this state owns, controls,
- 3480 operates, or maintains the postsecondary school;
- 3481 (c) is a business organization, trade or professional association, fraternal society, or
- 3482 labor organization that:
- 3483 (i) sponsors or conducts postsecondary education primarily for its employees,
- 3484 independent contractors, or members; and
- 3485 (ii) does not advertise as a school; or
- 3486 (d) exclusively offers one or more of the following:
- 3487 (i) postsecondary education:
- 3488 (A)(I) that is avocational, nonvocational, or recreational;
- 3489 (II) for which the postsecondary school does not represent vocational
- 3490 objectives; and
- 3491 (III) for which the postsecondary school does not grant a degree, diploma, or
- 3492 other educational credential commensurate with a degree or diploma;

- 3493 (B)(I) that is a prerequisite to obtain or maintain a license or certification
3494 issued by a government agency; and
3495 (II) through a postsecondary school that [~~is regulated and licensed, registered,~~
3496 ~~or otherwise approved by~~] a Utah or federal government agency regulates
3497 and licenses, registers, or otherwise approves to provide the education; or
3498 (C)(I) for which the postsecondary school charges a student less than an
3499 amount established by division rule in any 12-month period; and
3500 (II) for which the postsecondary school does not grant a degree, diploma, or
3501 other educational credential commensurate with a degree or diploma;
3502 (ii) preparation for an individual to teach courses or instruction described in
3503 Subsection (3)(d)(i)(A);
3504 (iii) courses in English as a second language or other language courses;
3505 (iv) instruction to advance personal development or a general professional skill:
3506 (A) that is not independently sufficient to prepare [~~a person~~] an individual for
3507 specific employment; and
3508 (B) for which the postsecondary school does not grant a degree, diploma, or other
3509 educational credential commensurate with a degree or diploma;
3510 (v) instruction designed to prepare an individual to run for political office, for which
3511 the postsecondary school does not grant a degree, diploma, or other educational
3512 credential commensurate with a degree or diploma;
3513 (vi) professional review programs, including certified public accountant or bar
3514 examination review and preparation courses; or
3515 (vii) instruction to an apprentice:
3516 (A) as part of an apprenticeship; and
3517 (B) provided by a person who voluntarily conforms to Title 35A, Chapter 6,
3518 Apprenticeship Act, in accordance with Section 35A-6-104.
- 3519 (4) A postsecondary school that is exempt under this section shall file a registration
3520 statement with the division within 30 days of the date on which the postsecondary
3521 school no longer qualifies for exemption.
- 3522 (5)(a) A postsecondary school that is exempt in accordance with this section may
3523 voluntarily submit a registration statement.
- 3524 (b) A postsecondary school that voluntarily submits a registration statement as described
3525 in Subsection (5)(a), and obtains a registration certificate, is not exempt from
3526 Sections 13-34-201 through 13-34-205.

- 3527 (6) A postsecondary school bears the burden of proving it is exempt under this section.
 3528 Section 75. Section **13-34-201** is amended to read:
 3529 **13-34-201 (Effective 05/06/26). Registration statement -- Registration certificate**
 3530 **-- Renewal.**
- 3531 (1) Unless exempt under Section 13-34-111, a person shall file a registration statement and
 3532 obtain a registration certificate before operating a postsecondary school in this state.
- 3533 (2) Before the division issues a registration certificate for a postsecondary school, the
 3534 postsecondary school shall file with the division a registration statement that complies
 3535 with:
- 3536 (a) the requirements of this chapter; and
 3537 (b) rules made by the division in accordance with this chapter and Title 63G, Chapter 3,
 3538 Utah Administrative Rulemaking Act.
- 3539 (3) A registration statement shall:
- 3540 (a) be submitted on a form approved by the division;
 3541 (b) designate the certificate that the postsecondary school seeks;
 3542 (c) state whether the postsecondary school is:
 3543 (i) not accredited by an accrediting agency;
 3544 (ii) an accredited postsecondary school; or
 3545 (iii) a longstanding nonprofit accredited postsecondary school;
 3546 (d) designate a person who is authorized to respond to an inquiry from the division; and
 3547 (e) include all information required by rules made by the division in accordance with
 3548 Title 63G, Chapter 3, Utah Administrative Rulemaking Act.
- 3549 (4) A registration statement shall be:
- 3550 (a) signed by the postsecondary school's owner or responsible officer; and
 3551 (b) verified by an unsworn declaration in accordance with Title 78B, Chapter 18a,
 3552 Uniform Unsworn Declarations Act.
- 3553 (5) A postsecondary school that submits a registration statement shall pay a non-refundable
 3554 fee the division establishes in accordance with Sections 13-34-102 and 63J-1-504.
- 3555 (6)(a) The division may require a postsecondary school's principal to:
- 3556 (i) submit a fingerprint card in a form acceptable to the division; and
 3557 (ii) consent to a criminal background check by:
 3558 [~~(A)~~ ~~the Federal Bureau of Investigation;~~
 3559 [~~(B)~~] (A) the Utah Bureau of Criminal Identification; or
 3560 [~~(C)~~] (B) another state or federal agency[~~of any state~~] that performs criminal

- 3561 background checks.
- 3562 (b) The postsecondary school or the postsecondary school's principal who is the subject
3563 of the background check shall pay the cost of:
- 3564 (i) the fingerprint card described in Subsection (6)(a)(i); and
3565 (ii) the criminal background check described in Subsection (6)(a)(ii).
- 3566 (7)(a) A person shall submit a separate registration statement for each postsecondary
3567 school the person operates.
- 3568 (b) Notwithstanding Subsection (7)(a), a longstanding nonprofit accredited
3569 postsecondary school that [~~has obtained~~] obtains and holds an active registration
3570 certificate is not required to submit a separate registration statement for a
3571 postsecondary school that:
- 3572 (i) is wholly owned and operated by the longstanding nonprofit accredited
3573 postsecondary school;
3574 (ii) is disclosed on the longstanding nonprofit accredited postsecondary school's
3575 registration statement; and
3576 (iii) operates as a nonprofit organization.
- 3577 (8) A registration certificate expires:
- 3578 (a) one year after it is issued to a postsecondary school that is not an accredited
3579 postsecondary school; or
3580 (b) two years after it is issued to an accredited postsecondary school.
- 3581 (9) A registration statement, and any certificate issued in accordance with this chapter, are
3582 not transferable.
- 3583 (10) Notwithstanding Subsection (8), the division may extend the period for which a
3584 registration certificate is effective so that expiration dates are staggered throughout the
3585 year.
- 3586 (11) To renew a registration certificate under this section, a postsecondary school shall
3587 submit a registration renewal application to the division at least 30 days before the day
3588 on which the postsecondary school's registration expires.
- 3589 Section 76. Section **13-34-202** is amended to read:
- 3590 **13-34-202 (Effective 05/06/26). Surety requirements.**
- 3591 (1) A postsecondary school required to obtain a registration certificate in accordance with
3592 this chapter shall maintain, in a form and amount approved by the division:
- 3593 (a) a surety bond issued by a surety authorized to transact surety business in the state;
3594 (b) a certificate of deposit in a financial institution authorized under the laws of this state

- 3595 or the laws of the United States to accept deposits from the public; or
 3596 [~~(e)~~ an irrevocable letter of credit; ~~or~~]
 3597 [~~(d)~~] (c) other proof of financial viability specified in rules the division makes under
 3598 Section 13-34-103.
- (2) [~~The~~] The division shall use the surety bond[;] or certificate of deposit[; ~~or irrevocable~~
 3600 letter of credit shall be used] as protection against loss of unearned tuition, tuition paid
 3601 for credits that a student earned but that are not transferrable to a comparable
 3602 postsecondary school, book fees, supply fees, or equipment fees:
- (a) collected by the postsecondary school from a student or another person on a student's
 3603 behalf; or
 3604 (b) that the student is obligated to pay.
- (3) A surety bond[;] or certificate of deposit[; ~~or irrevocable letter of credit~~] obtained in
 3606 accordance with this section may not expire:
- (a) earlier than 60 days after the first day on which no student is enrolled in the
 3608 postsecondary school; and
 3609 (b) while students are enrolled in the postsecondary school.
- 3611 Section 77. Section **13-34-302** is amended to read:
- 3612 **13-34-302 (Effective 05/06/26). Registration statement for state authorization**
 3613 **certificate -- Expiration -- Renewal.**
- (1) A postsecondary school may submit a registration statement to obtain a state
 3614 authorization certificate if the postsecondary school is accredited by an accrediting
 3615 agency recognized by the United States Department of Education.
- (2) To obtain a state authorization certificate, a postsecondary school shall submit a
 3617 registration statement on a form approved by the division that includes:
- (a) proof of current accreditation from the postsecondary school's accrediting agency;
 3619 and
 3620 (b) all information required by division rule made in accordance with Title 63G, Chapter
 3621 3, Utah Administrative Rulemaking Act.
- (3)(a) Except as provided in Subsection (3)(b), a state authorization certificate expires
 3623 two years after the division issues the state authorization certificate to an accredited
 3624 postsecondary school.
 3625 (b) Notwithstanding Subsection (3)(a), the division may extend the period for which a
 3626 state authorization certificate is effective so that expiration dates are staggered
 3627 throughout the year.
 3628

- 3629 (4) A state authorization certificate that the division issues to a longstanding nonprofit
3630 accredited postsecondary school:
- 3631 (a) expires two years after the division issues the state authorization certificate;
- 3632 (b) establishes the postsecondary school by name as an educational institution in
3633 accordance with 34 C.F.R. Sec. 600.9(a)(1)(i);
- 3634 (c) makes the postsecondary school independent of the state system of higher education;
3635 and
- 3636 (d) authorizes the postsecondary school to operate educational programs in the state that
3637 are beyond secondary education, including programs that lead to a degree or
3638 certificate.
- 3639 (5) A state authorization certificate that the division issues to a public postsecondary school
3640 does not expire.
- 3641 (6) A postsecondary school may satisfy Subsection (2)(a) by demonstrating to the division
3642 that the postsecondary school is:
- 3643 (a) within a grace period provided by the United States Department of Education for
3644 obtaining new accreditation; or
- 3645 (b) otherwise considered by the United States Department of Education to have
3646 recognized accreditation.
- 3647 (7) To renew a state authorization certificate under this section, a postsecondary school
3648 shall submit a registration statement to the division at least 30 days before the day on
3649 which the postsecondary school's state authorization expires.
- 3650 Section 78. Section **13-41-202** is amended to read:
- 3651 **13-41-202 (Effective 05/06/26). Enforcement -- Penalty.**
- 3652 (1) The division shall enforce this chapter.
- 3653 (2) In determining whether to investigate, contact, or request information from a person in
3654 the enforcement of this chapter, the division shall consider:
- 3655 (a) whether a complaint, information, or evidence reasonably justifies further division
3656 inquiry;
- 3657 (b) the burden contact, investigation, or providing information places on the person;
- 3658 (c) the result of a previous investigation of the person, including whether the previous
3659 investigation suggests that the person did not violate this chapter;
- 3660 (d) whether the person may benefit from receiving information about requirements
3661 under this chapter; and
- 3662 (e) the potential gravity of harm to consumers, considering price, availability, and

- 3663 volume of a good or service.
- 3664 (3) In enforcing this chapter, the division may not publicly disclose the identity of a person
3665 the division investigates unless:
- 3666 (a) the person's identity is a matter of public record in an enforcement proceeding; or
3667 (b) the person consents to public disclosure.
- 3668 (4) In determining whether to impose penalties against a person who violates this chapter,
3669 the division shall consider:
- 3670 (a) the person's cost of doing business not accounted for in the total cost to the person
3671 for the good or service, including costs associated with a decrease in the supply
3672 available to a person who relies on a high volume of sales;
- 3673 (b) the person's efforts to comply with this chapter;
- 3674 (c) whether the average price charged by the person during the 30-day period
3675 immediately preceding the day on which the state of emergency is declared is
3676 artificially deflated because the good or service was on sale for a lower price than the
3677 person customarily charges for the good or service; and
- 3678 (d) any other factor that the division considers appropriate.
- 3679 (5)(a) If the division finds that a person has violated, or is violating, this chapter, the
3680 division may:
- 3681 (i) issue a cease and desist order; and
3682 (ii) subject to Subsection (5)(b), impose an administrative fine for each violation of
3683 this chapter.
- 3684 (b) Each instance of charging an excessive price under Section 13-41-201 constitutes a
3685 separate violation, but in no case shall the administrative fine imposed under
3686 Subsection (5)(a) exceed double the excessive portion of the price the person charged.
- 3687 (6) The division may sue in a court of competent jurisdiction to enforce an order under
3688 Subsection (5).
- 3689 (7) In a suit brought under Subsection [~~(5)~~] (6), if the division prevails, the court may award
3690 the division:
- 3691 (a) court costs;
3692 (b) attorney fees; and
3693 (c) the division's costs incurred in the investigation of the violation of this chapter.
- 3694 (8) All money received through an administrative fine imposed, or judgment obtained,
3695 under this section shall be deposited in the Consumer Protection Education and Training
3696 Fund created by Section [~~13-2-8~~] 13-2-109.

3697 Section 79. Section **13-42-102** is amended to read:

3698 **13-42-102 (Effective 05/06/26). Definitions.**

3699 [~~It~~] As used in this chapter:

3700 [(1) "Administrator" means the Division of Consumer Protection.]

3701 [(2)] (1) "Affiliate":

3702 (a) with respect to an individual, means:

3703 (i) the spouse of the individual;

3704 (ii) a sibling of the individual or the spouse of a sibling;

3705 (iii) an individual or the spouse of an individual who is a lineal ancestor or lineal
3706 descendant of the individual or the individual's spouse;

3707 (iv) an aunt, uncle, great aunt, great uncle, first cousin, niece, nephew, grandniece, or
3708 grandnephew, whether related by the whole or the half blood or adoption, or the
3709 spouse of any of them; or

3710 (v) any other individual occupying the residence of the individual; and

3711 (b) with respect to an entity, means:

3712 (i) a person that directly or indirectly controls, is controlled by, or is under common
3713 control with the entity;

3714 (ii) an officer of, or an individual performing similar functions with respect to, the
3715 entity;

3716 (iii) a director of, or an individual performing similar functions with respect to, the
3717 entity;

3718 (iv) [~~subject to adjustment of the dollar amount pursuant to Subsection 13-42-132(6);~~]
3719 a person that receives or received more than \$25,000 from the entity for debt
3720 management services in either the current year or the preceding year; [~~or~~]

3721 (v) [~~-~~] a person that owns more than 10% of, or an individual who is employed by or
3722 is a director of, a person that receives or received more than \$25,000 from the
3723 entity for debt management services in either the current year or the preceding
3724 year;

3725 [(v)] (vi) an officer or director of, or an individual performing similar functions with
3726 respect to, a person described in Subsection [(2)(b)(i)] (1)(b)(i);

3727 [(vi)] (vii) the spouse of, or an individual occupying the residence of, an individual
3728 described in Subsections [(2)(b)(i)] (1)(b)(i) through [(v)] (vi); or

3729 [(vii)] (viii) an individual who has the relationship specified in Subsection [(2)(a)(iv)]
3730 (1)(a)(iv) or (v) to an individual or the spouse of an individual described in

3731 Subsections ~~[(2)(b)(i)]~~ (1)(b)(i) through ~~[(v)]~~ (vi).

3732 ~~[(3)]~~ (2) "Agreement" means an agreement between a provider and an individual for the
3733 performance of debt-management services.

3734 ~~[(4)]~~ (3) "Bank" means a financial institution, including a commercial bank, savings bank,
3735 savings and loan association, credit union, and trust company, engaged in the business of
3736 banking, chartered under federal or state law, and regulated by a federal or state banking
3737 regulatory authority.

3738 ~~[(5)]~~ (4) "Business address" means the physical location of a business, including the name
3739 and number of a street.

3740 ~~[(6)]~~ (5) "Certified counselor" means an individual certified by a training program or
3741 certifying organization, ~~[approved by]~~the ~~[administrator]~~ division approves, that
3742 authenticates the competence of ~~[individuals]~~ each individual providing education and
3743 assistance to other individuals in connection with debt-management services.

3744 ~~[(7)]~~ (6) "Concessions" means assent to repayment of a debt on terms more favorable to an
3745 individual than the terms of the contract between the individual and a creditor.

3746 ~~[(8)]~~ (7) "Day" means a calendar day.

3747 ~~[(9)]~~ (8) "Debt-management services" means services as an intermediary between an
3748 individual and one or more creditors of the individual for the purpose of obtaining
3749 concessions, but does not include:

3750 (a) legal services ~~[provided]~~ an attorney provides in an attorney-client relationship if:

3751 (i) ~~[the services are provided by an attorney who]~~ the attorney who provides the legal
3752 services:

3753 (A) is licensed or otherwise authorized to practice law in this state; and

3754 (B) provides legal services in representing the individual in the individual's
3755 relationship with a creditor; and

3756 (ii) there is no intermediary between the individual and the creditor other than the
3757 attorney or an individual under the direct supervision of the attorney;

3758 (b) accounting services ~~[provided]~~ a certified public accountant provides in an
3759 accountant-client relationship if:

3760 (i) the ~~[services are provided by a certified public accountant who]~~ certified public
3761 accountant who provides the accounting services:

3762 (A) is licensed to provide accounting services in this state; and

3763 (B) provides accounting services in representing the individual in the individual's
3764 relationship with a creditor; and

- 3765 (ii) there is no intermediary between the individual and the creditor other than the
 3766 accountant or an individual under the direct supervision of the accountant; or
 3767 (c) financial-planning services ~~provided~~ a member of a financial-planning profession
 3768 provides in a financial planner-client relationship ~~[by a member of a~~
 3769 ~~financial-planning profession]~~if:
 3770 (i) the ~~[administrator]~~ division, by rule, determines that ~~[members are]~~ a member of
 3771 that financial-planning profession is:
 3772 (A) licensed by this state;
 3773 (B) subject to a disciplinary mechanism;
 3774 (C) subject to a code of professional responsibility; and
 3775 (D) subject to a continuing education requirement; and
 3776 (ii) there is no intermediary between the individual and the creditor other than the [
 3777 ~~financial planner]~~ member of a financial-planning profession or an individual
 3778 under the direct supervision of the [~~financial planner]~~ member of a
 3779 financial-planning profession.
- 3780 (9) "Division" means the Division of Consumer Protection established in Section 13-2-102.
 3781 (10) "Entity" means a person other than an individual.
 3782 (11) "Good faith" means honesty in fact and the observance of reasonable standards of fair
 3783 dealing.
 3784 (12) "Lead generator" means a person ~~[who]~~ that, in the regular course of business~~[-]~~ ;
 3785 (a) ~~[-]~~supplies a provider with the name of a potential customer~~[-]~~ ;
 3786 (b) ~~[-]~~directs a communication of an individual to a provider~~[-]~~ ; or
 3787 (c) ~~[-]~~otherwise refers a customer to a provider.
 3788 (13)(a) "Person" means:
 3789 (i) ~~[-]~~an individual~~[-]~~ ;
 3790 (ii) a corporation~~[-]~~ ;
 3791 (iii) a business trust~~[-]~~ ;
 3792 (iv) an estate~~[-]~~ ;
 3793 (v) a trust~~[-]~~ ;
 3794 (vi) a partnership~~[-]~~ ;
 3795 (vii) a limited liability company~~[-]~~ ;
 3796 (viii) an association~~[-]~~ ;
 3797 (ix) a joint venture~~[-]~~ ; or
 3798 (x) ~~[-]~~any other legal or commercial entity.

- 3799 (b) [~~The term~~] "Person" does not include:
- 3800 (i) [~~a public corporation;~~]
- 3801 (ii) a government;[~~;~~] or
- 3802 (iii) a governmental subdivision, agency, or instrumentality.
- 3803 (14) "Plan" means a program or strategy in which a provider furnishes debt-management
- 3804 services to an individual and which includes a schedule of payments to be made by or on
- 3805 behalf of the individual and used to pay debts owed by the individual.
- 3806 (15) "Principal amount of the debt" means the amount of a debt at the time of an agreement.
- 3807 (16) "Provider" means a person that provides, offers to provide, or agrees to provide
- 3808 debt-management services directly or through others.
- 3809 (17) "Record" means information that is inscribed on a tangible medium or that is stored in
- 3810 an electronic or other medium and is retrievable in perceivable form.
- 3811 (18) "Settlement fee" means a charge imposed on or paid by an individual in connection
- 3812 with a creditor's assent to accept in full satisfaction of a debt an amount less than the
- 3813 principal amount of the debt.
- 3814 (19) "Sign" means, with present intent to authenticate or adopt a record:
- 3815 (a) to execute or adopt a tangible symbol; or
- 3816 (b) to attach to or logically associate with the record an electronic sound, symbol, or
- 3817 process.
- 3818 (20) "State" means a state of the United States, the District of Columbia, Puerto Rico, the
- 3819 United States Virgin Islands, or any territory or insular possession subject to the
- 3820 jurisdiction of the United States.
- 3821 (21) "Trust account" means an account held by a provider that is:
- 3822 (a) established in a bank in which deposit accounts are insured;
- 3823 (b) separate from other accounts of the provider or its designee;
- 3824 (c) designated as a trust account or other account designated to indicate that the money
- 3825 in the account is not the money of the provider or its designee; and
- 3826 (d) used to hold money of one or more individuals for disbursement to creditors of the
- 3827 individuals.
- 3828 Section 80. Section **13-42-103** is amended to read:
- 3829 **13-42-103 (Effective 05/06/26). Exempt agreements and persons.**
- 3830 [~~(1) This chapter does not apply to an agreement with an individual who the provider has~~
- 3831 ~~no reason to know resides in this state at the time of the agreement.]~~
- 3832 [~~(2)~~] (1) This chapter does not apply to a provider to the extent that the provider:

3833 (a) provides or agrees to provide debt-management, educational, or counseling services
 3834 to an individual who the provider has no reason to know resides in this state at the
 3835 time the provider agrees to provide the services; or

3836 (b) receives no compensation for debt-management services from or on behalf of the
 3837 individuals to whom ~~[it]~~ the provider provides the services or from their creditors.

3838 ~~[(3)]~~ (2) This chapter does not apply to the following persons or their employees when the
 3839 person or the employee is engaged in the regular course of the person's business or
 3840 profession:

3841 (a) a judicial officer, a person acting under an order of a court or an administrative
 3842 agency, or an assignee for the benefit of creditors;

3843 (b) a bank;

3844 (c) an affiliate, as defined in Subsection ~~[13-42-102(2)(b)(i)]~~ 13-42-102(1)(b)(i), of a
 3845 bank if the affiliate is regulated by a federal or state banking regulatory authority; or

3846 (d) a title insurer, escrow company, or other person that provides bill-paying services if
 3847 the provision of debt-management services is incidental to the bill-paying services.

3848 Section 81. Section **13-42-104** is amended to read:

3849 **13-42-104 (Effective 05/06/26). Registration required.**

3850 (1) Except as otherwise provided in Subsection (2), a provider may not provide
 3851 debt-management services to an individual who ~~[it]~~ the provider reasonably should know
 3852 resides in this state at the time ~~[it]~~ the provider agrees to provide the services, unless the
 3853 provider is registered under this chapter.

3854 (2) If a provider is registered under this chapter, Subsection (1) does not apply to an
 3855 employee or agent of the provider.

3856 (3) The ~~[administrator]~~ division shall maintain and publicize a list of the names of all
 3857 registered providers.

3858 Section 82. Section **13-42-105** is amended to read:

3859 **13-42-105 (Effective 05/06/26). Application for registration -- Form, fee, and**
 3860 **accompanying documents.**

3861 (1) An application for registration as a provider shall be in a form ~~[prescribed by the~~
 3862 ~~administrator]~~ the division approves.

3863 (2) Subject to adjustment of dollar amounts ~~[pursuant to]~~ in accordance with Subsection
 3864 13-42-132(6), an application for registration as a provider shall be accompanied by:

3865 (a) the fee ~~[established by the administrator]~~ the division establishes in accordance with
 3866 Section 63J-1-504;

- 3867 (b) the bond required by Section 13-42-113;
- 3868 (c) identification of all trust accounts subject to Section 13-42-122 and an irrevocable
- 3869 consent authorizing the ~~[administrator]~~ division to review and examine the trust
- 3870 accounts;
- 3871 (d) evidence of insurance in the amount of \$250,000:
- 3872 (i) against the risks of dishonesty, fraud, theft, and other misconduct on the part of
- 3873 the applicant or a director, employee, or agent of the applicant;
- 3874 (ii) issued by an insurance company authorized to do business in this state and rated
- 3875 at least A or equivalent by a nationally recognized rating organization ~~[approved~~
- 3876 ~~by the administrator]~~ the division approves;
- 3877 (iii) with a deductible not exceeding \$5,000;
- 3878 (iv) payable to the applicant and this state for the benefit of the residents of this state,
- 3879 as ~~[their]~~ the applicant's interests may appear; and
- 3880 (v) not subject to cancellation by the applicant or the insurer until 60 days after
- 3881 written notice has been given to the ~~[administrator]~~ division;
- 3882 (e) a record consenting to the jurisdiction of this state containing:
- 3883 (i) the name, business address, and other contact information of ~~[its]~~ the applicant's
- 3884 registered agent in this state for purposes of service of process; or
- 3885 (ii) the appointment of the ~~[administrator]~~ division as agent of the provider for
- 3886 purposes of service of process; and
- 3887 (f) if the applicant is organized as a not-for-profit entity or has obtained tax exempt
- 3888 status under the Internal Revenue Code, 26 U.S.C. Sec. 501, evidence of
- 3889 not-for-profit or tax-exempt status, or both.
- 3890 (3)(a) The ~~[administrator]~~ division may waive or reduce the insurance requirement in
- 3891 Subsection (2)(d) if the provider does not:
- 3892 (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;
- 3893
- 3894 (ii) make payments to creditors on behalf of individuals;
- 3895 (iii) collect fees by means of automatic payment from individuals; and
- 3896 (iv) execute any powers of attorney that may be utilized by the provider to collect
- 3897 fees from or expend funds on behalf of an individual.
- 3898 (b) A waiver or reduction in insurance requirements ~~[allowed by]~~ the ~~[administrator]~~
- 3899 division allows under Subsection (3)(a) shall balance the reduction in risk ~~[posed by]~~
- 3900 a provider poses by meeting the ~~[stated]~~ requirements of Subsection (2)(d) against

3901 any continued need for insurance against employee and director dishonesty.

3902 Section 83. Section **13-42-106** is amended to read:

3903 **13-42-106 (Effective 05/06/26). Application for registration -- Required**
 3904 **information.**

3905 An applicant shall sign an application for registration as a provider [~~shall be signed~~]
 3906 under penalty of perjury and include in the application:

3907 (1) the applicant's name, principal business address and telephone number, and all other
 3908 business addresses in this state, [~~electronic-mail~~] email addresses, and [~~Internet~~] website
 3909 addresses;

3910 (2) [~~all names~~] each name under which the applicant conducts business;

3911 (3)(a) the address of each location in this state at which the applicant will provide
 3912 debt-management services; or

3913 (b) [-]a statement that the applicant will [~~have no such location~~] not have a location
 3914 where the applicant will provide debt-management services;

3915 (4) the name and home address of each officer and director of the applicant and each person
 3916 that owns at least 10% of the applicant;

3917 (5) identification of [~~every~~] each jurisdiction in which, during the five years immediately
 3918 preceding the application:

3919 (a) the applicant or any of [~~its~~] the applicant's officers or directors [~~has been~~] was licensed
 3920 or registered to provide debt-management services; or

3921 (b) [~~individuals have resided~~] an individual resided when [~~they~~] the individual received
 3922 debt-management services from the applicant;

3923 (6) a statement describing, to the extent [~~it is known or should be known by the applicant~~]
 3924 the applicant knows or should know, any material civil or criminal judgment or litigation
 3925 and any material administrative or enforcement action by a governmental agency in any
 3926 jurisdiction against: [-]

3927 (a) the applicant[-];

3928 (b) [-]any of [~~its~~] the applicant's officers, directors, owners, or agents[-]; or

3929 (c) [-]any person [~~who~~] that is authorized to have access to the trust account required by
 3930 Section 13-42-122;

3931 (7) the applicant's financial statements, audited by an accountant licensed to conduct audits,
 3932 for each of the two years immediately preceding the application or, if [~~it~~] the applicant
 3933 has not been in operation for the two years preceding the application, for the period of [
 3934 its] the applicant's existence;

- 3935 (8) evidence of accreditation by an independent accrediting organization [~~approved by~~]the [
 3936 ~~administrator~~] division approves;
- 3937 (9) evidence that, no later than 12 months after initial employment, each of the applicant's
 3938 counselors becomes certified as a certified counselor;
- 3939 (10) a description of the three most commonly used educational programs that the applicant
 3940 provides or intends to provide to individuals who reside in this state and a copy of any
 3941 materials [~~used~~] the applicant uses or [~~to be used~~] will use in [~~those programs~~] the
 3942 educational programs;
- 3943 (11) a description of the applicant's financial analysis and initial budget plan, including any
 3944 form or electronic model, [~~used~~] the applicant uses to evaluate the financial condition of
 3945 individuals;
- 3946 (12) a copy of each form of agreement that the applicant will use with individuals who
 3947 reside in this state;
- 3948 (13) the schedule of fees and charges that the applicant will use with individuals who reside
 3949 in this state;
- 3950 (14) at the applicant's expense, the results of a criminal records check, including
 3951 fingerprints, conducted within the immediately preceding 12 months, covering every
 3952 officer of the applicant and every employee or agent of the applicant who is authorized
 3953 to have access to the trust account required by Section 13-42-122;
- 3954 (15) the names and addresses of [~~all employers~~] each employer of each director during the
 3955 10 years immediately preceding the day on which the applicant submits the application;
- 3956 (16) a description of any ownership interest of at least 10% by a director, owner, or
 3957 employee of the applicant in:
- 3958 (a) [~~any~~] an affiliate of the applicant; or
- 3959 (b) [~~any~~] an entity that provides products or services to the applicant or [~~any~~] an
 3960 individual relating to the applicant's debt-management services;
- 3961 (17) a statement of the amount of compensation of the applicant's five most highly
 3962 compensated employees for each of the three years immediately preceding the
 3963 application or, if [~~it~~] the applicant has not been in operation for the three years preceding
 3964 the application, for the period of [~~its~~] the applicant's existence;
- 3965 (18) the identity of each director who is an affiliate, as defined in Subsection [
 3966 ~~13-42-102(2)(a)~~] 13-42-102(1)(a) or [~~(2)(b)(i)~~] (1)(b)(i), (ii), (iv), (v), (vi), [~~or~~](vii), or
 3967 (viii) of the applicant; and
- 3968 (19) any other information that the [~~administrator~~] division reasonably requires to perform

3969 the [administrator's] division's duties under Section 13-42-109.

3970 Section 84. Section **13-42-107** is amended to read:

3971 **13-42-107 (Effective 05/06/26). Application for registration -- Obligation to**
 3972 **update information.**

3973 An applicant or registered provider shall notify the [administrator] division no later than
 3974 10 days after [a] the day on which the change in the information specified in Subsection
 3975 13-42-105(2)(d) or (f) or Subsection 13-42-106(1), (3), (6), (12), or (13) occurs.

3976 Section 85. Section **13-42-108** is amended to read:

3977 **13-42-108 (Effective 05/06/26). Application for registration -- Public information.**

3978 Except for the information required by Subsections 13-42-106(7), (14), and (17) and the
 3979 addresses required by Subsection 13-42-106(4), the [administrator] division shall make the
 3980 information in an application for registration as a provider available to the public.

3981 Section 86. Section **13-42-109** is amended to read:

3982 **13-42-109 (Effective 05/06/26). Certification of registration -- Issuance or denial.**

3983 (1) Except as otherwise provided in Subsections (2) and (3), the [administrator] division
 3984 shall issue a certificate of registration as a provider to a person that complies with
 3985 Sections 13-42-105 and 13-42-106.

3986 (2) The [administrator] division may deny registration if:

- 3987 (a) the application contains information that is materially erroneous or incomplete;
- 3988 (b) an officer, director, or owner of the applicant has been convicted of a crime, or
 3989 suffered a civil judgment, involving dishonesty or the violation of state or federal
 3990 securities laws;
- 3991 (c) the applicant or any of [its] the applicant's officers, directors, or owners has defaulted
 3992 in the payment of money collected for others; or
- 3993 (d) the [administrator] division finds that the financial responsibility, experience,
 3994 character, or general fitness of the applicant or [its] the applicant's owners, directors,
 3995 employees, or agents does not warrant belief that the business will be operated in
 3996 compliance with this chapter.

3997 (3) The [administrator] division shall deny registration if:

- 3998 (a) the application is not accompanied by the fee [~~established by the administrator~~] the
 3999 division establishes in accordance with Section 63J-1-504; or
- 4000 (b) with respect to an applicant that is organized as a not-for-profit entity or has obtained
 4001 tax-exempt status under the Internal Revenue Code, 26 U.S.C. [~~Section~~] Sec. 501, the
 4002 applicant's board of directors is not independent of the applicant's employees and

4003 agents.

4004 (4) Subject to adjustment of the dollar amount [~~pursuant to~~] in accordance with Subsection
4005 13-42-132(6), a board of directors is not independent for purposes of Subsection (3) if
4006 more than one-fourth of [~~its~~] the applicant's members:

4007 (a) are affiliates of the applicant, as defined in Subsection [~~13-42-102(2)(a)~~]
4008 13-42-102(1)(a) or [~~13-42-102(2)(b)(i)~~] 13-42-102(1)(b)(i), (ii), (iv), (v), (vi), [~~or~~](vii),
4009 or (viii); or

4010 (b) [~~after the date 10 years~~] within 10 years before the day on which the applicant's
4011 member first [~~becoming a director~~] became a director of the applicant, [~~were~~] the
4012 applicant's member was employed by or [~~directors~~] a director of a person that
4013 received from the applicant more than \$25,000 in either the current year or the
4014 preceding year.

4015 Section 87. Section **13-42-110** is amended to read:

4016 **13-42-110 (Effective 05/06/26). Certificate of registration -- Timing.**

4017 (1) The [~~administrator~~] division shall approve or deny an initial registration as a provider no
4018 later than 120 days after [~~an application is filed~~] the day on which the applicant files the
4019 applicant's application.

4020 (2) [~~—~~]In connection with a request [~~pursuant to~~] in accordance with Subsection
4021 13-42-106(19) for additional information, the [~~administrator~~] division may extend the
4022 120-day period for not more than 60 days.

4023 (3) [~~—~~]Within seven days after [~~denying~~] the day on which the division denies an
4024 application, the [~~administrator~~] division, in [~~a record~~] writing, shall inform the applicant
4025 of the reasons for the denial.

4026 [(2)] (4) If the [~~administrator~~] division denies an application for registration as a provider or
4027 does not act on an application within the time [~~prescribed in Subsection (1)~~] described in
4028 this section, the applicant may appeal and request a hearing [~~pursuant to~~] in accordance
4029 with Title 63G, Chapter 4, Administrative Procedures Act.

4030 [(3)] (5) Subject to Subsection 13-42-111(4) and Section 13-42-134, a registration as a
4031 provider is valid for one year after the day on which the division issues a certificate of
4032 registration.

4033 Section 88. Section **13-42-111** is amended to read:

4034 **13-42-111 (Effective 05/06/26). Renewal of registration.**

4035 (1) A provider shall obtain a renewal of [~~its~~] the provider's registration annually.

4036 (2) [~~An~~] To obtain a renewal of the provider's registration a provider shall:

- 4037 (a) submit an application for renewal of registration as a provider [shall be] in a form [
4038 prescribed by the administrator, signed under penalty of perjury, and:] the division
4039 approves;
- 4040 (b) sign the application for renewal under penalty of perjury;
- 4041 ~~[(a)]~~ (c) ~~[be filed]~~ file the application for renewal no fewer than 30 days and no more
4042 than 60 days before the day on which the provider's current registration expires;
- 4043 ~~[(b)]~~ (d) ~~[be accompanied by]~~ accompany the application for renewal with:
- 4044 (i) ~~[-]the fee [established by the administrator]~~ the division establishes in accordance
4045 with Section 63J-1-504; and
- 4046 (ii) ~~[-]the bond required by Section 13-42-113;~~
- 4047 ~~[(e)]~~ (e) ~~[contain the matter]~~ include in the application for renewal of registration:
- 4048 (i) the information required for initial registration as a provider by Subsections
4049 13-42-106(8) and (9); and
- 4050 (ii) ~~[-]a financial statement, audited by an accountant licensed to conduct audits, for~~
4051 the applicant's fiscal year immediately preceding the day on which the applicant
4052 submits the application for renewal;
- 4053 ~~[(d)]~~ (f) disclose in the application for renewal any [changes] change in the information
4054 contained in the applicant's application for registration or [its] the applicant's
4055 immediately previous application for renewal, [as] if applicable; and
- 4056 ~~[(e)]~~ (g) in the application for renewal:
- 4057 (i) supply evidence of insurance in an amount equal to the larger of \$250,000 or the
4058 highest daily balance in the trust account required by Section 13-42-122 during
4059 the six-month period immediately [preceeding] before the day on which the
4060 provider submits the application for renewal:
- 4061 ~~[(i)]~~ (A) against risks of dishonesty, fraud, theft, and other misconduct on the part
4062 of the applicant or a director, employee, or agent of the applicant;
- 4063 ~~[(ii)]~~ (B) issued by an insurance company authorized to do business in this state
4064 and rated at least A- or equivalent by a nationally recognized rating
4065 organization approved by the [administrator] division;
- 4066 ~~[(iii)]~~ (C) with a deductible not exceeding \$5,000;
- 4067 ~~[(iv)]~~ (D) payable to the applicant and this state for the benefit of the residents of
4068 this state, as their interests may appear; and
- 4069 ~~[(v)]~~ (E) not subject to cancellation by the applicant or the insurer until 60 days
4070 after the day on which written notice has been given to the [administrator]

- 4071 division;
- 4072 [(f)] (ii) disclose the total amount of money received by the applicant [~~pursuant to~~] in
 4073 accordance with plans during the preceding 12 months from or on behalf of
 4074 individuals who reside in this state and the total amount of money distributed to
 4075 creditors of those individuals during that period;
- 4076 [(g)] (iii) disclose, to the best of the applicant's knowledge, the gross amount of
 4077 money accumulated during the preceding 12 months [~~pursuant to~~] in accordance
 4078 with plans by or on behalf of individuals who reside in this state and with whom
 4079 the applicant has agreements; and
- 4080 [(h)] (iv) provide any other information that the [~~administrator~~] division reasonably
 4081 requires to perform the [~~administrator's~~] division's duties under this section.
- 4082 (3) Except for the information required by Subsections 13-42-106(7), (14), and (17) and the
 4083 addresses required by Subsection 13-42-106(4), the [~~administrator~~] division shall make
 4084 the information in an application for renewal of registration as a provider available to the
 4085 public.
- 4086 (4) If a registered provider files a timely and complete application for renewal of
 4087 registration, the registration remains effective until the [~~administrator~~] division, in a
 4088 record, notifies the applicant of a denial and states the reasons for the denial.
- 4089 (5)(a) If the [~~administrator~~] division denies an application for renewal of registration as a
 4090 provider, the applicant, no later than 30 days after receiving notice of the denial, may
 4091 appeal and request a hearing [~~pursuant to~~] in accordance with Title 63G, Chapter 4,
 4092 Administrative Procedures Act.
- 4093 (b) [-]Subject to Section 13-42-134, while the appeal is pending the applicant shall
 4094 continue to provide debt-management services to individuals with whom [it] the
 4095 applicant has agreements.
- 4096 (c) [-]If the denial is affirmed, subject to the [~~administrator's~~] division's order and
 4097 Section 13-42-134, the applicant shall continue to provide debt-management services
 4098 to individuals with whom [it] the applicant has agreements until, with the approval of
 4099 the [~~administrator~~] division, [it] the applicant transfers the agreements to another
 4100 registered provider or returns to the individuals all unexpended money that is under
 4101 the applicant's control.
- 4102 (6)(a) The [~~administrator~~] division may waive or reduce the insurance requirement in
 4103 Subsection [(2)(e)] (2)(g) if the provider does not:
- 4104 (i) maintain control of a trust account or receive money paid by an individual [

4105 pursuant to] in accordance with a plan for distribution to creditors;
 4106 (ii) make payments to creditors on behalf of individuals;
 4107 (iii) collect fees by means of automatic payment from individuals; and
 4108 (iv) execute any powers of attorney that [~~may be utilized by the provider~~] the provider
 4109 may utilize to collect fees from or expend funds on behalf of an individual.

4110 (b) A waiver or reduction in insurance requirements [~~allowed by the administrator~~] the
 4111 division allows under Subsection (6)(a) shall balance the reduction in risk posed by a
 4112 provider [~~meeting the~~] that meets the stated requirements against any continued need
 4113 for insurance against employee and director dishonesty.

4114 Section 89. Section **13-42-112** is amended to read:

4115 **13-42-112 (Effective 05/06/26). Registration in another state -- Rulemaking.**

4116 (1)(a) Subject to rules made by the [~~administrator~~] division, if a provider holds a license
 4117 or certificate of registration in another state authorizing [~~it~~] the provider to provide
 4118 debt-management services, the provider may submit a copy of that license or
 4119 certificate and the application for [~~it~~] that license or certificate instead of an
 4120 application in the form [~~prescribed by~~] described in Subsection 13-42-105(1), Section
 4121 13-42-106, or Subsection 13-42-111(2).

4122 (b) The [~~administrator~~] division shall accept the application and the license or certificate
 4123 from the other state as an application for registration as a provider or for renewal of
 4124 registration as a provider, as appropriate, in this state if:

4125 (i) the application in the other state contains information substantially similar to or
 4126 more comprehensive than that required in an application submitted in this state;
 4127 (ii) the applicant provides the information required by Subsections 13-42-105(2)(d)
 4128 and 13-42-106(1), (3), (7), (10), (12), and (13);
 4129 (iii) the applicant, under penalty of perjury, certifies that the information contained in
 4130 the application is current or, to the extent it is not current, supplements the
 4131 application to make the information current; and
 4132 (iv) the applicant files a surety bond or substitute in accordance with Section
 4133 13-42-113 or 13-42-114 that is solely payable or available to this state and to
 4134 individuals who reside in this state.

4135 (2) The [~~administrator~~] division, in accordance with Title 63G, Chapter 3, Utah
 4136 Administrative Rulemaking Act, shall make rules designating the states in which a
 4137 provider may have a license or certificate that [~~may be submitted~~] an applicant may
 4138 submit to the [~~administrator~~] division in compliance with this section.

4139 Section 90. Section **13-42-113** is amended to read:

4140 **13-42-113 (Effective 05/06/26). Surety bond required.**

4141 (1) Except as otherwise provided in Section 13-42-114, a provider that is required to be
4142 registered under this chapter shall file a surety bond with the ~~[administrator]~~ division,
4143 which shall:

4144 (a) be in effect during the period of registration and for two years after the day on which
4145 the provider ceases providing debt-management services to individuals in this state;
4146 and

4147 (b) run to this state for the benefit of this state and of individuals who reside in this state
4148 when ~~[they]~~ the individuals agree to receive debt-management services from the
4149 provider, as ~~[their]~~ the individuals' interests may appear.

4150 (2) Subject to adjustment of the dollar amount ~~[pursuant to]~~ in accordance with Subsection
4151 13-42-132(6), a surety bond filed ~~[pursuant to]~~ in accordance with Subsection (1) shall:

4152 (a) be in the amount of \$100,000;

4153 (b) be issued by a ~~[bonding,]surety[, or insurance company]~~ company authorized to do
4154 business in this state and rated at least A- by a nationally recognized rating
4155 organization; and

4156 (c) have payment conditioned on noncompliance of the provider or its agent with this
4157 chapter.

4158 (3)(a) If the principal amount of a surety bond is reduced by payment of a claim or a
4159 judgment, the provider shall immediately notify the ~~[administrator]~~ division and, no
4160 later than 30 days after ~~[notice by the administrator]~~ the day on which the division
4161 gives notice to the provider, file a new or additional surety bond in an amount to
4162 comply with the \$100,000 requirement.

4163 (b) ~~[-]~~If for any reason a surety terminates a bond, the provider shall immediately file a
4164 new surety bond in the amount of \$100,000.

4165 (4) The ~~[administrator]~~ division or an individual may obtain satisfaction out of the surety
4166 bond procured ~~[pursuant to]~~ in accordance with this section if:

4167 (a) the ~~[administrator]~~ division assesses expenses under Subsection 13-42-132(2)(a),
4168 issues a final order under Subsection 13-42-133(1)(b), or recovers a final judgment
4169 under Subsection 13-42-133(1)(d) or (e) or Subsection 13-42-133(4); or

4170 (b) an individual recovers a final judgment ~~[pursuant to]~~ in accordance with Subsection
4171 13-42-135(1), Subsection 13-42-135(2), or Subsection 13-42-135(3)(a), (b), or (d).

4172 (5) If claims against a surety bond exceed or are reasonably expected to exceed the amount

4173 of the bond, the ~~[administrator]~~ division, on the initiative of the ~~[administrator]~~ division
 4174 or on petition of the surety, shall, unless the proceeds are adequate to pay all costs,
 4175 judgments, and claims, distribute the proceeds in the following order:

4176 (a) to satisfaction of a final order or judgment under Subsection 13-42-133(1)(a), (d), or
 4177 (e) or Subsection 13-42-133(4);

4178 (b) to final judgments recovered by individuals ~~[pursuant to]~~ in accordance with
 4179 Subsection 13-42-135(1), Subsection 13-42-135(2), or Subsection 13-42-135(3)(a),
 4180 (b) or (d), pro rata;

4181 (c) to claims of individuals established to the satisfaction of the ~~[administrator]~~ division,
 4182 pro rata; and

4183 (d) if a final order or judgment is issued under Subsection 13-42-133(1), to the expenses
 4184 charged ~~[pursuant to]~~ in accordance with Subsection 13-42-132(2)(a).

4185 Section 91. Section **13-42-114** is amended to read:

4186 **13-42-114 (Effective 05/06/26). Bond required -- Substitute.**

4187 (1) Instead of the surety bond required by Section 13-42-113, a provider, with the approval
 4188 of the ~~[administrator]~~ division and in the amount required by Subsection (2), may deliver
 4189 to the ~~[administrator]~~ division:

4190 (a) an irrevocable letter of credit, issued or confirmed by a bank ~~[approved by the~~
 4191 ~~administrator]~~ the division approves, payable on presentation of a certificate by the [
 4192 ~~administrator]~~ division stating that the provider or [its] the provider's agent has not
 4193 complied with this chapter; or

4194 (b) bonds or other obligations of the United States or guaranteed by the United States or
 4195 bonds or other obligations of this state or a political subdivision of this state, to be:

4196 (i) deposited and maintained with a bank ~~[approved by the administrator]~~ the division
 4197 approves for this purpose; and

4198 (ii) delivered by the bank to the ~~[administrator]~~ division on presentation of a
 4199 certificate by the ~~[administrator]~~ division stating that the provider or [its] provider's
 4200 agent has not complied with this chapter.

4201 (2) If a provider furnishes a substitute ~~[pursuant to]~~ in accordance with Subsection (1),
 4202 Subsections 13-42-113(1), (3), (4), and (5) apply to the substitute.

4203 Section 92. Section **13-42-118** is amended to read:

4204 **13-42-118 (Effective 05/06/26). Communication by electronic or other means.**

4205 (1) [In] As used in this section:

4206 (a) "Consumer" means an individual who seeks or obtains goods or services that are

- 4207 used primarily for personal, family, or household purposes.
- 4208 (b) "Federal act" means the Electronic Signatures in Global and National Commerce
4209 Act, 15 U.S.C. ~~[Section]~~ Sec. 7001 et seq.
- 4210 (2) A provider may satisfy the requirements of Section 13-42-117, 13-42-119, or 13-42-127
4211 by means of the ~~[Internet]~~ internet or other electronic means if the provider obtains a
4212 consumer's consent in the manner provided by Section 101(c)(1) of the federal act.
- 4213 (3) ~~[The-]~~ A provider shall present the disclosures and materials required by Sections
4214 13-42-117, 13-42-119, and 13-42-127 ~~[shall be presented-]~~ in a form that is capable of
4215 being accurately reproduced for later reference.
- 4216 (4) With respect to disclosure by means of ~~[an Internet]~~ a website, the disclosure of the
4217 information required by Subsection 13-42-117(4) shall appear on one or more screens
4218 that:
- 4219 (a) contain no other information; and
- 4220 (b) ~~[the-]~~ an individual is able to see before proceeding to assent to formation of an
4221 agreement.
- 4222 (5) At the time of providing the materials and agreement required by Subsections
4223 13-42-117(3) and (4), Section 13-42-119, and Section 13-42-127, a provider shall
4224 inform the individual that on electronic, telephonic, or written request, ~~[it]~~ the provider:
4225 (a) ~~[-]~~ will send the individual a written copy of the materials~~[-]~~ ; and
4226 (b) ~~[-]~~ shall comply with a request as provided in Subsection (6).
- 4227 (6)(a) If ~~[a]~~ an individual requests that a provider ~~[is requested]~~, before the expiration of
4228 90 days after the day on which an agreement is completed or terminated, ~~[to-]~~ send the
4229 individual a written copy of the materials required by Subsections 13-42-117(3) and
4230 (4), Section 13-42-119, or Section 13-42-127, the provider shall send ~~[them]~~ the
4231 materials at no charge no later than three business days after the day on which the
4232 provider receives the request~~[-]~~ .
- 4233 (b) ~~[-but the]~~ Notwithstanding Subsection (6)(a), a provider ~~[need not]~~ is not required to
4234 comply with a request more than once per calendar month or if ~~[it]~~ the provider
4235 reasonably believes the individual makes the request ~~[is made-]~~ for purposes of
4236 harassment.
- 4237 (c) ~~[-]~~ If an individual makes a request ~~[is made-]~~ more than 90 days after the day on
4238 which an agreement is completed or terminated, the provider shall send within a
4239 reasonable time a written copy of the materials requested.
- 4240 (7) A provider that maintains ~~[an Internet]~~ a website shall disclose on the home page of ~~[its]~~

- 4241 the provider's website or on a page that is clearly and conspicuously connected to the
 4242 home page by a link that clearly reveals ~~[its]~~ the website's contents:
- 4243 (a) ~~[its-]~~ the provider's name and all names under which ~~[it]~~ the provider does business;
 4244 (b) ~~[its-]~~ the provider's principal business address, telephone number, and electronic-mail
 4245 address, if any; and
 4246 (c) the names of ~~[its]~~ the provider's principal officers.
- 4247 (8) Subject to Subsection (9), if a consumer who ~~[has consented]~~ consents to electronic
 4248 communication in the manner provided by Section 101 of the federal act withdraws
 4249 consent as provided in the federal act, a provider may terminate ~~[its]~~ the provider's
 4250 agreement with the consumer.
- 4251 (9)(a) If a provider wishes to terminate an agreement with a consumer ~~[pursuant to]~~ in
 4252 accordance with Subsection (8), ~~[it]~~ the provider shall notify the consumer that ~~[it]~~ the
 4253 provider will terminate the agreement unless the consumer, no later than 30 days
 4254 after [receiving] the day on which the consumer receives the notification, consents to
 4255 electronic communication in the manner provided in Section 101(c) of the federal act.~~[-]~~
- 4256 (b) If the consumer consents to electronic communication as described in Subsection
 4257 (9)(a), the provider may terminate the agreement only as permitted by Subsection
 4258 13-42-119(1)(f)(iv)(D).
- 4259 Section 93. Section **13-42-119** is amended to read:
- 4260 **13-42-119 (Effective 05/06/26). Form and contents of agreement.**
- 4261 (1) An agreement shall:
- 4262 (a) be in a record;
 4263 (b) be dated and signed by the provider and the individual;
 4264 (c) include the name of the individual and the address where the individual resides;
 4265 (d) include the name, business address, and telephone number of the provider;
 4266 (e) be delivered to the individual immediately upon formation of the agreement; and
 4267 (f) disclose:
- 4268 (i) the services ~~[to be provided]~~ the provider will provide;
 4269 (ii) the amount, or method of determining the amount, of all fees, individually
 4270 itemized, ~~[to be paid by the individual]~~ the individual will pay;
 4271 (iii) the schedule of payments to be made by or on behalf of the individual, including
 4272 the amount of each payment, the date on which each payment is due, and an
 4273 estimate of the date of the final payment;
 4274 (iv) if a plan provides for regular periodic payments to creditors:

- 4275 (A) each creditor of the individual to which the provider will make payment~~[-will~~
 4276 ~~be made]~~, the amount owed to each creditor, and any concessions the provider
 4277 reasonably believes each creditor will offer;
- 4278 (B) the schedule of expected payments to each creditor, including the amount of
 4279 each payment and the date on which ~~[it will be made]~~ the provider will make
 4280 the payment;
- 4281 (C) each creditor that the provider believes will not participate in the plan and to
 4282 which the provider will not direct payment; and
- 4283 (D) that the provider may terminate the agreement for good cause, upon return of
 4284 unexpended money of the individual;
- 4285 (v) if a plan contemplates the settlement of the individual's debt for less than the
 4286 principal amount of the debt, an estimate of:
- 4287 (A) the duration of the plan based on all enrolled debts;
- 4288 (B) the length of time before the individual may reasonably expect a settlement
 4289 offer; and
- 4290 (C) the amount of savings needed to accrue before the individual may reasonably
 4291 expect a settlement offer, expressed as either a dollar amount or a percentage,
 4292 for each enrolled debt;
- 4293 (vi) how the provider will comply with ~~[its]~~ the provider's obligations under
 4294 Subsection 13-42-127(1);
- 4295 (vii) that the individual may terminate the agreement at any time by giving written or
 4296 electronic notice, and that, if notice of termination is given, the individual will
 4297 receive all unexpended money that the provider or ~~[its]~~ the provider's designee ~~[has~~
 4298 ~~received]~~ receives from or on behalf of the individual for payment of a credit and,
 4299 except to the extent they have been earned, the provider's fees;
- 4300 (viii) that the individual may contact the ~~[administrator]~~ division with any questions
 4301 or complaints regarding the provider; and
- 4302 (ix) the address, telephone number, and ~~[Internet]~~ email address or website of the [
 4303 ~~administrator]~~ division.
- 4304 (2) For purposes of Subsection (1)(e), delivery of an electronic record occurs when:
- 4305 (a) ~~[it is made]~~ the provider makes the electronic record available in a format in which
 4306 the individual may retrieve, save, and print ~~[it]~~ the electronic record; and
- 4307 (b) ~~[-]~~ the provider notifies the individual ~~[is notified-]~~that ~~[it]~~ the electronic record is
 4308 available.

- 4309 (3) If the [administrator] division supplies the provider with any information required under
4310 Subsection (1)(f)(ix), the provider may comply with that requirement only by disclosing
4311 the information [supplied by]the [administrator] division supplies.
- 4312 (4) An agreement shall provide that:
- 4313 (a) the individual authorizes any bank in which the provider or [its] the provider's agent
4314 has established a trust account to disclose to the [administrator] division any financial
4315 records relating to the trust account; and
- 4316 (b) the provider will [notify] provide a notice to the individual no later than five business
4317 days after [learning] the day on which a creditor learns of a creditor's final decision to
4318 reject or withdraw from a plan and that [this] the notice will include:
- 4319 (i) the identity of the creditor; and
- 4320 (ii) the right of the individual to modify or terminate the agreement.
- 4321 (5) An agreement may not:
- 4322 (a) provide for application of the law of [any] a jurisdiction other than the United States
4323 and this state;
- 4324 (b) except as permitted by Section 2 of the Federal Arbitration Act, 9 U.S.C. [~~Section~~
4325 Sec. 2, or Title 78B, Chapter 11, Utah Uniform Arbitration Act, contain a provision
4326 that modifies or limits otherwise available forums or procedural rights, including the
4327 right to trial by jury, that are generally available to the individual under law other
4328 than this chapter;
- 4329 (c) contain a provision that restricts the individual's remedies under this chapter or law
4330 other than this chapter; or
- 4331 (d) contain a provision that:
- 4332 (i) limits or releases the liability of [any] a person for not performing the agreement or
4333 for violating this chapter; or
- 4334 (ii) indemnifies [any] a person for liability arising under the agreement or this chapter.
- 4335 (6) A provision in an agreement which violates Subsection (4) or (5) is void.
- 4336 Section 94. Section **13-42-121** is amended to read:
- 4337 **13-42-121 (Effective 05/06/26). Required language.**
- 4338 (1) Unless the [administrator] division, by rule, provides otherwise, the disclosures and
4339 documents required by this chapter shall be in English.
- 4340 (2) [–]If a provider communicates with an individual primarily in a language other than
4341 English, the provider shall furnish a translation in the other language of the disclosures
4342 and documents required by this chapter.

4343 Section 95. Section **13-42-122** is amended to read:

4344 **13-42-122 (Effective 05/06/26). Trust account.**

4345 (1)(a) ~~[A] A provider shall hold all money paid to [a] the provider by or on behalf of an~~
 4346 individual for distribution to creditors ~~[pursuant to]~~ in accordance with a plan [is held]
 4347 in a trust account.

4348 (b) ~~[-]~~ No later than two business days after [receipt] the day on which the provider
 4349 receives the money, the provider shall deposit the money in a trust account
 4350 established for the benefit of individuals to whom the provider [is furnishing]
 4351 furnishes debt-management services.

4352 (2) A provider whose agreement contemplates the settlement of an individual's debt for less
 4353 than the principal amount of the debt may request or require the individual to place
 4354 money in an account ~~[to be used]~~ the provider uses to pay a creditor or the provider's
 4355 fees, or both, if:

4356 (a) the provider holds the money [is held] in an insured account at a bank;

4357 (b) the individual owns the money held in the account;

4358 (c) ~~[-and is paid]~~ the provider pays the individual any interest accrued on the account;

4359 ~~[(e)]~~ (d) the entity administering the account is not the provider or an affiliate of the
 4360 provider, unless the affiliate is described in Subsection [13-42-102(2)(b)(iv)]

4361 13-42-102(1)(b)(iv);

4362 ~~[(d)]~~ (e) the entity administering the account does not give or accept any money or other
 4363 compensation in exchange for a referral of business involving debt-management
 4364 services; and

4365 ~~[(e)]~~ (f) the individual may terminate the agreement at any time without penalty and on
 4366 termination [must] shall receive all money in the account, other than money earned by
 4367 the provider in [compliance] accordance with this section.

4368 (3) If an agreement contemplates the reduction of finance charges or fees for late payment,
 4369 default, or delinquency, and the provider complies with Subsection (1), the provider may
 4370 request or require the individual to make payment to be used for both distribution to
 4371 creditors and payment of the provider's fees.

4372 (4)(a) Money [held in] a provider holds in trust [by a provider] is not property of the
 4373 provider or [its] the provider's designee.

4374 (b) ~~[-]~~ The money is not available to creditors of the provider or designee, except an
 4375 individual from whom or on whose behalf the provider received money, to the extent
 4376 that the provider has not disbursed the money [has not been disbursed] to creditors of

- 4377 the individual.
- 4378 (5) A provider shall:
- 4379 (a) maintain separate records of account for each individual to whom the provider [~~is~~
4380 ~~furnishing~~] furnishes debt-management services;
- 4381 (b) disburse money paid by or on behalf of the individual to creditors of the individual as
4382 disclosed in the agreement, except that:
- 4383 (i) the provider may delay payment to the extent that a payment by the individual is
4384 not final; and
- 4385 (ii) if a plan provides for regular periodic payments to creditors, the disbursement
4386 shall comply with the due dates established by each creditor; and
- 4387 (c) promptly correct [~~any payments~~] a payment that [~~are not made~~] the provider does not
4388 make or that [~~are misdirected~~] the provider misdirects as a result of an error by the
4389 provider or other person in control of the trust account and reimburse the individual
4390 for any costs or fees imposed by a creditor as a result of the failure to pay or
4391 misdirection.
- 4392 (6) A provider may not commingle money in a trust account established for the benefit of
4393 individuals to whom the provider [~~is furnishing~~] furnishes debt-management services
4394 with money of [~~other persons~~] another person.
- 4395 (7) A trust account shall at all times have a cash balance equal to the sum of the balances of
4396 each individual's account.
- 4397 (8)(a) If a provider has established a trust account [~~pursuant to~~] in accordance with
4398 Subsection (1), the provider shall reconcile the trust account at least once a month.[-]
- 4399 (b) The reconciliation shall compare the cash balance in the trust account with the sum
4400 of the balances in each individual's account.
- 4401 (c) [-]If the provider or [~~its~~] the provider's designee has more than one trust account,
4402 each trust account shall be individually reconciled.
- 4403 (9)(a) If a provider discovers, or has a reasonable suspicion of, embezzlement or other
4404 unlawful appropriation of money held in trust, the provider immediately shall notify
4405 the [~~administrator~~] division by a method [~~approved by the administrator~~] the division
4406 approves.
- 4407 (b) [-]Unless the [~~administrator~~] division by rule provides otherwise, no later than five
4408 days [~~thereafter~~] after the provider notifies the division in accordance with Subsection
4409 (9)(a), the provider shall give notice to the [~~administrator~~] division describing the
4410 remedial action [~~taken or to be taken~~] the provider takes or will take.

4411 (10) If an individual terminates an agreement or [~~it becomes reasonably apparent to~~] a
 4412 provider determines that a plan has failed, the provider shall promptly refund to the
 4413 individual all money paid by or on behalf of the individual [~~which has not been~~] that the
 4414 provider has not paid to creditors, less fees that are payable to the provider under Section
 4415 13-42-123.

4416 (11)(a) Before relocating a trust account from one bank to another, a provider shall
 4417 inform the [~~administrator~~] division of the name, business address, and telephone
 4418 number of the new bank.

4419 (b) [~~-~~]As soon as practicable, the provider shall inform the [~~administrator~~] division of the
 4420 account number of the trust account at the new bank.

4421 Section 96. Section **13-42-123** is amended to read:

4422 **13-42-123 (Effective 05/06/26). Fees and other charges.**

4423 (1) A provider may not impose directly or indirectly a fee or other charge on an individual
 4424 or receive money from or on behalf of an individual for debt-management services
 4425 except as permitted by this section.

4426 (2) A provider may not impose charges or receive payment for debt-management services
 4427 until the provider and the individual [~~have signed~~] sign an agreement that complies with
 4428 Sections 13-42-119 and 13-42-128.

4429 (3)(a) If an individual assents to an agreement, a provider may not impose a fee or other
 4430 charge for educational, counseling, or similar services, except as otherwise provided
 4431 in this section and Subsection 13-42-128(4).

4432 (b) [~~-~~]The [~~administrator~~] division may authorize a provider to charge a fee based on the
 4433 nature and extent of the services [~~furnished by~~]the provider furnishes.

4434 (4)(a) Subsections (4)(b) through (d) are subject to adjustment of dollar amounts [~~pursuant to~~]
 4435 in accordance with Subsection 13-42-132(6).

4436 (b) If an individual assents to a plan that contemplates that [~~creditors~~] a creditor will
 4437 reduce finance charges or fees for late payment, default, or delinquency, the provider
 4438 may charge:

4439 (i) a fee not exceeding \$50 for consultation, obtaining a credit report, setting up an
 4440 account, and [~~the like~~] other similar services; and

4441 (ii) a monthly service fee, not to exceed \$10 times the number of accounts remaining
 4442 in a plan at the time the fee is assessed, but not more than \$50 in any month.

4443 (c) If an individual assents to an agreement that contemplates that creditors will settle
 4444 debts for less than the principal amount of the debt, a provider may not request or

- 4445 receive payment of ~~[any]~~ a fee or consideration for the provider's service unless:
- 4446 (i) the provider ~~[has renegotiated, settled, reduced, or otherwise altered]~~ renegotiates,
- 4447 settles, reduces, or otherwise alters the terms of at least one debt under an
- 4448 agreement ~~[executed by]~~ the individual executes;
- 4449 (ii) the individual ~~[has made]~~ makes at least one payment ~~[pursuant to that]~~ in
- 4450 accordance with the agreement between the individual and the creditor or debt
- 4451 collector; and
- 4452 (iii) the fee or consideration for ~~[any]~~ an individual debt that ~~[is renegotiated, settled,~~
- 4453 ~~reduced, or otherwise altered]~~ an individual renegotiates, settles, reduces, or
- 4454 otherwise alters:
- 4455 (A) bears the same proportion to the total fee for renegotiating, settling, reducing,
- 4456 or altering the terms of the entire debt as the individual debt amount at the time
- 4457 the debt was enrolled in the service bears to the entire debt amount at the time
- 4458 the debt was enrolled in the service; or
- 4459 (B) is a percentage of the amount saved as a result of the renegotiation, settlement,
- 4460 reduction, or alteration, as calculated under Subsection (4)(e), ~~[which~~
- 4461 ~~percentage]~~ that may not change from one individual debt to another.
- 4462 (d)(i) Except as otherwise provided in Subsection 13-42-128(4), if an individual does
- 4463 not assent to an agreement, a provider may receive for educational and counseling
- 4464 services ~~[it]~~ the provider provides to the individual a fee not exceeding \$100 or,
- 4465 with the approval of the ~~[administrator]~~ division, a larger fee.
- 4466 (ii) ~~[-]~~The ~~[administrator]~~ division may approve a fee larger than \$100 if the nature
- 4467 and extent of the educational and counseling services warrant the larger fee.
- 4468 (e) For purposes of Subsection (4)(c)(iii)(B), the amount saved is calculated as the
- 4469 difference between the amount owed at the time the debt is enrolled in the service
- 4470 and the amount actually paid to satisfy the debt.
- 4471 (5) If, before the expiration of 90 days after the completion or termination of educational or
- 4472 counseling services, an individual assents to an agreement, the provider shall refund to
- 4473 the individual ~~[any]~~ a fee ~~[paid pursuant to]~~ an individual pays in accordance with
- 4474 Subsection (4)(d).
- 4475 (6) Except as otherwise provided in Subsections (3) and (4), if an agreement contemplates
- 4476 that creditors will settle an individual's debts for less than the principal amount of the
- 4477 debt:
- 4478 (a) compensation for services in connection with settling a debt shall be reasonable and

4479 clearly disclosed in the agreement; and

4480 (b) a fee for settling a debt may be collected only as the debt is settled.

4481 (7) Subject to adjustment of the dollar amount [~~pursuant to~~] in accordance with Subsection
4482 13-42-132(6), if a payment to a provider by an individual under this chapter is
4483 dishonored, a provider may impose a reasonable charge on the individual, not to exceed
4484 the lesser of \$25 and the amount permitted by law other than this chapter.

4485 Section 97. Section **13-42-128** is amended to read:

4486 **13-42-128 (Effective 05/06/26). Prohibited acts and practices.**

4487 (1) A provider may not, directly or indirectly:

4488 (a) include a secured debt in a plan, except as authorized by law other than this chapter;

4489 (b) misappropriate or misapply money [~~held~~] the provider holds in trust;

4490 (c) settle a debt on behalf of an individual, unless the individual assents to the settlement
4491 after the creditor [~~has assented~~] assents to the settlement;

4492 (d) take a power of attorney that authorizes [~~it~~] the provider to settle a debt;

4493 (e) exercise or attempt to exercise a power of attorney after an individual [~~has terminated~~]
4494 terminates an agreement;

4495 (f) initiate a transfer from an individual's account at a bank or with another person unless
4496 the transfer is:

4497 (i) a return of money to the individual; or

4498 (ii) before termination of an agreement, properly authorized by the agreement and
4499 this chapter, and for:

4500 (A) payment to one or more creditors [~~pursuant to~~] in accordance with an
4501 agreement; or

4502 (B) payment of a fee;

4503 (g) offer a gift or bonus, premium, reward, or other compensation to an individual for
4504 executing an agreement;

4505 (h) offer, pay, or give a gift or bonus, premium, reward, or other compensation to a lead
4506 generator or other person for referring a prospective customer, if the person making
4507 the referral:

4508 (i) has a financial interest in the outcome of debt-management services provided to
4509 the customer, unless neither the provider nor the person making the referral
4510 communicates to the prospective customer the identity of the source of the
4511 referral; or

4512 (ii) compensates its employees on the basis of a formula that incorporates the number

- 4513 of individuals the employee refers to the provider;
- 4514 (i) receive a bonus, commission, or other benefit for referring an individual to a person;
- 4515 (j) structure a plan in a manner that would result in a negative amortization of any of an
4516 individual's debts, unless a creditor that is owed a negatively amortizing debt agrees
4517 to refund or waive the finance charge on payment of the principal amount of the debt;
- 4518 (k) compensate [its] the provider's employees on the basis of a formula that incorporates
4519 the number of individuals the employee induces to enter into agreements;
- 4520 (l) settle a debt or lead an individual to believe that a payment to a creditor is in
4521 settlement of a debt to the creditor unless, at the time of settlement, the individual
4522 receives a certification by the creditor that the payment:
- 4523 (i) is in full settlement of the debt; or
- 4524 (ii) is part of a settlement plan, the terms of which are included in the certification,
4525 that, if completed according to its terms, will satisfy the debt;
- 4526 (m) make a representation that:
- 4527 (i) the provider will furnish money to pay bills or prevent attachments;
- 4528 (ii) payment of a certain amount will permit satisfaction of a certain amount or range
4529 of indebtedness; or
- 4530 (iii) participation in a plan will or may prevent litigation, garnishment, attachment,
4531 repossession, foreclosure, eviction, or loss of employment;
- 4532 (n) misrepresent that it is authorized or competent to furnish legal advice or perform
4533 legal services;
- 4534 (o) represent in [its] the provider's agreements, disclosures required by this chapter,
4535 advertisements, or [~~Internet-~~]website that [it] the provider is:
- 4536 (i) a not-for-profit entity unless [it] the provider is organized and properly operating
4537 as a not-for-profit entity under the law of the state in which [it] the provider was
4538 formed; or
- 4539 (ii) a tax-exempt entity unless [~~it has received-~~] the provider receives certification of
4540 tax-exempt status from the Internal Revenue Service and [~~is properly operating]~~
4541 properly operates as a not-for-profit entity under the law of the state in which [it]
4542 the provider was formed;
- 4543 (p) take a confession of judgment or power of attorney to confess judgment against an
4544 individual;
- 4545 (q) employ an unfair, unconscionable, or deceptive act or practice;
- 4546 (r) knowingly omit any material information or material aspect of any provider's service,

- 4547 including:
- 4548 (i) the amount of money or the percentage of the debt amount that an individual may
- 4549 save by using the provider's service;
- 4550 (ii) the amount of time necessary to achieve the results that the provider represents as
- 4551 achievable;
- 4552 (iii) the amount of money or the percentage of each outstanding debt that the
- 4553 individual is required to accumulate before the provider will:
- 4554 (A) initiate an attempt with the individual's creditors or debt collectors to
- 4555 negotiate, settle, or modify the terms of the individual's debt; or
- 4556 (B) make a bona fide offer to negotiate, settle, or modify the terms of the
- 4557 individual's debt;
- 4558 (iv) the effect of the service on:
- 4559 (A) an individual's creditworthiness; or
- 4560 (B) collection efforts of the individual's creditors or debt collectors;
- 4561 (v) the percentage or number of individuals who achieve the results that the provider
- 4562 represents are achievable; and
- 4563 (vi) whether a nonprofit entity offers or provides a provider's service~~[is offered or~~
- 4564 ~~provided by a nonprofit entity]~~; or
- 4565 (s) make or use [~~any~~] an untrue or a misleading statement:
- 4566 (i) to the [~~administrator~~] division; or
- 4567 (ii) in the provision of services subject to this chapter.
- 4568 (2) If a provider furnishes debt-management services to an individual, the provider may not,
- 4569 directly or indirectly:
- 4570 (a) purchase a debt or obligation of the individual;
- 4571 (b) receive from or on behalf of the individual:
- 4572 (i) a promissory note or other negotiable instrument other than a check or a demand
- 4573 draft; or
- 4574 (ii) a post-dated check or demand draft;
- 4575 (c) lend money or provide credit to the individual, unless the loan or credit is:
- 4576 (i) a deferral of a settlement fee at no additional expense to the individual; or
- 4577 (ii) through an affiliate that is licensed separately from the provider;
- 4578 (d) obtain a mortgage or other security interest from any person in connection with the
- 4579 services provided to the individual;
- 4580 (e) except as permitted by federal law, disclose the identity or identifying information of

- 4581 the individual or the identity of the individual's creditors, except to:
- 4582 (i) the ~~[administrator]~~ division, on proper demand;
- 4583 (ii) a creditor of the individual, to the extent necessary to secure the cooperation of
- 4584 the creditor in a plan; or
- 4585 (iii) the extent necessary to administer the plan;
- 4586 (f) except as otherwise provided in Subsection 13-42-123(4)(c), provide the individual
- 4587 less than the full benefit of a compromise of a debt arranged by the provider;
- 4588 (g) charge the individual for or provide credit or other insurance, coupons for goods or
- 4589 services, membership in a club, access to computers or the Internet, or any other
- 4590 matter not directly related to debt-management services or educational services
- 4591 concerning personal finance, except to the extent such services are expressly
- 4592 authorized by the ~~[administrator]~~ division; or
- 4593 (h) furnish legal advice or perform legal services, unless the person furnishing that
- 4594 advice to or performing those services for the individual is licensed to practice law.
- 4595 (3) This chapter does not authorize any person to engage in the practice of law.
- 4596 (4) A provider may not receive a gift or bonus, premium, reward, or other compensation,
- 4597 directly or indirectly, for advising, arranging, or assisting an individual in connection
- 4598 with obtaining, an extension of credit or other service from a lender or service provider,
- 4599 except:
- 4600 (a) for educational or counseling services required in connection with a
- 4601 government-sponsored program; or
- 4602 (b) as authorized in Subsection 13-42-123(4)(d).
- 4603 (5) Unless a person supplies goods, services, or facilities generally and supplies ~~[them]~~ the
- 4604 goods, services, or facilities to the provider at a cost no greater than the cost the person
- 4605 generally charges to others, a provider may not purchase goods, services, or facilities
- 4606 from the person if an employee or a person that the provider should reasonably know is
- 4607 an affiliate of the provider:
- 4608 (a) owns more than 10% of the person; or
- 4609 (b) is an employee or affiliate of the person.
- 4610 (6) A provider may not:
- 4611 (a) represent that the division or the state endorses the provider;
- 4612 (b) omit from a filing with the division a material statement of fact required by this
- 4613 chapter or rule the division makes in accordance with this chapter; or
- 4614 (c) include in a filing with the division a material statement of fact that the provider or

4615 the provider's principal knows or should know is false, deceptive, inaccurate, or
 4616 misleading.

4617 Section 98. Section **13-42-129** is amended to read:

4618 **13-42-129 (Effective 05/06/26). Notice of litigation.**

4619 No later than 30 days after the day on which a provider [~~has been~~] is served with notice
 4620 of a civil action for a violation of this chapter by or on behalf of an individual who resides in
 4621 this state at either the time of an agreement or the time the notice is served, the provider shall
 4622 notify the [administrator] division in a record that [it] the provider has been sued.

4623 Section 99. Section **13-42-132** is amended to read:

4624 **13-42-132 (Effective 05/06/26). Powers of the division.**

4625 (1) The [administrator] division may:

4626 (a) [-]act on [~~its~~] the division's own initiative or in response to complaints; [~~and may~~]

4627 (b) receive complaints[;] ;

4628 (c) take action to obtain voluntary compliance with this chapter[;] ;

4629 (d) [-]refer cases to the attorney general[;] ; and

4630 (e) [-]seek or provide remedies as provided in this chapter.

4631 (2)(a) The [administrator] division may investigate and examine, in this state or

4632 elsewhere, by subpoena or otherwise, the activities, books, accounts, and records of:

4633 (i) [-]a person that provides or offers to provide debt-management services[;] ; or

4634 (ii) [-]a person to which a provider [~~has delegated its~~] delegates the provider's
 4635 obligations under an agreement or this chapter, to determine compliance with this
 4636 chapter.

4637 (b) [~~Information~~] The division may not disclose information that identifies [individuals
 4638 who have agreements-] an individual who has an agreement with the provider [may
 4639 not be disclosed-] to the public.

4640 (c) [-]In connection with [~~the investigation~~] an investigation described under this
 4641 Subsection (2), the [administrator] division may:

4642 [(a)] (i) charge the person [~~the reasonable expenses necessarily incurred~~] any
 4643 reasonable expense the division incurs to conduct the examination;

4644 [(b)] (ii) require or permit a person to file a statement under oath as to [~~all the facts~~
 4645 ~~and circumstances~~] each fact and circumstances of a matter [to be investigated] the
 4646 division investigates; and

4647 [(e)] (iii) seek a court order authorizing seizure from a bank at which the person
 4648 maintains [~~an account contemplated by~~] a trust account described in Section

4649 13-42-122, any or all money, books, records, accounts, and other property of the
 4650 provider that ~~[is in the control of]~~the bank controls and relates to ~~[individuals who~~
 4651 reside] an individual who resides in this state.

4652 (3) The ~~[administrator]~~ division may adopt rules to implement the provisions of this chapter
 4653 in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act.

4654 (4) The ~~[administrator]~~ division may:

4655 (a) ~~[-]~~enter into ~~[cooperative arrangements]~~ a cooperative arrangement with ~~[any other]~~ a
 4656 federal or state agency ~~[having]~~ that has authority over providers; and

4657 (b) ~~[-may-]~~exchange with ~~[any of those agencies]~~ a federal or state agency information
 4658 about a provider, including information ~~[obtained]~~ the division obtains during an
 4659 examination of the provider.

4660 (5) The ~~[administrator]~~ division shall establish fees in accordance with Section 63J-1-504 [
 4661 ~~to be paid by providers]~~ that a provider shall pay for the expense of administering this
 4662 chapter.

4663 (6)(a) The ~~[administrator]~~ division, by rule, shall adopt dollar amounts instead of those
 4664 specified in Sections 13-42-102, 13-42-105, 13-42-109, 13-42-113, 13-42-123,
 4665 13-42-133, and 13-42-135 to reflect inflation, as measured by:

4666 (i) ~~[-]~~the United States Bureau of Labor Statistics Consumer Price Index for All
 4667 Urban Consumers; or~~[-]~~

4668 (ii) if ~~[that index]~~ the United States Bureau of Labor Statistics Consumer Price Index
 4669 for All Urban Consumers is not available, another index ~~[adopted by rule by the~~
 4670 administrator] the division adopts by rule.

4671 (b) ~~[-]~~The ~~[administrator]~~ division shall adopt a base year and adjust the dollar amounts,
 4672 effective on July 1 of each year, if the change in the index from the base year, as of
 4673 December 31 of the preceding year, is at least 10%.

4674 (c) ~~[-]~~The division shall round the dollar amount ~~[shall be rounded]~~to the nearest \$100,
 4675 except that the division shall round the amounts in Section 13-42-123 ~~[shall be~~
 4676 rounded]to the nearest dollar.

4677 (7) The ~~[administrator]~~ division shall notify registered providers of any change in dollar
 4678 amounts made ~~[pursuant to]~~ in accordance with Subsection (6) and make that
 4679 information available to the public.

4680 Section 100. Section **13-42-133** is amended to read:

4681 **13-42-133 (Effective 05/06/26). Administrative remedies.**

4682 (1) The ~~[administrator]~~ division may enforce this chapter and rules ~~[adopted]~~ the division

- 4683 adopts under this chapter by taking one or more of the following actions:
- 4684 (a) ordering a provider, lead generator, person administering an account [~~pursuant to~~] in
 4685 accordance with Subsection 13-42-122(2), or director, employee, or other agent of a
 4686 provider to cease and desist from [~~any violations~~] a violation;
- 4687 (b) ordering a provider, lead generator, person administering an account [~~pursuant to~~] in
 4688 accordance with Subsection 13-42-122(2), or person that [~~has caused~~] causes a
 4689 violation to correct the violation, including making restitution of money or property
 4690 to a person aggrieved by a violation;
- 4691 (c) subject to adjustment of the dollar amount [~~pursuant to~~] in accordance with
 4692 Subsection 13-42-132(6), imposing on a provider, lead generator, person
 4693 administering an account [~~pursuant to~~] in accordance with Subsection 13-42-122(2),
 4694 or other person that violates or causes a violation an administrative fine not
 4695 exceeding \$10,000 for each violation;
- 4696 (d) prosecuting a civil action to:
- 4697 (i) enforce an order; or
- 4698 (ii) obtain restitution or equitable relief, or both; or
- 4699 (e) intervening in an action brought under Section 13-42-135.
- 4700 (2) Subject to adjustment of the dollar amount [~~pursuant to~~] in accordance with Subsection
 4701 13-42-132(6), if a person violates or knowingly authorizes, directs, or aids in the
 4702 violation of a final order [~~issued~~] the division issues under Subsection (1)(a) or (b), the [~~administrator~~]
 4703 division may impose an administrative fine not exceeding \$20,000 for
 4704 each violation.
- 4705 (3) The [~~administrator~~] division may maintain an action to enforce this chapter in any
 4706 county.
- 4707 (4) The [~~administrator~~] division may recover the reasonable costs of enforcing the chapter
 4708 under Subsections (1) through (3), including attorney fees based on the hours [~~reasonably expended~~]
 4709 the division reasonably expends and the hourly rates for attorneys
 4710 of comparable experience in the community.
- 4711 (5) In determining the amount of an administrative fine [~~to impose~~] the division imposes
 4712 under Subsection (1) or (2), the [~~administrator~~] division director shall consider:
- 4713 (a) [-]the seriousness of the violation[-] ;
- 4714 (b) [-]the good faith of the violator[-] ;
- 4715 (c) [-any] a previous [~~violations~~] violation by the violator[-] ;
- 4716 (d) [-]the deleterious effect of the violation on the public[-] ;

- 4717 (e) ~~[-]the net worth of the violator[;] ; and~~
 4718 (f) ~~[-]any other factor the [administrator] division director considers relevant to the~~
 4719 ~~determination of the administrative fine.~~

4720 ~~[(6) All money received through administrative fines imposed under this chapter shall be~~
 4721 ~~deposited in the Consumer Protection Education and Training Fund created by Section~~
 4722 ~~13-2-8.]~~

4723 Section 101. Section **13-42-134** is amended to read:

4724 **13-42-134 (Effective 05/06/26). Suspension, revocation, or nonrenewal of**
 4725 **registration.**

4726 (1) In this section, "insolvent" means a provider:

- 4727 (a) ~~[having generally ceased-] ceases~~ to pay debts in the ordinary course of business other
 4728 than as a result of good-faith dispute;
 4729 (b) ~~[being-] is unable~~ to pay debts as ~~[they] the debts~~ become due; or
 4730 (c) ~~[being-] is insolvent~~ within the meaning of the federal bankruptcy law, 11 U.S.C. Sec.
 4731 101 et seq.

4732 (2) The ~~[administrator] division~~ may suspend, revoke, or deny renewal of a provider's
 4733 registration if:

- 4734 (a) a fact or condition exists that, if ~~[it] the fact or condition~~ had existed when the
 4735 registrant applied for registration as a provider, would have been a reason for ~~the~~
 4736 ~~division denying the~~ registration;
 4737 (b) the provider ~~[has committed] commits~~ a material violation of this chapter or a rule or
 4738 order of the ~~[administrator] division~~ under this chapter;
 4739 (c) the provider is insolvent;
 4740 (d) the provider, an employee or affiliate of the provider, a lead generator for the
 4741 provider, a person administering an account for the provider ~~[pursuant to] in~~
 4742 ~~accordance with~~ Subsection 13-42-122(2), or a person to ~~[whom] which~~ the provider [
 4743 ~~has delegated its] delegates the provider's~~ obligations under an agreement or this
 4744 chapter:
 4745 (i) ~~[-has refused] refuses~~ to permit the ~~[administrator] division~~ to make an examination
 4746 authorized by this chapter[;] ;
 4747 (ii) ~~[-failed] fails~~ to comply with Subsection 13-42-132(2)(b) no later than 15 days
 4748 after ~~the day on which the division makes a request in accordance with Section~~
 4749 ~~13-42-132[;] ;~~ or
 4750 (iii) ~~[-made] makes~~ a material misrepresentation or omission in complying with

- 4751 Subsection 13-42-132(2)(b); or
- 4752 (e) the provider [~~has not responded~~] fails to respond within a reasonable time and in an
- 4753 appropriate manner to [~~communications~~] a communication from the [~~administrator~~]
- 4754 division.
- 4755 (3) If a provider becomes insolvent, the provider shall continue to provide
- 4756 debt-management services to an individual with whom the provider has an agreement
- 4757 until:
- 4758 (a) with the [~~administrator's~~] division's approval, the provider transfers the agreement to
- 4759 another registered provider; or
- 4760 (b) the provider returns to the individual all unexpended money that is under the
- 4761 provider's control.
- 4762 (4) If a provider [~~does not~~] fails to comply with Subsection 13-42-122(8) or if the [~~administrator~~]
- 4763 division otherwise finds that the public health or safety or general welfare
- 4764 requires emergency action, the [~~administrator~~] division may order a summary suspension
- 4765 of the provider's registration, effective on the date [~~specified~~] the division specifies in the
- 4766 order.
- 4767 (5) If the [~~administrator~~] division suspends, revokes, or denies renewal of the registration of
- 4768 a provider, the [~~administrator~~] division may seek a court order authorizing seizure of any
- 4769 or all of the money in a trust account required by Section 13-42-122, books, records,
- 4770 accounts, and other property of the provider which are located in this state.
- 4771 (6) If the [~~administrator~~] division suspends or revokes a provider's registration, the provider
- 4772 may appeal and request a hearing [~~pursuant to~~] in accordance with Title 63G, Chapter 4,
- 4773 Administrative Procedures Act.
- 4774 Section 102. Section **13-42-135** is amended to read:
- 4775 **13-42-135 (Effective 05/06/26). Private enforcement.**
- 4776 (1) If an individual voids an agreement [~~pursuant to~~] in accordance with Subsection
- 4777 13-42-125(2), the individual may recover in a civil action all money paid or deposited
- 4778 by or on behalf of the individual [~~pursuant to~~] in accordance with the agreement, except
- 4779 amounts paid to [~~creditors~~] a creditor, in addition to the recovery under Subsections (3)(c)
- 4780 and (d).
- 4781 (2) If an individual voids an agreement [~~pursuant to~~] in accordance with Subsection
- 4782 13-42-125(1), the individual may recover in a civil action three times the total amount of
- 4783 the fees, charges, money, and payments [~~made by the individual~~] the individual makes to
- 4784 the provider, in addition to the recovery under Subsection (3)(d).

- 4785 (3) Subject to Subsection (4), an individual with respect to whom a provider or other person
 4786 violates this chapter may recover in a civil action from the provider, the person, and any
 4787 person that ~~[caused]~~ causes the violation:
- 4788 (a) compensatory damages for injury, including noneconomic injury, caused by the
 4789 violation;
- 4790 (b) except as otherwise provided in Subsection (4) and subject to adjustment of the
 4791 dollar amount ~~[pursuant to]~~ in accordance with Subsection 13-42-132(6), with respect
 4792 to a violation of Section 13-42-117, 13-42-119, 13-42-120, 13-42-121, 13-42-122,
 4793 13-42-123, 13-42-124, 13-42-126, or 13-42-127, or Subsection 13-42-128(1), (2), or
 4794 (4), the greater of the amount recoverable under Subsection (3)(a) or \$5,000;
- 4795 (c) punitive damages; and
- 4796 (d) reasonable attorney fees and costs.
- 4797 (4) In a class action, except for a violation of Subsection 13-42-128(1)(f), the minimum
 4798 damages provided in Subsection (3)(b) do not apply.
- 4799 (5)(a) A provider is not liable under this section for a violation of this chapter if the
 4800 provider proves that the violation was not intentional and resulted from a good-faith
 4801 error notwithstanding the maintenance of procedures ~~[reasonably adapted]~~ the
 4802 provider reasonably adopts to avoid the error.
- 4803 (b) ~~[-]~~An error of legal judgment with respect to a provider's obligations under this
 4804 chapter is not a good-faith error as described in this Subsection (5).
- 4805 (c) ~~[-]~~If, in connection with a violation, the provider ~~[has received]~~ receives more money
 4806 than authorized by an agreement or this chapter, the defense provided by this
 4807 Subsection (5) is not available unless the provider refunds the excess no later than
 4808 two business days ~~[of learning]~~ after the day on which the provider learns of the
 4809 violation.
- 4810 (6) The ~~[administrator]~~ division shall assist an individual in enforcing a judgment against
 4811 the surety bond or other security provided under Section 13-42-113 or 13-42-114.
- 4812 Section 103. Section **13-49-102** is amended to read:
- 4813 **13-49-102 (Effective 05/06/26). Definitions.**
- 4814 As used in this chapter:
- 4815 (1) "Client" means a person who receives services from or enters into an agreement to
 4816 receive services from an immigration consultant.
- 4817 (2) "Compensation" means anything of economic value that ~~[is paid, loaned, granted, given,~~
 4818 ~~donated, or transferred]~~ a person pays, loans, grants, gives, donates, or transfers to [a]

4819 another person, directly or indirectly, for or in consideration of:

4820 (a) services;

4821 (b) personal or real property; or

4822 (c) another thing of value.

4823 [~~(3)~~] "~~Department~~" means the Department of Commerce.]

4824 [~~(4)~~] (3) "Division" means the Division of Consumer Protection [~~in the department~~]

4825 established in Section 13-2-102.

4826 [~~(5)~~] (4) "Immigration consultant" means an individual who provides nonlegal assistance or
4827 advice on an immigration matter including:

4828 (a) completing a document [~~provided by~~] a federal or state agency provides, but not
4829 advising a person as to the person's answers on the document;

4830 (b) translating a person's answer to a question posed in a document [~~provided by~~] a
4831 federal or state agency provides;

4832 (c) securing for a person supporting documents, such as a birth certificate, that may be
4833 necessary to complete a document [~~provided by~~] a federal or state agency provides;

4834 (d) submitting a completed document on a person's behalf and at the person's request to
4835 the United States Citizenship and Immigration Services; or

4836 (e) for [~~valuable consideration~~] compensation, referring a person to [~~a~~] another person
4837 who could undertake legal representation activities in an immigration matter.

4838 [~~(6)~~] (5) "Immigration matter" means a proceeding, filing, or action affecting the
4839 immigration or citizenship status of a person that arises under:

4840 (a) immigration and naturalization law;

4841 (b) executive order or presidential proclamation; or

4842 (c) action of the United States Citizenship and Immigration Services, the United States
4843 Department of State, or the United States Department of Labor.

4844 Section 104. Section **13-49-201** is amended to read:

4845 **13-49-201 (Effective 05/06/26). Requirement to be registered as an immigration**
4846 **consultant -- Exemptions.**

4847 (1)[~~(a)~~] Except as provided in Subsection [~~(1)(b)~~] (2), an individual may not engage [~~in~~
4848 ~~an activity of an immigration consultant~~] in an activity described in Subsection
4849 13-49-102(4) for compensation unless the individual is registered under this chapter.

4850 [~~(b)~~] (2) Except for Subsections [~~13-49-303(3)~~] 13-49-303(3), (4), and [~~(4)~~] (5), this chapter
4851 does not apply to an individual authorized:

4852 [~~(i)~~] (a) to practice law in this state; or

4853 [(ii)] (b) by federal law to represent an individual before the Board of Immigration
4854 Appeals or the United States Citizenship and Immigration Services.

4855 [(2)] (3) An immigration consultant may only offer nonlegal assistance or advice in an
4856 immigration matter.

4857 Section 105. Section **13-49-202** is amended to read:

4858 **13-49-202 (Effective 05/06/26). Application for registration -- Renewal.**

4859 (1) To register as an immigration consultant an individual shall submit to the division a
4860 registration application:

4861 (a) [~~submit an annual application in a form prescribed by~~] in the manner the division
4862 determines; and

4863 (b) [~~pay an annual~~] that includes:

4864 (i) a registration application fee [~~determined by the department~~] in an amount the
4865 division determines in accordance with Section 63J-1-504; [~~which includes~~]

4866 (ii) [~~the~~] the costs of the criminal background check required [~~under~~] by Subsection [
4867 ~~(1)(e)~~] (2)(c); and

4868 (iii) any information that the division requires by rule the division makes in
4869 accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act.

4870 (2) An applicant for registration as an immigration consultant shall:

4871 [(e)] (a) [~~have good moral character in that the individual has~~] not have been convicted of:

4872 (i) a felony; or

4873 (ii) a misdemeanor involving theft, fraud, or dishonesty within the [~~last~~] 10 years
4874 immediately preceding the day on which the applicant submits the applicant's
4875 application or renewal application [~~, a misdemeanor involving theft, fraud, or~~
4876 dishonesty];

4877 [(d)] (b) submit fingerprint cards in a form acceptable to the division at the time the [
4878 ~~application is filed~~] applicant files the application; [~~and~~]

4879 [(e)] (c) consent to a fingerprint background check of the individual by:

4880 (i) [~~the~~] the Utah Bureau of Criminal Identification [~~regarding the application.~~] ; or

4881 (ii) another state agency or federal agency that performs criminal background checks;
4882 and

4883 (d) not have violated Chapter 11, Utah Consumer Sales Practices Act.

4884 [(2)] (3) The division shall register an individual who qualifies under this chapter as an
4885 immigration consultant.

4886 (4) An immigration consultant shall update registration information no later than 30 days

- 4887 after the day on which information the immigration consultant provides on the
 4888 immigration consultant's application becomes incorrect or incomplete.
 4889 (5) Registration of an immigration consultant under this chapter is effective for one year
 4890 after the day on which the division registers an individual as an immigration consultant.
 4891 (6) To renew an immigration consultant registration under this section, an immigration
 4892 consultant shall submit a registration renewal application to the division at least 30 days
 4893 before the day on which the immigration consultation's registration expires.
 4894 (7) Registration with the division does not constitute an approval or endorsement of an
 4895 immigration consultant by the division or the state.

4896 Section 106. Section **13-49-204** is amended to read:

4897 **13-49-204 (Effective 05/06/26). Bonds -- Exemption -- Statements dependent on**
 4898 **posting bond.**

- 4899 (1) An immigration consultant shall [~~post a cash bond or surety bond~~] maintain the
 4900 following in a form the division approves, and in the amount of \$50,000:
 4901 (a) [~~in the amount of \$50,000; and~~] a surety bond issued by a surety authorized to
 4902 transact security business in this state; or
 4903 (b) a certificate of deposit in a financial institution authorized under the laws of this state
 4904 or the United States to accept deposits from the public.
 4905 [~~(b)~~] (2) A surety bond or certificate of deposit described in Subsection (1) shall be payable
 4906 to the division for the benefit of any person damaged by a fraud, misstatement,
 4907 misrepresentation, unlawful act, omission, or failure to provide services of an
 4908 immigration consultant, or an agent, representative, or employee of an immigration
 4909 consultant.
 4910 [(2) ~~A bond required under this section shall be:~~]
 4911 [(a) ~~in a form approved by the division; and~~]
 4912 [(b) ~~conditioned upon the faithful compliance of an immigration consultant with this~~
 4913 ~~chapter and division rules.~~]
 4914 [(3) ~~An immigration consultant shall keep the bond required under this section in force for~~
 4915 ~~one year after the immigration consultant's registration expires or the immigration~~
 4916 ~~consultant notifies the division in writing that the immigration consultant has ceased all~~
 4917 ~~activities regulated under this chapter.~~]
 4918 [(4)] (3)(a) If a surety bond [~~posted by~~] or certificate of deposit an immigration consultant
 4919 posts under this section is canceled due to the immigration consultant's negligence,
 4920 the division may assess a \$300 reinstatement fee.

4921 (b) ~~[No]~~ A person may not withdraw a part of a surety bond ~~[posted by]~~ or certificate of
 4922 deposit an immigration consultant ~~[under]~~ posts in accordance with this section~~[-may~~
 4923 ~~be withdrawn]~~:

4924 (i) during the one-year period the registration under this chapter is in effect; or

4925 (ii) while a revocation proceeding is pending against the immigration consultant.

4926 ~~[(5)]~~ (4)(a) A surety bond ~~[posted under this section by]~~ or certificate of deposit an
 4927 immigration consultant posts in accordance with this section may be forfeited if the
 4928 immigration consultant's registration under this chapter is revoked.

4929 (b) Notwithstanding Subsection ~~[(5)(a)]~~ (4)(a), the division may make a claim against a
 4930 surety bond or certificate of deposit posted by an immigration consultant for money
 4931 owed the division under this chapter without the division first revoking the
 4932 immigration consultant's registration.

4933 ~~[(6)]~~ (5) An individual may not disseminate by any means a statement indicating that the
 4934 individual is an immigration consultant, engages in the business of an immigration
 4935 consultant, or proposes to engage in the business of an immigration consultant, unless
 4936 the individual ~~[has posted]~~ posts a surety bond or certificate of deposit under this section
 4937 that ~~[is maintained]~~ the individual maintains throughout the period covered by the
 4938 statement.

4939 ~~[(7)]~~ (6) An immigration consultant may not make or authorize the making of an oral or
 4940 written reference to the immigration consultant's compliance with the bonding
 4941 requirements of this section except as provided in this chapter.

4942 (7) The division may claim an immigration consultant's surety bond or certificate of deposit
 4943 for the benefit of any client who incurs damages as the result of the immigration
 4944 consultant's failure to comply with this chapter.

4945 (8) After the client recovers full damages, the division may recover from the surety bond or
 4946 certificate of deposit any administrative fines, civil penalties, investigative costs,
 4947 attorney fees, and other costs of collecting and distributing funds in accordance with this
 4948 section.

4949 Section 107. Section **13-49-301** is amended to read:

4950 **13-49-301 (Effective 05/06/26). Requirements for written contract -- Prohibited**
 4951 **statements.**

4952 (1)(a) Before an immigration consultant may provide services to a client, the
 4953 immigration consultant shall provide the client with a written contract.

4954 (b) ~~[-]~~The contents of ~~[the]~~ a written contract described in this Subsection (1) shall

- 4955 comply with this section and rules ~~[made by]~~the division makes in accordance with
 4956 Title 63G, Chapter 3, Utah Administrative Rulemaking Act.
- 4957 ~~[(b)]~~ (c) A client may cancel a written contract on or before midnight of the third
 4958 business day after ~~[execution of]~~ the day on which the immigration consultant and
 4959 client execute the written contract, excluding weekends and state and federal holidays.
- 4960 (2) A written contract under this section shall be stated in both English and in the client's
 4961 native language.
- 4962 (3) A written contract under this section shall:
- 4963 (a) state the purpose for which the client has hired the immigration consultant~~[-has been~~
 4964 hired];
- 4965 (b) state the one or more services ~~[to be performed]~~ the immigration consultant will
 4966 perform;
- 4967 (c) state the price for a service ~~[to be performed]~~ the immigration consultant will perform;
- 4968 (d) include a statement printed in ~~[10-point]~~ 12-point boldface ~~[type]~~ font that the
 4969 immigration consultant is not an attorney and may not perform the legal services that
 4970 an attorney performs;
- 4971 (e) with regard to a document ~~[to be prepared by]~~the immigration consultant prepares:
- 4972 (i) list the document ~~[to be prepared]~~ the immigration consultant will prepare;
- 4973 (ii) explain the purpose of the document;
- 4974 (iii) explain the process ~~[to be followed]~~ the immigration consultant will follow in
 4975 preparing of the document;
- 4976 (iv) explain the action ~~[to be taken by]~~the immigration consultant will take;
- 4977 (v) state the agency or office where the immigration consultant will file each
 4978 document~~[-will be filed]~~; and
- 4979 (vi) state the approximate processing times according to current published agency
 4980 guidelines;
- 4981 (f) include a provision stating that the person may report complaints relating to an
 4982 immigration consultant to the:
- 4983 (i) division, including a ~~[toll-free]~~telephone number and ~~[Internet web site]~~ website;
- 4984 and
- 4985 (ii) Office of Immigrant Assistance of the United States Department of Justice,
 4986 including a ~~[toll-free]~~telephone number and ~~[Internet-]~~website;
- 4987 (g) include a provision stating that a person may report complaints concerning the
 4988 unauthorized practice of law ~~[may be reported]~~to the Utah State Bar, including a [

4989 toll-free]telephone number and [~~Internet~~]website; and
 4990 (h) in accordance with Subsection [~~(1)(b)~~] (1)(c), include a provision stating in [~~bold~~
 4991 12-point boldface font on the first page of the written contract in both English and in
 4992 the client's native language in accordance with Subsection (2): "You may cancel this
 4993 contract on or before midnight of the third business day after execution of the written
 4994 contract."

4995 (4) A written contract may not contain a provision relating to the following:
 4996 (a) a guarantee or promise, unless the immigration consultant has some basis in fact for
 4997 making the guarantee or promise; or
 4998 (b) a statement that the immigration consultant can or will obtain a special favor from or
 4999 has special influence with the United States Citizenship and Immigration Services, or
 5000 any other governmental agency, employee, or official, that may have a bearing on a
 5001 client's immigration matter.

5002 (5) An immigration consultant may not make a statement described in Subsection (4) orally
 5003 to a client.

5004 (6) A written contract is void if not written in accordance with this section.

5005 Section 108. Section **13-49-302** is amended to read:

5006 **13-49-302 (Effective 05/06/26). Accounting for services -- Receipts.**

5007 (1)(a) An immigration consultant shall provide a signed receipt to a client for each
 5008 payment [~~made by that~~] that the client, or a person acting on the client's behalf, makes.

5009 (b) [~~-~~]The receipt described in Subsection (1)(a) shall be typed or computer generated
 5010 on the immigration consultant's letterhead.

5011 (2) An immigration consultant shall make a statement of accounting for the services
 5012 rendered and payments made:

5013 (a) in the client's native language;

5014 (b) to the client every two months;

5015 (c) that is typed or computer generated on the immigration consultant's letterhead;

5016 (d) that lists the individual charges and total charges for services; and

5017 (e) that lists the payments [~~made by~~]the client makes.

5018 Section 109. Section **13-49-303** is amended to read:

5019 **13-49-303 (Effective 05/06/26). Notice to be displayed -- Disclosure to be**
 5020 **provided in writing.**

5021 [~~(1)~~] ~~An immigration consultant shall conspicuously display in the immigration consultant's~~
 5022 ~~office a notice that shall be at least 12 by 20 inches with boldface type or print with each~~

5023 character at least one inch in height and width in English and in the native language of
5024 the immigration consultant's clientele, that contains the following information:]

5025 [(a) the full name, address, and evidence of compliance with any applicable bonding
5026 requirement including the bond number;]

5027 [(b) a statement that the immigration consultant is not an attorney; and]

5028 [(c) the name of each immigration consultant employed at each location.]

5029 [(2)] (1)[(a)] Before providing [any services] a service, an immigration consultant shall
5030 provide a client with a written disclosure in the native language of the client that
5031 includes the following:

5032 [(i)] (a) the immigration consultant's name, address, and telephone number;

5033 [(ii)] (b) the immigration consultant's agent for service of process;

5034 [(iii)] (c) evidence of the immigration consultant's compliance with any applicable [
5035 bonding] surety bond or certificate of deposit requirement, including the bond number
5036 or certificate of deposit number;[-and]

5037 [(iv)] (d) a list of the services that the immigration consultant provides and the current
5038 and total fee for each service[-:]; and

5039 (e) a statement that the immigration consultant:

5040 (i) is not an attorney; and

5041 (ii) may not charge a client a fee for the referral of the client to another person for a
5042 service that the immigration consultant cannot or will not provide to the client.

5043 [(b)] (2) An immigration consultant shall obtain the signature of the client verifying that the
5044 client received the written disclosures described in Subsection [(2)(a)] (1) before [a-] the
5045 immigration consultant provides a service[-is provided].

5046 (3)[(a)] Except as provided in [Subsections (3)(b) and (3)(c)] Subsection (4), an
5047 immigration consultant who prints, displays, publishes, distributes, or broadcasts, or
5048 who causes to be printed, displayed, published, distributed, or broadcasted, [any] an
5049 advertisement for services as an immigration consultant, shall include in [that] the
5050 advertisement a clear and conspicuous statement that the immigration consultant is
5051 not an attorney.

5052 [(b)] (4)(a) Subsection [(3)(a)] (3) does not apply to an immigration consultant who is not
5053 licensed as an attorney in [any] a state or territory of the United States, but is
5054 authorized by federal law to represent [persons] a person before the Board of
5055 Immigration Appeals or the United States Citizenship and Immigration Services.

5056 (b) [-]A person described in this Subsection [(3)(b)] (4) shall include in an advertisement

5057 for services as an immigration consultant a clear and conspicuous statement that the
 5058 immigration consultant is not an attorney, but is authorized by federal law to
 5059 represent [~~persons~~] a person before the Board of Immigration Appeals or the United
 5060 States Citizenship and Immigration Services.

5061 [~~(e) Subsection (3)(a) does not apply to a person who is not an active member of the~~
 5062 ~~Utah State Bar, but is an attorney licensed in another state or territory of the United~~
 5063 ~~States and is admitted to practice before the Board of Immigration Appeals or the~~
 5064 ~~United States Citizenship and Immigration Services. A person described in this~~
 5065 ~~Subsection (3)(e) shall include in any advertisement for immigration services a clear~~
 5066 ~~and conspicuous statement that the person is not an attorney licensed to practice law~~
 5067 ~~in this state, but is an attorney licensed in another state or territory of the United~~
 5068 ~~States, and is authorized by federal law to represent persons before the Board of~~
 5069 ~~Immigration Appeals or the United States Citizenship and Immigration Services.]~~

5070 [(4)] (5) If an advertisement subject to this section is in a language other than English, the
 5071 statement required by Subsection (3) shall be in the same language as the advertisement.

5072 Section 110. Section **13-49-305** is amended to read:

5073 **13-49-305 (Effective 05/06/26). Documents -- Treatment of original documents.**

5074 (1)(a) An immigration consultant shall deliver to a client a copy of a document [
 5075 ~~completed~~] the immigration consultant completes on behalf of the client.

5076 (b) [-]An immigration consultant shall include on a document [~~delivered~~] the
 5077 immigration consultant delivers to a client the name and address of the immigration
 5078 consultant.

5079 (2) An immigration consultant shall retain a copy of a document of a client for not less than
 5080 three years from the [~~date of~~] day on which the immigration consultant makes the last
 5081 service to the client.

5082 (3)[(a)] An immigration consultant shall return to a client [~~all original documents~~] each
 5083 original document that the client [~~has provided~~] provides to the immigration
 5084 consultant in support of the client's application including:

5085 (a) an original birth certificate[;] ;

5086 (b) [-] a rental agreement[;] ;

5087 (c) [-] a utility bill[;] ;

5088 (d) [-] an employment document[;] ;

5089 (e) [-]a registration document issued by the Division of Motor Vehicles[;] ; or

5090 (f) [-]a passport.

5091 ~~[(b)]~~ (4) ~~[An]~~ An immigration consultant shall return to the client an original document that [
 5092 ~~does not need]~~ is not required to be submitted to immigration authorities as an original
 5093 document ~~[shall be returned by the immigration consultant]~~ immediately after ~~[making]~~
 5094 the immigration consultant makes a copy.

5095 Section 111. Section **13-49-306** is enacted to read:

5096 **13-49-306 (Effective 05/06/26). Denial, suspension, or revocation of an**
 5097 **application or registration.**

5098 In accordance with Chapter 2, Division of Consumer Protection, and Title 63G, Chapter
 5099 4, Administrative Procedures Act, the division may initiate adjudicative proceedings to deny,
 5100 suspend, or revoke an application or registration if:

5101 (1) the division finds that the denial, suspension, or revocation is in the public interest; and

5102 (2)(a) the registration is incomplete, false, or misleading; or

5103 (b) the applicant:

5104 (i) violates, causes a violation, allows a violation, or fails to satisfy the requirements
 5105 of a provision of:

5106 (A) this chapter; or

5107 (B) a rule the division makes in accordance with this chapter;

5108 (ii) violates Chapter 11, Utah Consumer Sales Practices Act;

5109 (iii) is enjoined by a court, or is the subject of an administrative order or judicial
 5110 order issued in Utah or another state, if the order:

5111 (A) includes a finding or admission of fraud, breach of fiduciary duty, or material
 5112 misrepresentation; or

5113 (B) is based on a finding of lack of integrity, truthfulness, or mental competence;

5114 (iv) is convicted of a crime involving theft, fraud, or dishonesty;

5115 (v) obtains or attempts to obtain a registration by misrepresenting a material fact;

5116 (vi) fails to provide information the division requests;

5117 (vii) fails to pay an administrative fine that the division or an administrative or
 5118 judicial order imposes; or

5119 (viii) fails to pay the fee to file a registration application or a renewal application.

5120 Section 112. Section **13-49-401** is amended to read:

5121 **13-49-401 (Effective 05/06/26). Unlawful acts.**

5122 (1) It is unlawful for an immigration consultant to:

5123 (a) make a false or misleading statement to a client while providing ~~[services]~~ a service
 5124 to ~~[that]~~ the client;

- 5125 (b) make a guarantee or promise to a client, unless the guarantee or promise is in writing
 5126 and the immigration consultant has some basis in fact for making the guarantee or
 5127 promise;
- 5128 (c) make a statement that the immigration consultant can or will obtain a special favor
 5129 from or has special influence with the United States Citizenship and Immigration
 5130 Services, or any other governmental agency, employee, or official, that may have a
 5131 bearing on a client's immigration matter;[-or]
- 5132 (d) charge a client a fee for the referral of the client to another person for services that
 5133 the immigration consultant cannot or will not provide to the client[-] ;
- 5134 (e) represent that the division or the state endorses the immigration consultant;
- 5135 (f) omit from a filing with the division a material statement of fact this chapter or a rule
 5136 the division makes in accordance with this chapter requires; or
- 5137 (g) include in a filing with the division a material statement of fact that the immigration
 5138 consultant or immigration consultant's principal knows or should know is false,
 5139 deceptive, inaccurate, or misleading.

5140 (2) An immigration consultant may not translate a document or other information in a way
 5141 that falsely represents or implies that the immigration consultant is an attorney.

5142 [~~(2) A sign describing the prohibition described in Subsection (1)(d) shall be conspicuously~~
 5143 ~~displayed in the office of an immigration consultant.]~~

5144 Section 113. Section **13-49-402** is amended to read:

5145 **13-49-402 (Effective 05/06/26). Violations -- Actions by division.**

5146 [~~(1) The division may make an investigation the division considers necessary to determine~~
 5147 ~~whether a person is violating, has violated, or is about to violate this chapter or any rule~~
 5148 ~~made or order issued under this chapter. As part of the investigation, the division may:]~~

5149 [~~(a) require a person to file a statement in writing;~~]

5150 [~~(b) administer oaths, subpoena witnesses and compel their attendance, take evidence,~~
 5151 ~~and examine under oath any person in connection with an investigation; and]~~

5152 [~~(e) require the production of any books, papers, documents, merchandise, or other~~
 5153 ~~material relevant to the investigation.]~~

5154 [~~(2) A person who violates this chapter is subject to:]~~

5155 [~~(a) a cease and desist order; and]~~

5156 [~~(b) an administrative fine of not less than \$1,000 or more than \$5,000 for each separate~~
 5157 ~~violation.]~~

5158 [~~(3) An administrative fine shall be deposited in the Consumer Protection Education and~~

5159 ~~Training Fund created in Section 13-2-8.]~~

5160 (1) In addition to the division's enforcement powers described in Chapter 2, Division of
5161 Consumer Protection:

5162 (a) the division director may impose an administrative fine of up to \$2,500 for a
5163 violation of this chapter; and

5164 (b) the division may bring an action in a court with jurisdiction to enforce a provision of
5165 this chapter.

5166 (2) In a court action the division brings to enforce a provision of this chapter, the court may:

5167 (a) declare that an act or practice violates a provision of this chapter;

5168 (b) issue an injunction for a violation of this chapter;

5169 (c) order disgorgement of any money received in violation of this chapter;

5170 (d) order payment of disgorged money to an injured purchaser or consumer;

5171 (e) impose a fine of up to \$2,500 for each violation of this chapter; or

5172 (f) award any other relief that the court deems reasonable and necessary.

5173 [~~(4)~~] (3)(a) A person [~~who~~] that intentionally violates this chapter:

5174 (i) is guilty of a class A misdemeanor; and

5175 (ii) may be fined up to \$10,000.

5176 (b) A person intentionally violates this part if the violation occurs after the division,
5177 attorney general, or a district or county attorney notifies the person by certified mail
5178 that the person is in violation of this chapter.

5179 Section 114. Section **13-49-403** is amended to read:

5180 **13-49-403 (Effective 05/06/26). Action by attorney general or district or county**
5181 **attorney.**

5182 [~~(1)~~] Upon referral from the division, the attorney general or [~~any~~] a district or county
5183 attorney may:

5184 [~~(a)~~] (1) bring an action for temporary or permanent injunctive or other relief in [~~any court~~
5185 ~~of competent jurisdiction~~] a court with jurisdiction for [~~any~~] a violation of this part;

5186 [~~(b)~~] (2) bring an action in [~~any court of competent~~] a court with jurisdiction for the
5187 collection of penalties authorized under Subsection [~~13-49-402(2)~~] 13-49-402(2); or

5188 [~~(c)~~] (3) bring an action under Subsection [~~13-49-402(4)~~] 13-49-402(3).

5189 [(2) A court may, upon entry of final judgment, award restitution when appropriate to any
5190 person suffering loss because of a violation of this part if proof of loss is submitted to
5191 the satisfaction of the court.]

5192 Section 115. Section **13-49-404** is amended to read:

5193 **13-49-404 (Effective 05/06/26). Recovery of losses.**

5194 In addition to any other remedies, a person [~~suffering~~] that suffers pecuniary loss because
 5195 of a violation by another person of this chapter may bring an action in [~~any court of competent~~]
 5196 a court with jurisdiction and may recover:

- 5197 (1) the greater of \$500 or twice the amount of the pecuniary loss; and
 5198 (2) court costs and reasonable attorney fees as [~~determined by the court~~] the court determines.

5199 Section 116. Section **13-51-102** is amended to read:

5200 **13-51-102 (Effective 05/06/26). Definitions.**

- 5201 (1) "Division" means the Division of Consumer Protection [~~within the Department of~~
 5202 ~~Commerce~~] established in Section 13-2-102.
- 5203 (2) "Prearranged ride" means a period of time that:
 5204 (a) begins when the transportation network driver [~~has accepted~~] accepts a passenger's
 5205 request for a ride through the transportation network company's software application;
 5206 and
 5207 (b) ends when the passenger exits the transportation network driver's vehicle.
- 5208 (3) "Software application" means an [~~Internet-connected~~] internet-connected software
 5209 platform, including a mobile application, that a transportation network company uses to:
 5210 (a) connect a transportation network driver to a passenger; and
 5211 (b) process passenger requests.
- 5212 (4) "Transportation network company" means an entity that:
 5213 (a) uses a software application to connect a passenger to a transportation network driver
 5214 providing transportation network services;
 5215 (b) is not:
 5216 (i) a taxicab, as that term is defined in Section 53-3-102; or
 5217 (ii) a motor carrier, as that term is defined in Section 72-9-102; and
 5218 (c) except in certain cases involving a motor vehicle with a level four or five automated
 5219 driving system, as defined in Section 41-26-102.1, does not own, control, operate, or
 5220 manage the vehicle used to provide the transportation network services.
- 5221 (5) "Transportation network driver" means:
 5222 (a) an individual who:
 5223 (i) pays a fee to a transportation network company, and, in exchange, receives a
 5224 connection to a potential passenger from the transportation network company;
 5225 (ii) operates a motor vehicle that:
 5226 (A) the individual owns, leases, or is authorized to use; and

5227 (B) the individual uses to provide transportation network services; and
 5228 (iii) receives, in exchange for providing a passenger a ride, compensation that
 5229 exceeds the individual's cost to provide the ride; or
 5230 (b) a level four or five automated driving system, as that term is defined in Section
 5231 41-26-102.1, when the automated driving system [~~is operating~~] operates the vehicle
 5232 and is used to provide a passenger a ride in exchange for compensation.

5233 (6) "Transportation network services" means, for a transportation network driver providing
 5234 services through a transportation network company:

5235 (a) providing a prearranged ride; or
 5236 (b) being engaged in a waiting period.

5237 (7) "Waiting period" means a period of time when:

5238 (a) a transportation network driver is logged into a transportation network company's
 5239 software application; and
 5240 (b) the transportation network driver is not engaged in a prearranged ride.

5241 Section 117. Section **13-51-104** is amended to read:

5242 **13-51-104 (Effective 05/06/26). Registration -- Division audits -- Fines.**

5243 (1) A person may not operate a transportation network company without registering with
 5244 the division [~~under~~] in accordance with Subsection (2).

5245 (2) To register as a transportation network company, a person shall submit to the division a
 5246 registration application:

5247 (a) in a form the division approves; and

5248 (b) that includes:

5249 (i) a registration application fee in an amount the division determines in accordance
 5250 with Section 63J-1-504;

5251 (ii) a designated registered agent for service of process in the state and the registered
 5252 agent's:

5253 (A) name;

5254 (B) street address;

5255 (C) mailing address; and

5256 (D) telephone number; and

5257 (iii) a copy of the transportation network company's:

5258 (A) policy of insurance, including each amendment and endorsement to the policy
 5259 in accordance with Section 13-51-108;

5260 (B) drug and alcohol use policy required under Section 13-51-106;

- 5261 (C) discrimination policy required under Subsection 13-51-105(6); and
- 5262 (D) any information that the division requires by rule that the division makes in
- 5263 accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act.
- 5264 [(2)] (3) The division shall register a person to operate a transportation network company if:
- 5265 (a) the person:
- 5266 (i) demonstrates to the division that the person meets the definition of a transportation
- 5267 network company under Section 13-51-102; and
- 5268 (ii) pays a registration fee in an amount determined by the division in accordance
- 5269 with Section 63J-1-504; and
- 5270 (b) the division determines that the person complies with the operating requirements for
- 5271 a transportation network company described in this chapter.
- 5272 (4) To renew a transportation network company registration under this section, a
- 5273 transportation network company shall submit a registration renewal application to the
- 5274 division at least 30 days before the day on which the transportation network company's
- 5275 registration expires in accordance with Subsection (8).
- 5276 (5) A transportation network company shall update registration information within 30 days
- 5277 after the day on which information the transportation network company provides on the
- 5278 application becomes incorrect or incomplete.
- 5279 (6) Registration with the division does not constitute an approval or endorsement of the
- 5280 provider by the division or the state.
- 5281 (7) A transportation network company may not:
- 5282 (a) represent that the division or the state endorses or approves the transportation
- 5283 network company;
- 5284 (b) omit from a filing with the division a material statement of fact that this chapter or a
- 5285 rule the division makes in accordance with this chapter requires; or
- 5286 (c) include in a filing with the division a material statement that the transportation
- 5287 network company or transportation network company's principal knows or should
- 5288 know is false, deceptive, inaccurate, or misleading.
- 5289 (8) Registration of a transportation network company under this chapter is effective for one
- 5290 year after the day on which the division issues the registration in accordance with
- 5291 Subsection (3).
- 5292 ~~[(3) A transportation network company's registration under Subsection (2) is:]~~
- 5293 ~~[(a) valid until one year after the day on which the transportation network company~~
- 5294 ~~registers with the division; and]~~

- 5295 ~~[(b) renewable if the transportation network company meets the requirements of~~
 5296 ~~Subsection (2).]~~
- 5297 ~~[(4) The division may audit the records of a transportation network company, including a~~
 5298 ~~random sample of the transportation network company's records related to transportation~~
 5299 ~~network drivers.]~~
- 5300 ~~[(a) no more than twice per year;]~~
 5301 ~~[(b) at a location agreed to by the division and the transportation network company; and]~~
 5302 ~~[(c) notwithstanding Subsection (4)(a), at any time to investigate a complaint.]~~
- 5303 ~~[(5) The division may fine a transportation network company up to \$500 for each violation~~
 5304 ~~of this chapter.]~~

5305 Section 118. Section **13-51-104.1** is enacted to read:

5306 **13-51-104.1 (Effective 05/06/26). Denial, suspension, or revocation of an**
 5307 **application or registration.**

5308 In accordance with Chapter 2, Division of Consumer Protection, and Title 63G, Chapter
 5309 4, Administrative Procedures Act, the division may initiate adjudicative proceedings to deny,
 5310 suspend, or revoke an application or registration if:

- 5311 (1) the division finds that the denial, suspension, or revocation is in the public interest; and
 5312 (2)(a) the registration is incomplete, false, or misleading; or
 5313 (b) the applicant or the applicant's principal:
- 5314 (i) violates, causes a violation, allows a violation, or fails to satisfy the requirements
 5315 of a provision of:
- 5316 (A) this chapter; or
 5317 (B) a rule the division makes in accordance with this chapter;
- 5318 (ii) violates Chapter 11, Utah Consumer Sales Practices Act;
 5319 (iii) is enjoined by a court, or is the subject of an administrative or judicial order
 5320 issued in Utah or another state, if the order:
- 5321 (A) includes a finding or admission of fraud, breach of fiduciary duty, or material
 5322 misrepresentation; or
 5323 (B) is based on a finding of a lack of integrity, truthfulness, or mental competence;
- 5324 (iv) is convicted of a crime involving theft, fraud, or dishonesty;
 5325 (v) obtains or attempts to obtain a registration by misrepresenting a material fact;
 5326 (vi) fails to provide information the division requests;
 5327 (vii) fails to pay an administrative fine the division or an administrative or judicial
 5328 order imposes; or

- 5329 (viii) fails to pay the fee to file a registration application or a renewal application.
- 5330 Section 119. Section **13-51-105** is amended to read:
- 5331 **13-51-105 (Effective 05/06/26). Operating requirements.**
- 5332 (1) A transportation network company shall maintain an agent for service of process in the
- 5333 state ~~[and shall notify the division of the name and address of the agent]~~ in accordance
- 5334 with Subsection 13-51-104(2).
- 5335 (2) A transportation network company may collect, on behalf of a transportation network
- 5336 driver, a fare for a prearranged ride if the transportation network company:
- 5337 (a) posts the method for calculating the fare on the transportation network company's
- 5338 software application;
- 5339 (b) provides a passenger the rate ~~[used]~~ the transportation network company uses to
- 5340 calculate the fare for a prearranged ride; and
- 5341 (c) allows a passenger the option to obtain an estimated fare for a prearranged ride
- 5342 before the passenger enters a transportation network driver's vehicle.
- 5343 (3) For ~~[each]~~ a prearranged ride, a transportation network company shall:
- 5344 (a) before a passenger enters a transportation network driver's vehicle, display on the
- 5345 transportation network company's software application a picture of the transportation
- 5346 network driver;
- 5347 (b) shortly after the prearranged ride is complete, transmit an electronic receipt to the
- 5348 passenger that lists:
- 5349 (i) the prearranged ride's origin and destination;
- 5350 (ii) the prearranged ride's total time and distance; and
- 5351 (iii) an itemization of the total fare the passenger ~~[paid]~~ pays, if any; and
- 5352 (c) allow a passenger to notify a transportation network driver if a passenger has skis, a
- 5353 snowboard, other oversize luggage, or child restraint device.
- 5354 (4) A transportation network driver may not, while providing transportation network
- 5355 services:
- 5356 (a) provide a ride to an individual who requests the ride by a means other than a
- 5357 transportation network company's software application;
- 5358 (b) solicit or accept cash payments from a passenger; or
- 5359 (c) accept ~~[any]~~ a means of payment other than payment through a transportation
- 5360 network company's software application.
- 5361 (5) A transportation network company shall maintain a record of:
- 5362 (a) all trips, for a minimum of five years after the day on which the trip ~~[occurred]~~ occurs;

- 5363 and
- 5364 (b) all information in a transportation network company's possession regarding a
- 5365 transportation network driver, for a minimum of five years after the day on which the
- 5366 transportation network driver last provided transportation network services using the
- 5367 transportation network company's software application.
- 5368 (6) A transportation network company shall adopt a policy that prohibits unlawful
- 5369 discrimination with respect to a passenger and shall:
- 5370 (a) provide a copy of the policy to each transportation network driver; or
- 5371 (b) post the policy on the transportation network company's website.
- 5372 (7)(a) A transportation network driver shall accommodate:
- 5373 (i) a service animal; or
- 5374 (ii) an individual with a physical disability.
- 5375 (b) A transportation network driver or transportation network company may not impose
- 5376 an additional charge to provide the accommodations described in Subsections (7)(a)
- 5377 and (8).
- 5378 (8) A transportation network company shall:
- 5379 (a) allow a passenger to request a prearranged ride in a wheelchair-accessible vehicle;
- 5380 and
- 5381 (b) if a wheelchair-accessible vehicle is not available to a passenger who requests a
- 5382 wheelchair-accessible vehicle under Subsection (8)(a), direct the passenger to a
- 5383 transportation service that provides wheelchair-accessible service, if available.
- 5384 (9) A transportation network company shall disclose to a transportation network driver:
- 5385 (a) a description of the insurance coverage the transportation network company provides
- 5386 the transportation network driver while the transportation network driver is providing
- 5387 transportation network services, including the insurance coverage's liability limit;
- 5388 (b) that the transportation network company's ~~personal~~ automobile insurance policy
- 5389 may not provide coverage to the transportation network driver during a waiting
- 5390 period or a prearranged ride;
- 5391 (c) that if the vehicle the transportation network driver uses to provide transportation
- 5392 network services has a lien against the vehicle, the transportation network driver is
- 5393 required to notify the lienholder that the transportation network driver is using the
- 5394 vehicle to provide transportation network services; and
- 5395 (d) that using a vehicle with a lien against the vehicle to provide transportation network
- 5396 services may violate the transportation network driver's contract with the lienholder.

- 5397 (10) A transportation network company and the transportation network company's insurer
 5398 shall, for an incident that occurs while a transportation network driver is providing
 5399 transportation network services:
 5400 (a) cooperate with a liability insurer that insures the vehicle the transportation network
 5401 driver uses to provide the transportation network services;
 5402 (b) provide, to the liability insurer, the precise date and time that an incident occurred,
 5403 including the precise time when a driver logged in or out of the transportation
 5404 network company's software application; and
 5405 (c) provide the information described in Subsection (10)(b) to a liability insurer no later
 5406 than 10 business days after the day on which the liability insurer requests the
 5407 information from the transportation network company.

- 5408 (11) If a transportation network company's insurer insures a vehicle with a lien against the
 5409 vehicle, and the transportation network company's insurer covers a claim regarding the
 5410 vehicle under comprehensive or collision coverage, the transportation network company
 5411 shall direct the transportation network company's insurer to issue the payment for the
 5412 claim:
 5413 (a) directly to the person that ~~[is repairing]~~ conducts the repair on the vehicle; or
 5414 (b) jointly to the owner of the vehicle and the primary lienholder.

5415 Section 120. Section **13-51-110** is enacted to read:

5416 **13-51-110 (Effective 05/06/26). Enforcement powers of the division.**

- 5417 (1) In addition to the division's enforcement powers described in Chapter 2, Division of
 5418 Consumer Protection:
 5419 (a) the division director may impose an administrative fine of up to \$2,500 for each
 5420 violation of this chapter; and
 5421 (b) the division may bring an action in a court with jurisdiction to enforce a provision of
 5422 this chapter.
 5423 (2) If the division brings an action in accordance with Subsection (1)(b):
 5424 (a) the court may:
 5425 (i) declare that an act or practice violates a provision of this chapter;
 5426 (ii) issue an injunction for a violation of this chapter;
 5427 (iii) order disgorgement of any money received in violation of this chapter;
 5428 (iv) order payment of disgorged money to an injured purchaser or consumer;
 5429 (v) impose a fine of up to \$2,500 for each violation of this chapter; or
 5430 (vi) award any other relief that the court deems reasonable and necessary; and

5431 (b) if the court grants judgment or injunctive relief to the division, the court shall award
 5432 the division:

5433 (i) reasonable attorney fees;

5434 (ii) court costs; and

5435 (iii) investigative fees.

5436 Section 121. Section **13-52-102** is amended to read:

5437 **CHAPTER 52. Residential Solar Energy Consumer Protection Act**

5438 **13-52-102 (Effective 05/06/26). Definitions.**

5439 As used in this chapter:

5440 (1) "Actual energy production" means the average kilowatt-hours produced and measured
 5441 by the residential solar energy system during the 12 consecutive months immediately
 5442 following the residential solar energy system's activation.

5443 (2) "Customer" means a person ~~[who]~~ that, for primarily personal, family, or household
 5444 purposes:

5445 (a) purchases, or is solicited to purchase, a residential solar energy system under a
 5446 system purchase agreement;

5447 (b) leases, or is solicited to lease, a residential solar energy system under a system lease
 5448 agreement; or

5449 (c) purchases, or is solicited to purchase, electricity under a power purchase agreement.

5450 (3) "Division" means the Division of Consumer Protection, established in ~~[Section 13-2-1]~~
 5451 Section 13-2-102.

5452 (4)(a) "Employee" means an individual whose compensation for federal income tax
 5453 purposes is reported, or is required to be reported, on a W-2 form the employer issues.

5454 (b) "Employee" does not include an independent contractor whose manner and means of
 5455 work performance are not subject to direction, supervision, or instruction from the
 5456 person who ~~[employed]~~ employs the independent contractor.

5457 (5) "Estimated energy production" means the solar retailer's estimate, measured by
 5458 kilowatt-hour, of how much energy the residential solar energy system will produce.

5459 (6) "Nameplate capacity" means the sum of the maximum rated outputs of all electrical
 5460 generating equipment under specific conditions ~~[designated by]~~ the manufacturer
 5461 designates, as indicated on the nameplate physically attached to the equipment.

5462 (7) "Participant" means an owner, officer, director, member or manager of a limited liability
 5463 company, principal, trustee, general or limited partner, sole proprietor, or an individual,
 5464 with a controlling interest in an entity.

- 5465 (8) "Power purchase agreement" means an agreement:
5466 (a) between a customer and a solar retailer;
5467 (b) for the customer's purchase of electricity [~~generated by~~] that a residential solar energy
5468 system owned by the solar retailer generates; and
5469 (c) that provides for the customer to make payments over a term of at least five years.
- 5470 (9)(a) "Residential solar energy system" means a solar energy system that:
5471 (i) is installed in the state;
5472 (ii) generates electricity primarily for on-site consumption for personal, family, or
5473 household purposes;
5474 (iii) is situated on no more than four units of residential real property; and
5475 (iv) has an electricity delivery capacity that exceeds one kilowatt.
- 5476 (b) "Residential solar energy system" does not include a generator that:
5477 (i) produces electricity; and
5478 (ii) is intended for occasional use.
- 5479 (10) "Sales representative" means an individual who:
5480 (a)(i) enters into a business relationship with a solar retailer to sell or attempt to sell a
5481 residential solar energy system through direct contact with customers and
5482 potential customers; and
5483 (ii) as part of the business relationship described in Subsection (10)(a), is
5484 compensated, in whole or in part, by commission; or
5485 (b) sets appointments or discusses the benefits of solar energy with a potential customer
5486 on behalf of a solar retailer.
- 5487 (11) "Solar agreement" means a system purchase agreement, a system lease agreement, or a
5488 power purchase agreement.
- 5489 (12) "Solar energy system" means a system or configuration of solar energy devices that
5490 collects and uses solar energy to generate electricity.
- 5491 (13) "Solar retailer" means a person who:
5492 (a) sells or proposes to sell a residential solar energy system to a customer under a
5493 system purchase agreement;
5494 (b) owns the residential solar energy system that is the subject of a system lease
5495 agreement or proposed system lease agreement; or
5496 (c) sells or proposes to sell electricity to a customer under a power purchase agreement.
- 5497 (14) "System lease agreement" means an agreement:
5498 (a) under which a customer leases a residential solar energy system from a solar retailer;

5499 and
5500 (b) that provides for the customer to make payments over a term of at least five years for
5501 the lease of the residential solar energy system.

5502 (15) "System purchase agreement" means an agreement under which a customer purchases
5503 a residential solar energy system from a solar retailer.

5504 Section 122. Section **13-52-202** is amended to read:

5505 **13-52-202 (Effective 05/06/26). Contents of disclosure statement for any solar**
5506 **agreement.**

5507 If a solar retailer is proposing to enter any solar agreement with a potential customer, the
5508 disclosure statement required in Subsection 13-52-201(1) shall include:

5509 (1) a statement indicating that operations or maintenance services are not included as part
5510 of the solar agreement, if those services are not included as part of the solar agreement;

5511 (2) if the solar retailer provides any written estimate of the savings the potential customer is
5512 projected to realize from the residential solar energy system:

5513 (a)(i) the estimated projected savings over the life of the solar agreement; and

5514 (ii) at the discretion of the solar retailer, the estimated projected savings over any
5515 longer period not to exceed the anticipated 20-year useful life of the residential
5516 solar energy system;

5517 (b) any material assumptions used to calculate estimated projected savings and the
5518 source of those assumptions, including:

5519 (i) if an annual electricity rate increase is assumed, the rate of the assumed increase,
5520 which may not be greater than 3%, and the solar retailer's basis for the assumption
5521 of the rate increase;

5522 (ii) the potential customer's eligibility for or receipt of tax credits or other
5523 governmental or utility incentives;

5524 (iii) residential solar energy system production data, including production
5525 degradation;

5526 (iv) the residential solar energy system's eligibility for interconnection under any net
5527 metering or similar program;

5528 (v) electrical usage and the residential solar energy system's designed offset of the
5529 electrical usage;

5530 (vi) historical utility costs paid by the potential customer;

5531 (vii) any rate escalation affecting a payment between the potential customer and the
5532 solar retailer; and

- 5533 (viii) the costs associated with replacing equipment making up part of the residential
5534 solar energy system or, if those costs are not assumed, a statement indicating that
5535 those costs are not assumed; and
- 5536 (c) three separate statements in capital letters in close proximity to any written estimate
5537 of projected savings, with substantially the following form and content:
- 5538 (i) "THIS IS AN ESTIMATE. UTILITY RATES MAY GO UP OR DOWN AND
5539 ACTUAL SAVINGS, IF ANY, MAY VARY. HISTORICAL DATA ARE NOT
5540 NECESSARILY REPRESENTATIVE OF FUTURE RESULTS. FOR
5541 FURTHER INFORMATION REGARDING RATES, CONTACT YOUR
5542 LOCAL UTILITY OR THE STATE PUBLIC SERVICE COMMISSION.";
- 5543 (ii) "ESTIMATES OF ENERGY PRODUCTION GENERATED BY A
5544 RESIDENTIAL SOLAR ENERGY SYSTEM MAY VARY. THE
5545 RESIDENTIAL SOLAR ENERGY SYSTEM MAY PRODUCE MORE OR
5546 LESS THAN THE ESTIMATED ENERGY PRODUCTION."; and
- 5547 (iii) "TAX AND OTHER FEDERAL, STATE, AND LOCAL INCENTIVES VARY
5548 AS TO REFUNDABILITY AND ARE SUBJECT TO CHANGE OR
5549 TERMINATION BY LEGISLATIVE OR REGULATORY ACTION, WHICH
5550 MAY IMPACT SAVINGS ESTIMATES. CONSULT A TAX PROFESSIONAL
5551 FOR MORE INFORMATION.";
- 5552 (3) a notice stating: "Legislative or regulatory action may affect or eliminate your ability to
5553 sell or get credit for any excess power generated by the solar energy system, and may
5554 affect the price or value of that power.";
- 5555 (4) the notice described in Subsection 13-11-4(2)(m) or Subsection [~~13-26-5(2)(a)~~
5556 13-26-105(3)(a)], if applicable;
- 5557 (5) a statement describing the solar energy system and indicating the solar energy system
5558 design assumptions, including the make and model of the solar panels and inverters,
5559 solar energy system size, positioning of the panels on the customer's property, estimated
5560 first-year energy production, and estimated annual energy production degradation,
5561 including the overall percentage degradation over the term of the solar agreement or, at
5562 the solar retailer's option, over the estimated useful life of the solar energy system;
- 5563 (6) a description of any warranty, representation, or guarantee of energy production of the
5564 solar energy system;
- 5565 (7) the approximate start and completion dates for the installation of the solar energy
5566 system;

- 5567 (8) the statement: "The solar retailer may not begin installation of the system until at least
5568 four business days after the day on which the solar retailer and customer enter into a
5569 contract.";
- 5570 (9)(a) a statement indicating whether the solar retailer may transfer any warranty or
5571 maintenance obligations related to the solar energy system to a third party; and
5572 (b) if the solar retailer may transfer any warranty or maintenance obligations related to
5573 the solar energy system, the statement: "The maintenance and repair obligations
5574 under your contract may be assigned or transferred without your consent to a third
5575 party who will be bound to all the terms of the contract. If a transfer occurs, you will
5576 be notified of any change to the address, email address, or phone number to use for
5577 questions or payments or to request solar energy system maintenance or repair.";
- 5578 (10) if the solar retailer will not obtain customer approval to connect the solar energy
5579 system to the customer's utility, a statement to that effect and a description of what the
5580 customer must do to interconnect the solar energy system to the utility;
- 5581 (11) a description of any roof penetration warranty or other warranty that the solar retailer
5582 provides the customer or a statement, in bold capital letters, that the solar retailer does
5583 not provide any warranty;
- 5584 (12) a statement indicating whether the solar retailer will make a fixture filing or other
5585 notice in the county real property records covering the solar energy system, including a
5586 Notice of Independently Owned Solar Energy System, and any fees or other costs
5587 associated with the filing that the solar retailer may charge the customer;
- 5588 (13) a statement in capital letters with the following form and content: "NO EMPLOYEE
5589 OR REPRESENTATIVE OF [name of solar retailer] IS AUTHORIZED TO MAKE
5590 ANY PROMISE TO YOU THAT IS NOT CONTAINED IN THIS DISCLOSURE
5591 STATEMENT CONCERNING COST SAVINGS, TAX BENEFITS, OR
5592 GOVERNMENT OR UTILITY INCENTIVES. YOU SHOULD NOT RELY UPON
5593 ANY PROMISE OR ESTIMATE THAT IS NOT INCLUDED IN THIS DISCLOSURE
5594 STATEMENT.";
- 5595 (14) a statement in capital letters with substantially the following form and content: "[name
5596 of solar retailer] IS NOT AFFILIATED WITH ANY UTILITY COMPANY OR
5597 GOVERNMENT AGENCY. NO EMPLOYEE OR REPRESENTATIVE OF [name of
5598 solar retailer] IS AUTHORIZED TO CLAIM AFFILIATION WITH A UTILITY
5599 COMPANY OR GOVERNMENT AGENCY.";
- 5600 (15) a statement with the name and contact information of the person that will perform the

- 5601 installation;
- 5602 (16) a notice that the solar retailer may not sell the contract to another solar company
- 5603 without express customer approval;
- 5604 (17) a conspicuous list of:
- 5605 (a) finance fees, including those not charged directly to the customer; and
- 5606 (b) solar energy system operation and maintenance that the customer is obligated to
- 5607 perform to comply with the terms of the guarantee of the minimum energy
- 5608 production; and
- 5609 (18) any additional information, statement, or disclosure the solar retailer considers
- 5610 appropriate, as long as the additional information, statement, or disclosure does not have
- 5611 the purpose or effect of obscuring the disclosures required under this part.
- 5612 Section 123. Section **13-52-207** is amended to read:
- 5613 **13-52-207 (Effective 05/06/26). Customer ability to cancel solar agreement.**
- 5614 (1) A solar retailer shall provide to the customer a copy of the signed solar agreement,
- 5615 including any disclosures required under this chapter:
- 5616 (a) in electronic and in paper form, unless the customer declines the paper copy in
- 5617 writing; and
- 5618 (b) if the solar retailer marketed services for residential solar energy systems to the
- 5619 customer in a language other than English, in that language.
- 5620 (2) A solar agreement is not enforceable against the customer unless the requirements in
- 5621 Subsection (1) are met.
- 5622 (3) A solar retailer may not begin installation of any solar equipment until four business
- 5623 days after the day on which the solar retailer provides the customer the solar agreement
- 5624 described in Subsection (1).
- 5625 (4) If a customer cancels a solar agreement under Subsection 13-11-4(2)(m) or Subsection [~~13-26-5(2)(a)~~ 13-26-105(3)(a)], the solar retailer shall within 10 days:
- 5626 (a) return any check signed by the customer as payment under the terms of the solar
- 5627 agreement; and
- 5628 (b) refund any money provided by the customer under the terms of the solar agreement.
- 5629 (5) A solar agreement described in Subsection (1) shall clearly:
- 5630 (a) state the customer's right to cancel the solar agreement under this section; and
- 5631 (b) provide an email address and a mailing address where the customer can send the
- 5632 solar retailer a notice of cancellation of the solar agreement.
- 5633
- 5634 (6) Subsection (1)(a) only applies to sales where the customer has a right to cancel the

5635 purchase as described in Subsection 13-11-4(2)(m) or Subsection [~~13-26-5(2)(a)~~
 5636 13-2-105(3)(a)].

5637 Section 124. Section **13-52-301** is amended to read:

5638 **13-52-301 (Effective 05/06/26). Division enforcement authority -- Administrative**
 5639 **fine.**

5640 (1) Subject to Subsection (2), the division may enforce the provisions of this chapter by:

- 5641 (a) conducting an investigation into an alleged violation of this chapter;
- 5642 (b) issuing a cease and desist order against a further violation of this chapter;
- 5643 (c) imposing an administrative fine of up to \$2,500 for each violation of this chapter; and
- 5644 (d) the division may bring an action in a court of competent jurisdiction to enforce a
 5645 provision of this chapter.

5646 (2) In a court action by the division to enforce a provision of this chapter, the court may:

- 5647 (a) declare that an act or practice violates a provision of this chapter;
- 5648 (b) issue an injunction for a violation of this chapter;
- 5649 (c) order disgorgement of any money received in violation of this chapter;
- 5650 (d) order payment of disgorged money to an injured purchaser or consumer;
- 5651 (e) impose a fine of up to \$2,500 for each violation of this chapter; or
- 5652 (f) award any other relief that the court deems reasonable and necessary.

5653 (3) The division shall, in its discretion:

- 5654 (a) deposit an administrative fine collected under Subsection (1)(c) in the Consumer
 5655 Protection Education and Training Fund created in Section [~~13-2-8~~] 13-2-109; or
- 5656 (b) distribute an administrative fine collected under Subsection (1)(c) to a customer
 5657 adversely affected by the solar retailer's failure or violation resulting in a fine under
 5658 Subsection (1)(c), if the division has conducted an administrative proceeding
 5659 resulting in a determination of the appropriateness and amount of any distribution to
 5660 a customer.

5661 (4) Nothing in this chapter may be construed to affect:

- 5662 (a) a remedy a customer has independent of this chapter; or
- 5663 (b) the division's ability or authority to enforce any other law or regulation.

5664 Section 125. Section **13-52-302** is amended to read:

5665 **13-52-302 (Effective 05/06/26). Registration and security required.**

5666 (1)(a) On or after July 1, 2026, a solar retailer may not operate in this state without being
 5667 registered with the division.

5668 (b) [~~The~~] Except as provided in Subsection (1)(c), a registration under this section is

5669 valid for one year [~~except as provided in Subsection (1)(c).~~] after the day on which the
5670 solar retailer registers with the division.

5671 (c) The division may extend the period for which a solar retailer's registration is
5672 effective by up to six months so that expiration dates are staggered throughout the
5673 year.

5674 (2)(a) A solar retailer shall submit an application for registration to the division in a
5675 manner the division establishes by rule in accordance with Title 63G, Chapter 3, Utah
5676 Administrative Rulemaking Act, if:

5677 (i) the solar retailer's sales representative communicates with customers or potential
5678 customers in the state; or

5679 (ii) the solar retailer, or the solar retailer's sales representative, conducts any business
5680 operations in the state.

5681 (b) [~~The~~] An application for registration shall designate [~~an~~] a registered agent [~~residing~~]
5682 for service of process in this state [~~who is authorized by the solar retailer to receive~~
5683 ~~service of process in any action this state or a resident of this state brings to the court.~~]
5684 and include the registered agent's:

5685 (i) name;

5686 (ii) street address;

5687 (iii) mailing address; and

5688 (iv) telephone number.

5689 (c) If a solar retailer fails to designate an agent to receive service or fails to appoint a
5690 successor to the agent, the division shall deny the solar retailer's application for
5691 registration.

5692 [~~(d) For purposes of this section only, the registered agent of a solar retailer shall~~
5693 ~~provide the division the registered agent's proof of residency in the state in the form~~
5694 ~~of:]~~

5695 [~~(i) a valid Utah driver license;]~~

5696 [~~(ii) a valid governmental photo identification issued to a resident of this state; or]~~

5697 [~~(iii) other verifiable identification indicating residency in this state.]~~

5698 [(e)] (d) As a part of the registration, each solar retailer shall submit proof of obtaining
5699 and maintaining the following security in a form approved by the division:

5700 (i) a performance bond issued by a surety authorized to transact surety business in
5701 this state; or

5702 (ii) a certificate of deposit in a financial institution authorized under the laws of this

5703 state or the United States to accept deposits from the public.

5704 (3)~~(a)~~ The division shall impose an annual registration fee set in accordance with

5705 Section 63J-1-504 that ~~shall include~~ includes the cost of the criminal background

5706 check described in this Subsection (3).

5707 ~~(b)~~ (4) To register as a solar retailer, ~~the~~ a solar retailer and the solar retailer's participants:

5708 ~~(i)~~ (a) may not have been convicted of a felony or misdemeanor involving theft, fraud,

5709 or dishonesty, in the 10-year period immediately before the day on which the solar

5710 retailer files the application; and

5711 ~~(ii)~~ (b) shall submit to the division:

5712 ~~(A)~~ (i) ~~the~~ each participant's fingerprints, in a form acceptable to the division, for

5713 purposes of a criminal background check;

5714 ~~(B)~~ (ii) consent to a criminal background check by:

5715 (A) [-]the Bureau of Criminal Identification created in Section 53-10-201; or

5716 (B) another state or federal agency that performs criminal background checks in

5717 this state or the United States; and

5718 ~~(C)~~ (iii) payment for the cost of the fingerprint card and criminal background check

5719 described ~~by~~ in Subsections ~~(3)(b)(ii)(A)~~ (4)(b)(i) and ~~(B)~~ (ii).

5720 ~~(e)~~ (5) A solar retailer shall update registration information within 30 days after the day on

5721 which information provided on the application becomes incorrect or incomplete.

5722 ~~(d)~~ (6) A solar retailer that is a publicly traded corporation registered with the Securities

5723 and Exchange Commission is exempt from the requirements described in Subsection [~~(3)(b)~~ (4).

5724 ~~(4)(a)~~

5725 ~~(4)(a)~~

5726 ~~(i)~~ (7) The division may claim a solar retailer's surety bond or certificate of deposit for the

5727 benefit of ~~any~~ a customer who incurs damages as the result of the solar retailer's failure

5728 to comply with this chapter.

5729 ~~(ii)~~ (8)(a) For purposes of this section, damages incurred by a customer include:

5730 ~~(A)~~ (i) labor and materials necessary to complete the installation of a residential

5731 solar energy system that is partially installed; and

5732 ~~(B)~~ (ii) damage to a customer's home caused during installation or repair of the

5733 residential solar energy system.

5734 (b) After ~~the~~ a customer recovers full damages, the division may recover from the bond

5735 or certificate of deposit any administrative fines, civil penalties, investigative costs,

5736 attorney fees, and other costs of collecting and distributing funds under this section.

- 5737 [~~(e)~~] (9) [~~The~~] A solar retailer shall [post a bond or certificate of deposit in the amount of]
 5738 submit proof of obtaining and maintaining the following in a form the division approves:
 5739 (a) a surety bond issued by a surety authorized to transact business in this state; or
 5740 (b) a certificate of deposit in a financial institution authorized under the laws of this state
 5741 or the laws of the United States to accept deposits from the public.
- 5742 (10) The surety bond or certificate of deposit described in Subsection (9) shall be in the
 5743 amount of:
- 5744 [~~(i)~~] (a) \$100,000 if:
- 5745 [~~(A)~~] (i) the solar retailer or [~~any~~] an affiliated person has not violated a chapter [
 5746 ~~enforced by the division]~~ the division enforces, as described in Section [~~13-2-1]~~
 5747 13-2-102, in the three-year period immediately before the day on which the solar
 5748 retailer files the application;
- 5749 [~~(B)~~] (ii) the solar retailer has fewer than ten employees; and
- 5750 [~~(C)~~] (iii) the solar retailer sells fewer than 500 kilowatts nameplate capacity annually;
- 5751 [~~(ii)~~] (b) \$200,000 if:
- 5752 [~~(A)~~] (i) the solar retailer or [~~any~~] an affiliated person has not violated a chapter [
 5753 ~~enforced by the division]~~ the division enforces, as described in Section [~~13-2-1]~~
 5754 13-2-102, in the three-year period immediately before the day on which the solar
 5755 retailer files the application;
- 5756 [~~(B)~~] (ii) the solar retailer has ten or more employees; or
- 5757 [~~(C)~~] (iii) the solar retailer sells more than 500 kilowatts nameplate capacity annually;
- 5758 or
- 5759 [~~(iii)~~] (c) \$300,000 if the solar retailer or [~~any~~] an affiliated person has violated a chapter [
 5760 ~~enforced by]~~ the division enforces, as described in Section [~~13-2-1]~~ 13-2-102, the
 5761 three-year period immediately before the day on which the solar retailer files the
 5762 application.
- 5763 [~~(d)~~] (11) Beginning July 1, 2026, a solar retailer that operates in this state violates this
 5764 chapter each time the solar retailer sells a residential solar energy system without first
 5765 registering with the division.
- 5766 [~~(5)~~] (12) The division director may deny, suspend, or revoke a solar retailer's registration if:
- 5767 (a) a solar retailer or a solar retailer's participant:
- 5768 (i) [~~violated-~~] violates a statute [~~enforced by the division]~~ the division enforces within
 5769 the preceding five years; or
- 5770 (ii) fails to pay a fine or comply with a term of settlement with the division;

- 5771 (b) the division claims the solar retailer's bond or certificate of deposit; or
 5772 (c) the division receives ten or more complaints from consumers about the solar retailer
 5773 related to the solar energy system's energy production and finds substantial evidence
 5774 that the solar retailer has provided good faith estimates for residential solar energy
 5775 systems that do not produce 80% or more of the solar retailer's estimated energy
 5776 production.

5777 (13) A solar retailer may not:

- 5778 (a) represent that the division or the state endorses or approves the solar retailer;
 5779 (b) omit from a filing with the division a material statement of fact that this chapter or
 5780 rule the division makes in accordance with this chapter requires; or
 5781 (c) include in a filing with the division a material statement of fact that the solar retailer
 5782 or the solar retailer's principal knows or should know is false, deceptive, inaccurate,
 5783 or misleading.

5784 Section 126. Section **13-53-103** is amended to read:

5785 **CHAPTER 53. Residential Vocational or Life Skills Program Act**

5786 **13-53-103 (Effective 05/06/26). Registration of a residential vocational or life**
 5787 **skills program.**

- 5788 (1) An owner or a manager of a residential vocational or life skills program shall annually
 5789 register the residential vocational or life skills program with the division.
 5790 (2) An application for registration shall:
 5791 (a) [-]be on a form [~~approved by~~]the division approves; and
 5792 (b) [-shall require] include:
 5793 [(a)] (i) the name, address, telephone number, email address, and website[-, and
 5794 facsimile number, if any,] of the nonprofit corporation operating the residential
 5795 vocational or life skills program;
 5796 [(b)] (ii) [~~the name and address of the registered agent of the corporation operating the~~
 5797 residential vocational or life skills program] a designated registered agent for
 5798 service of process in the state, and the registered agent's:
 5799 (A) name;
 5800 (B) street address;
 5801 (C) mailing address; and
 5802 (D) telephone number;
 5803 [(c)] (iii) the name, address, telephone number, email address, and website[-, and
 5804 facsimile number, if any,] of the residential vocational or life skills program;

- 5805 ~~[(d)]~~ (iv) the name and address of ~~[any]~~ each entity that controls, is controlled by, or is
5806 affiliated with the residential vocational or life skills program;
- 5807 ~~[(e)]~~ (v) the name and residential address of ~~[any]~~ each officer, director, manager, or
5808 administrator of the residential vocational or life skills program;
- 5809 ~~[(f)]~~ (vi) the name, address, telephone number, email address, and website~~[-and~~
5810 ~~facsimile number, if any,]~~ of ~~[any]~~ each vocational training entity affiliated with
5811 the residential vocational or life skills program;
- 5812 ~~[(g)]~~ (vii) a disclosure indicating whether ~~[any]~~ an officer, a director, or an
5813 administrator of the residential vocational or life skills program has been the
5814 subject of an administrative action by the division;
- 5815 ~~[(h)]~~ (viii) a disclosure indicating whether any officer, director, or administrator of the
5816 residential vocational or life skills program has been convicted of a felony or a [
5817 ~~crime of moral turpitude within the previous 10 years]~~ misdemeanor involving
5818 theft, fraud, or dishonesty, in the 10-year period preceding the day on which the
5819 residential vocational or life skills program files the application;
- 5820 ~~[(i)]~~ (ix) financial information described in Subsection 13-53-108(1);
- 5821 ~~[(j)]~~ (x) proof of a commercial general liability and umbrella insurance policy
5822 providing at least a \$1,000,000 per occurrence limit of liability;
- 5823 ~~[(k)]~~ (xi) a copy of the disclosure required under Section 13-53-106;
- 5824 ~~[(l)]~~ (xii) evidence that the applicant meets the description of a residential vocational
5825 or life skills program under Subsection 13-53-102(5); and
- 5826 ~~[(m)]~~ (xiii) additional information that the division requires, as provided in
5827 administrative rule.
- 5828 (3) A residential vocational or life skills program is registered on the day that the division
5829 issues the registration.
- 5830 (4) The division's issuance of a registration for a residential vocational or life skills program
5831 does not constitute the state's or the division's endorsement or approval of the residential
5832 vocational or life skills program.
- 5833 (5) An applicant for the registration of a residential vocational or life skills program shall
5834 file a separate application and pay a separate application fee for each residential
5835 vocational or life skills program location.
- 5836 (6) The division may make rules in accordance with Title 63G, Chapter 3, Utah
5837 Administrative Rulemaking Act, to implement the registration application process and
5838 administer this chapter.

- 5839 (7) The division may set fees in accordance with Section 63J-1-504 for a residential
 5840 vocational or life skills program registration application.
- 5841 (8) An applicant for the registration of a residential vocational or life skills program shall
 5842 update registration information within 30 days after the day on which information the
 5843 applicant provides in the application becomes incorrect or incomplete.
- 5844 (9) Registration of a residential vocational or life skills program is effective for one year
 5845 after the day on which the division issues the registration.
- 5846 (10) To renew a residential vocational or life skills program registration under this section,
 5847 a residential vocation or life skills program shall submit a registration renewal
 5848 application to the division at least 30 days before the day on which the residential
 5849 vocational or life skills program's registration expires.

5850 Section 127. Section **13-53-104** is amended to read:

5851 **13-53-104 (Effective 05/06/26). Registration denial, suspension, or revocation.**

- 5852 (1) In accordance with Chapter 2, Division of Consumer Protection, and Title 63G, Chapter
 5853 4, Administrative Procedures Act, the division may initiate proceedings to deny,
 5854 suspend, or revoke the registration of a residential vocational or life skills program, if
 5855 the division finds that the denial, suspension, or revocation is in the public interest and:
- 5856 (a)(i) the entity holding the registration fails to meet the description of a residential
 5857 vocational or life skills program under Subsection 13-53-102(5); and
- 5858 [~~(b)~~] (ii) the operation of the residential vocational or life skills program creates a
 5859 serious risk to public safety or welfare;
- 5860 (b) the residential vocational or life skills program does not have adequate controls to
 5861 minimize associated risks to:
- 5862 (i) the participants of the residential vocational or life skills program; and
 5863 (ii) the public;
- 5864 (c) the registration application or any supplemental information [~~required by~~]the
 5865 division requires is incomplete, false, misleading, or filed in an untimely manner; or
- 5866 (d) the applicant or the applicant's principal:
- 5867 (i) violates, causes a violation, allows a violation, or fails to satisfy the requirements
 5868 of a provision of:
- 5869 (A) this chapter; or
- 5870 (B) a rule the division makes in accordance with this chapter;
- 5871 (ii) violates Chapter 11, Utah Consumer Sales Practices Act;
- 5872 (iii) is enjoined by a court, or is the subject of an administrative or judicial order

- 5873 issued in Utah or another state, if the order:
- 5874 (A) includes a finding or admission of fraud, breach of fiduciary duty, or material
- 5875 misrepresentation; or
- 5876 (B) is based on a finding of a lack of integrity, truthfulness, or mental competence;
- 5877 (iv) is convicted of a crime involving theft, fraud, or dishonesty;
- 5878 (v) obtains or attempts to obtain a registration by misrepresenting a material fact;
- 5879 (vi) fails to provide information the division requests;
- 5880 (vii) fails to pay an administrative fine the division or an administrative or judicial
- 5881 order imposes; or
- 5882 (viii) fails to pay the fee to file a registration application or a renewal application.
- 5883 [~~(d) the residential vocational or life skills program or an individual described in~~
- 5884 ~~Subsection 13-53-103(2)(e) causes or allows to occur a violation of any provision of~~
- 5885 ~~municipal, state, or federal law, including an administrative rule made under this~~
- 5886 ~~chapter;]~~
- 5887 [~~(e)(i) an individual described in Subsection 13-53-103(2)(e) is convicted of a felony~~
- 5888 ~~or a crime of moral turpitude within the previous 10 years; and]~~
- 5889 [~~(ii) the residential vocational or life skills program does not have adequate controls~~
- 5890 ~~to minimize associated risks to the participants of the residential vocational or life~~
- 5891 ~~skills program and to the public; or]~~
- 5892 [~~(f) the residential vocational or life skills program fails to pay an administrative fine~~
- 5893 ~~that the division lawfully imposes on the residential vocational or life skills program.]~~
- 5894 (2) The division may place reasonable limits upon a residential vocational or life skills
- 5895 program's operations, if:
- 5896 (a) the division has reasonable concerns about the residential vocational or life skills
- 5897 program's ability to comply with this chapter; and
- 5898 (b) the limitation is reasonably calculated to protect the interests of the public or the
- 5899 participants of the residential vocational or life skills program.
- 5900 (3) When the demands of public safety permit, the division shall allow a residential
- 5901 vocational or life skills program a reasonable amount of time to remedy a violation
- 5902 under this chapter before the division suspends or revokes a registration.
- 5903 (4) The division may require an individual described in Subsection [~~13-53-103(2)(e)]~~
- 5904 13-53-103(2)(b)(v) to submit to a criminal background check, at the individual's expense
- 5905 or the expense of the residential vocational or life skills program.
- 5906 Section 128. Section **13-53-105** is amended to read:

5907 **13-53-105 (Effective 05/06/26). Prohibited acts.**

5908 A residential vocational or life skills program may not:

- 5909 (1) operate without a registration [~~issued~~] that the division issues under Section 13-53-103;
- 5910 (2) utilize [~~any~~] a behavioral intervention that is not peer-led or that uses the services of [any]
- 5911 a professional or [any] a person purporting to be a professional;
- 5912 (3) accept a participant before providing to the participant the disclosure described in
- 5913 Section 13-53-106;[~~or~~]
- 5914 (4) use physical force or permit the use of physical force[~~;~~];
- 5915 (5) represent that the division or the state endorses the residential vocational or life skills
- 5916 program;
- 5917 (6) omit from a filing with the division a material statement of fact that this chapter or a
- 5918 rule the division makes in accordance with this chapter requires; or
- 5919 (7) include in a filing with the division a material statement that the residential vocational
- 5920 or life skills program or the residential vocational or life skills program's principal
- 5921 knows or should know is false, deceptive, inaccurate, or misleading.

5922 Section 129. Section **13-53-108** is amended to read:5923 **13-53-108 (Effective 05/06/26). Financial requirements.**

- 5924 (1) When applying for registration under Subsection 13-53-103(2), an applicant shall
- 5925 demonstrate [~~financial~~] financial responsibility by providing evidence to the division that the
- 5926 residential vocational or life skills program:
- 5927 (a) is financially sound; and
- 5928 (b) reasonably has the [~~financial~~] financial ability to fulfill commitments and obligations to
- 5929 the participants of the residential vocational or life skills program.
- 5930 (2) Evidence acceptable to satisfy the requirement described in Subsection (1) includes:
- 5931 (a) for a residential vocational or life skills program that has been in operation less than
- 5932 one fiscal year:
- 5933 (i) pro forma financial statements until further information described in Subsection
- 5934 (2)(b) is available;[~~and~~]
- 5935 (ii) a commercial credit report for the residential vocational or life skills program; [~~or~~]
- 5936 and
- 5937 (iii) a personal credit report for:
- 5938 (A) each owner of the residential vocational or life skills program who controls at
- 5939 least 10% of the ownership interests in the residential vocational or life skills
- 5940 program; or

- 5941 (B) each individual that exercises substantial control over the residential or life
 5942 skills program; or
- 5943 (b) for a residential vocational or life skills program that has completed a fiscal year, and
 5944 as soon as the residential vocational or life skills program completes [its] the
 5945 residential vocational or life skills program's first fiscal year:
- 5946 (i) a current financial statement, with all applicable footnotes, for the most recent
 5947 fiscal year, including a balance sheet, a statement of income, a statement of
 5948 retained earnings, and a statement of cash flow; and
- 5949 (ii) a certified [~~fiscal~~] financial audit of the residential vocational or life skills
 5950 program's financial statement, [~~performed by~~] that a certified [~~or licensed~~] public
 5951 accountant performs.
- 5952 (3) In evaluating a residential vocational or life skills program's [~~fiscal~~] financial
 5953 responsibility, the division may consider:
- 5954 (a) [~~any~~] a judgment, tax lien, collection action, bankruptcy schedule, or history of late
 5955 payments to creditors;
- 5956 (b) documentation showing the resolution of a matter described in Subsection (3)(a);
- 5957 (c) the residential vocational or life skills program's explanation for a matter described in
 5958 Subsection (3)(a);
- 5959 (d) a guarantee agreement provided for the residential vocational or life skills program;
 5960 and
- 5961 (e) history of a prior entity that:
- 5962 (i) is owned or operated by any individual who is an officer, a director, or an
 5963 administrator of the residential vocational or life skills program; and
- 5964 (ii) has failed to maintain [~~fiscal~~] financial responsibility.
- 5965 (4) The division may require evidence of financial status at other times when [~~it~~] requiring
 5966 evidence of financial status is in the best interest of the program participants to require
 5967 the information.
- 5968 (5) The division may perform a fiscal audit of a residential vocational or life skills program.
- 5969 (6) A residential vocational or life skills program shall develop and maintain adequate
 5970 internal controls for receipt, management, and disbursement of money that are
 5971 reasonable in light of the residential vocational or life skills program's organizational
 5972 complexity.

5973 Section 130. Section **13-53-110** is amended to read:

5974 **13-53-110 (Effective 05/06/26). Enforcement.**

- 5975 (1) The division may investigate facilities and enforce this chapter under the authority
5976 described in Chapter 2, Division of Consumer Protection.
- 5977 (2) To monitor the welfare of participants and transitional graduates, if any, and to monitor
5978 the safe operation of a residential vocational or life skills program, the division shall:
5979 (a) annually perform an on-site inspection of a registered residential vocational or life
5980 skills program;
5981 (b) refer each concern that the division identifies during the on-site inspection to the
5982 state or municipal entity responsible for the area of concern; and
5983 (c) coordinate with each relevant state and municipal entity to monitor the residential
5984 vocational or life skills program's compliance with the entity's relevant health and
5985 safety regulations.
- 5986 (3) In addition to penalties established by this chapter and in addition to the enforcement
5987 authority described in Chapter 2, Division of Consumer Protection, the division may:
5988 ~~[(a) issue a cease and desist order;]~~
5989 ~~[(b) impose an administrative fine of up to \$2,500 for each violation of this chapter; and]~~
5990 ~~[(c) seek injunctive relief in a court of competent jurisdiction.]~~
5991 (a) impose an administrative fine of up to \$2,500 for a violation of this chapter; and
5992 (b) the division may bring an action in a court with jurisdiction to enforce a provision of
5993 this chapter.
- 5994 (4) In a court action the division brings to enforce a provision of this chapter, the court may:
5995 (a) declare that an act or practice violates a provision of this chapter;
5996 (b) issue an injunction for a violation of this chapter;
5997 (c) order disgorgement of any money received in violation of this chapter;
5998 (d) order payment of disgorged money to an injured purchaser or consumer;
5999 (e) impose a fine of up to \$2,500 for each violation of this chapter; or
6000 (f) award any other relief that the court deems reasonable and necessary.
- 6001 ~~[(4) All money received from fines imposed under this section shall be deposited into the~~
6002 ~~Consumer Protection Education and Training Fund, created in Section 13-2-8.]~~
6003 Section 131. Section **13-57-102** is amended to read:
6004 **13-57-102 (Effective 05/06/26). Definitions.**
6005 As used in this chapter:
6006 ~~[(1) "Business entity" means a sole proprietorship, partnership, limited partnership, limited~~
6007 ~~liability company, corporation, or other entity or association used to carry on a business~~
6008 ~~for profit.]~~

- 6009 [(2)] (1) "Director" means the director of the [~~Division of Consumer Protection~~] division.
- 6010 [(3)] (2) "Division" means the Division of Consumer Protection [~~of the Department of~~
6011 ~~Commerce established in Section 13-2-1~~] established in Section 13-2-102.
- 6012 [(4)] (3) "Health care provider" means the same as that term is defined in Section 78B-3-403.
- 6013 [(5)] (4) "Individual" means a person who:
- 6014 (a) resides in this state; and
- 6015 (b) has or may have a pending legal action[~~in this state~~].
- 6016 [(6)] (5) "Legal funding" means a payment of \$500,000 or less to an individual in exchange
6017 for the right to receive an amount out of the potential proceeds of any realized
6018 settlement, judgment, award, or verdict the individual may receive in a civil legal action.
- 6019 [(7)] (6) "Maintenance funding agreement" means an agreement between an individual and
6020 a maintenance funding provider under which the maintenance funding provider provides
6021 legal funding to the individual.
- 6022 [(8)] (7)(a) "Maintenance funding provider" means a [~~business entity~~] person that engages
6023 in the business of legal funding.
- 6024 (b) "Maintenance funding provider" does not include:
- 6025 (i) an immediate family member of an individual;
- 6026 (ii) an accountant providing accounting services to an individual; or
- 6027 (iii) an attorney providing legal services to an individual.
- 6028 Section 132. Section **13-57-201** is amended to read:
- 6029 **13-57-201 (Effective 05/06/26). Maintenance funding provider registration and**
6030 **registration renewal.**
- 6031 (1) [~~Except as provided in Subsection (4), a business entity~~] A person may not act as a
6032 maintenance funding provider in this state without registering with the division.
- 6033 (2) To register as a maintenance funding provider, a [~~business entity~~] person shall submit to
6034 the division an application for registration:
- 6035 (a) in the manner the division determines; and
- 6036 (b) that includes:
- 6037 (i) an application fee in an amount [~~determined by~~]the division determines in
6038 accordance with Sections 13-1-2 and 63J-1-504; and
- 6039 (ii) anything else the division requires as established in rule [~~made~~] the division makes
6040 in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act.
- 6041 (3) A registration of a maintenance funding provider under this chapter is effective for one
6042 year after the day on which the division issues the registration.

- 6043 ~~[(3)]~~ (4) Each year a maintenance funding provider shall renew the maintenance funding
 6044 provider's registration by submitting to the division an application for registration
 6045 renewal:
- 6046 (a) in the manner the division determines; and
 6047 (b) that includes:
- 6048 (i) an application fee in an amount determined by the division in accordance with
 6049 Sections 13-1-2 and 63J-1-504; and
 6050 (ii) anything else the division requires as established in rule made in accordance with
 6051 Title 63G, Chapter 3, Utah Administrative Rulemaking Act.
- 6052 (5) To renew a maintenance funding provider registration in accordance with this section, a
 6053 maintenance funding provider shall submit a registration renewal application to the
 6054 division at least 30 days before the day on which the maintenance funding provider's
 6055 registration expires.
- 6056 (6) A maintenance funding provider shall update registration information within 30 days
 6057 after the day on which information the maintenance funding provider provides on the
 6058 application becomes incorrect or incomplete.
- 6059 ~~[(4) A business entity who acts as a maintenance funding provider in the state between May~~
 6060 ~~12, 2019, and May 12, 2020, is permitted to continue to act as a maintenance funding~~
 6061 ~~provider:]~~
- 6062 ~~[(a) if the person:]~~
- 6063 ~~[(i) applies for registration in accordance with this section; and]~~
 6064 ~~[(ii) complies with the requirements of this chapter; and]~~
- 6065 ~~[(b) until the division makes a determination regarding the person's application for~~
 6066 ~~registration under this section.]~~
- 6067 Section 133. Section **13-57-201.1** is enacted to read:
- 6068 **13-57-201.1 (Effective 05/06/26). Denial, suspension, or revocation of a**
 6069 **registration or application.**
- 6070 In accordance with Chapter 2, Division of Consumer Protection, and Title 63G, Chapter
 6071 4, Administrative Procedures Act, the division may initiate adjudicative proceedings to deny,
 6072 suspend, or revoke an application or registration if:
- 6073 (1) the division finds that the denial, suspension, or revocation is in the public interest; and
 6074 (2)(a) the registration is incomplete, false, or misleading; or
 6075 (b) the applicant or the applicant's principal:
- 6076 (i) violates, causes a violation, allows a violation, or fails to satisfy the requirements

- 6077 of a provision of:
- 6078 (A) this chapter; or
- 6079 (B) a rule the division makes in accordance with this chapter;
- 6080 (ii) violates Chapter 11, Utah Consumer Sales Practices Act; or
- 6081 (iii) is enjoined by a court, or is the subject of an administrative or judicial order
- 6082 issued in Utah or another state, if the order:
- 6083 (A) includes a finding or admission of fraud, breach of fiduciary duty, or material
- 6084 misrepresentation; or
- 6085 (B) is based on a finding of a lack of integrity, truthfulness, or mental competence;
- 6086 (iv) is convicted of a crime involving theft, fraud, or dishonesty;
- 6087 (v) obtains or attempts to obtain a registration by misrepresenting a material fact;
- 6088 (vi) fails to provide information the division requests;
- 6089 (vii) fails to pay an administrative fine the division or an administrative or judicial
- 6090 order imposes; or
- 6091 (viii) fails to pay the fee to file a registration application or a renewal application.

6092 Section 134. Section **13-57-202** is amended to read:

6093 **13-57-202 (Effective 05/06/26). Maintenance funding provider operations --**

6094 **Prohibited acts.**

- 6095 (1) A maintenance funding provider may only provide legal funding to an individual if the
- 6096 maintenance funding provider and the individual enter into a maintenance funding
- 6097 agreement that meets the requirements of Section 13-57-301.
- 6098 (2) Before executing a maintenance funding agreement, a maintenance funding provider
- 6099 shall file with the division a template of the maintenance funding agreement.
- 6100 (3) A maintenance funding provider may not:
- 6101 (a) pay or offer to pay a commission, referral fee, or any other form of consideration to
- 6102 the following for referring an individual to the maintenance funding provider:
- 6103 (i) an attorney authorized to practice law;
- 6104 (ii) a health care provider; or
- 6105 (iii) an employee, independent contractor, or other person affiliated with a person
- 6106 described in Subsection (3)(a)(i) or (ii);
- 6107 (b) accept a commission, referral fee, or any other form of consideration from a person
- 6108 described in Subsection (3)(a) for referring an individual to the person;
- 6109 (c) refer an individual or potential individual to a person described in Subsection (3)(a),
- 6110 unless the referral is to a local or state bar association referral service;

- 6111 (d) intentionally advertise materially false or misleading information about the
6112 maintenance funding provider's services;
- 6113 (e) make or attempt to influence a decision relating to the conduct, settlement, or
6114 resolution of a legal action for which the maintenance funding provider provides
6115 legal funding;~~[-øø]~~
- 6116 (f) knowingly pay or offer to pay court costs, filing fees, or attorney fees using legal
6117 funding~~[-]~~ ;
- 6118 (g) represent that the division or the state endorses the maintenance funding provider;
- 6119 (h) omit from a filing with the division a material statement of fact that this chapter or a
6120 rule the division makes in accordance with this chapter requires; or
- 6121 (i) include in a filing with the division a material statement of fact that the maintenance
6122 funding provider or maintenance funding provider's principal knows or should know
6123 is false, deceptive, inaccurate, or misleading.
- 6124 (4) A maintenance funding provider shall provide an individual who enters a maintenance
6125 funding agreement a copy of the executed maintenance funding agreement.
- 6126 Section 135. Section **13-57-203** is amended to read:
- 6127 **13-57-203 (Effective 05/06/26). Annual reports.**
- 6128 (1) On or before April 1 of each year, a maintenance funding provider registered in
6129 accordance with Section 13-57-201 shall file a report:
- 6130 (a) ~~[under oath]~~ that includes an unsworn declaration that the maintenance funding
6131 provider's chief financial officer or the maintenance funding provider's principal
6132 makes in accordance with Title 78B, Chapter 18a, Uniform Unsworn Declarations
6133 Act, confirming the report's accuracy;
- 6134 (b) with the ~~[director]~~ division; and
- 6135 (c) in a form the ~~[director prescribes]~~ division approves.
- 6136 (2) The report described in Subsection (1) shall include, for the preceding calendar year:
- 6137 (a) the number of maintenance funding agreements entered into by the maintenance
6138 funding provider;
- 6139 (b) the total dollar amount of legal funding the maintenance funding provider provided;
- 6140 (c) the total dollar amount of charges under each maintenance funding agreement,
6141 itemized and including the annual rate of return;
- 6142 (d) the total dollar amount and number of maintenance funding transactions in which the
6143 realized profit to the company was as contracted in the maintenance funding
6144 agreement;

- 6145 (e) the total dollar amount and number of maintenance funding transactions in which the
6146 realized profit to the company was less than contracted; and
6147 (f) any other information the director requires concerning the maintenance funding
6148 provider's business or operations in the state.

6149 Section 136. Section **13-57-302** is amended to read:

6150 **13-57-302 (Effective 05/06/26). Required disclosures.**

6151 A maintenance funding provider shall disclose in a maintenance funding agreement:

- 6152 (1) that the maintenance funding provider may not participate in deciding whether, when, or
6153 the amount for which a legal action is settled;
- 6154 (2) that the maintenance funding provider may not interfere with the independent
6155 professional judgment of the attorney handling the legal action or any settlement of the
6156 legal action;
- 6157 (3) the following statement in substantially the following form, in all capital letters and at
6158 least a 12-point [type] font: "THE FUNDED AMOUNT AND AGREED-TO CHARGES
6159 SHALL BE PAID ONLY FROM THE PROCEEDS OF YOUR LEGAL CLAIM, AND
6160 SHALL BE PAID ONLY TO THE EXTENT THAT THERE ARE AVAILABLE
6161 PROCEEDS FROM YOUR LEGAL CLAIM. YOU WILL NOT OWE (INSERT
6162 NAME OF THE MAINTENANCE FUNDING PROVIDER HERE) ANYTHING IF
6163 THERE ARE NO PROCEEDS FROM YOUR LEGAL CLAIM, UNLESS YOU HAVE
6164 VIOLATED A MATERIAL TERM OF THIS AGREEMENT OR YOU HAVE
6165 COMMITTED FRAUD AGAINST THE MAINTENANCE FUNDING PROVIDER.";
- 6166 (4) in accordance with Section 13-57-301, the following statement in substantially the
6167 following form and at least a 12-point [type] font: "CONSUMER'S RIGHT TO
6168 CANCELLATION: You may cancel this agreement without penalty or further
6169 obligation within five business days after the day on which you enter into this agreement
6170 with the maintenance funding provider if you either: 1. return to the maintenance
6171 funding provider the full amount of the disbursed funds by delivering the maintenance
6172 funding provider's uncashed check to the maintenance funding provider's office in
6173 person; or 2. send, by insured, certified, or registered United States mail, to the
6174 maintenance funding provider at the address specified in this agreement, a notice of
6175 cancellation and include in the mailing a return of the full amount of disbursed funds in
6176 the form of the maintenance funding provider's uncashed check or a registered or
6177 certified check or money order"; and
- 6178 (5) immediately above the line for the individual's signature, the following statement in at

6179 least a 12-point [type] font: "Do not sign this agreement before you read it completely or
 6180 if it contains any blank spaces. You are entitled to a completed copy of the agreement.
 6181 Before you sign this agreement, you should obtain the advice of an attorney. Depending
 6182 on your circumstances, you may want to consult a tax, benefits planning, or financial
 6183 professional."

6184 Section 137. Section **13-57-401** is amended to read:

6185 **13-57-401 (Effective 05/06/26). Rulemaking.**

6186 The division shall make rules in accordance with Title 63G, Chapter 3, Utah
 6187 Administrative Rulemaking Act, to:

- 6188 (1) establish an application process for a [business entity] person to register with the
 6189 division as a maintenance funding provider, in accordance with Section 13-57-201;
 6190 (2) establish a filing process for a maintenance funding provider to file a maintenance
 6191 funding agreement with the division;
 6192 (3) establish a filing process for annual reports required under Section 13-57-203; and
 6193 (4) carry out the provisions of this chapter.

6194 Section 138. Section **13-57-402** is amended to read:

6195 **13-57-402 (Effective 05/06/26). Public education regarding legal funding --**
 6196 **Reporting to Legislature.**

6197 [(+)] The director shall help educate the general public regarding legal funding in the state
 6198 by:

6199 [(a)] (1) analyzing and summarizing data maintenance funding providers submit under
 6200 Section 13-57-203; and

6201 [(b)] (2) publishing the analysis and summary described in Subsection [(+) (a)] (1) on the
 6202 division's web page on January 1, of each odd-numbered year.

6203 [(2)] ~~Before October 1, 2022, the director shall report to the Business and Labor Interim~~
 6204 ~~Committee on the status of legal funding in the state and make any recommendation the~~
 6205 ~~director decides is necessary to improve the regulatory framework of legal funding,~~
 6206 ~~including a recommendation on whether to limit charges a maintenance funding~~
 6207 ~~provider may impose under a maintenance funding agreement.]~~

6208 Section 139. Section **13-57-502** is amended to read:

6209 **13-57-502 (Effective 05/06/26). Penalties -- Enforcement.**

6210 [(+)] ~~After notice and an opportunity for an administrative hearing in accordance with Title~~
 6211 ~~63G, Chapter 4, Administrative Procedures Act, the division may, in addition to~~
 6212 ~~exercising the division's enforcement powers under Section 13-2-6, enforce the~~

- 6213 provisions of this chapter by:]
- 6214 [(a) revoking or suspending a maintenance funding provider's registration;]
- 6215 [(b) ordering a maintenance funding provider to cease and desist from further legal
- 6216 funding;]
- 6217 [(e) imposing a penalty of up to:]
- 6218 [(i) \$1,000 per violation; or]
- 6219 [(ii) \$10,000 per violation that the division finds willful; or]
- 6220 [(d) ordering the maintenance funding provider to make restitution to an individual.]
- 6221 (1) The division shall administer and enforce the provisions of this chapter in accordance
- 6222 with Chapter 2, Division of Consumer Protection.
- 6223 (2) In addition to the division's enforcement powers under Chapter 2, Division of Consumer
- 6224 Protection:
- 6225 (a) the division director may impose an administrative fine of up to \$2,500 for a
- 6226 violation of this chapter; and
- 6227 (b) the division may bring an action in a court with jurisdiction to enforce a provision of
- 6228 this chapter.
- 6229 (3) In an action the division brings in accordance with Subsection (2)(b), a court may:
- 6230 (a) declare that an act or practice violates a provision of this chapter;
- 6231 (b) issue an injunction for a violation of this chapter;
- 6232 (c) order disgorgement of any money received in violation of this chapter;
- 6233 (d) order payment of disgorged money to an injured purchaser or consumer;
- 6234 (e) impose a fine of up to \$2,500 for a violation of this chapter; or
- 6235 (f) award any other relief that the court deems reasonable and necessary.
- 6236 [(2)] (4) The division's enforcement powers under this section and Section [13-2-6] 13-2-107
- 6237 do not affect an individual's legal claim against a maintenance funding provider.
- 6238 Section 140. Section **13-61-101** is amended to read:
- 6239 **13-61-101 (Effective 05/06/26). Definitions.**
- 6240 As used in this chapter:
- 6241 (1) "Account" means the Consumer Privacy Restricted Account established in Section
- 6242 13-61-403.
- 6243 (2) "Affiliate" means an entity that:
- 6244 (a) controls, is controlled by, or is under common control with another entity; or
- 6245 (b) shares common branding with another entity.
- 6246 (3) "Aggregated data" means information that relates to a group or category of consumers:

- 6247 (a) from which individual consumer identities have been removed; and
6248 (b) that is not linked or reasonably linkable to any consumer.
- 6249 (4) "Air carrier" means the same as that term is defined in 49 U.S.C. Sec. 40102.
- 6250 (5) "Authenticate" means to use reasonable means to determine that a consumer's request to
6251 exercise the rights described in Section 13-61-201 is made by the consumer who is
6252 entitled to exercise those rights.
- 6253 (6)(a) "Biometric data" means data generated by automatic measurements of an
6254 individual's unique biological characteristics.
- 6255 (b) "Biometric data" includes data described in Subsection (6)(a) that are generated by
6256 automatic measurements of an individual's fingerprint, voiceprint, eye retinas, irises,
6257 or any other unique biological pattern or characteristic that is used to identify a
6258 specific individual.
- 6259 (c) "Biometric data" does not include:
- 6260 (i) a physical or digital photograph;
6261 (ii) a video or audio recording;
6262 (iii) data generated from an item described in Subsection (6)(c)(i) or (ii);
6263 (iv) information captured from a patient in a health care setting; or
6264 (v) information collected, used, or stored for treatment, payment, or health care
6265 operations as those terms are defined in 45 C.F.R. Parts 160, 162, and 164.
- 6266 (7) "Business associate" means the same as that term is defined in 45 C.F.R. Sec. 160.103.
- 6267 (8) "Child" means an individual younger than 13 years old.
- 6268 (9) "Consent" means an affirmative act by a consumer that unambiguously indicates the
6269 consumer's voluntary and informed agreement to allow a person to process personal data
6270 related to the consumer.
- 6271 (10)(a) "Consumer" means an individual who is a resident of the state acting in an
6272 individual or household context.
- 6273 (b) "Consumer" does not include an individual acting in an employment or commercial
6274 context.
- 6275 (11) "Control" or "controlled" as used in Subsection (2) means:
- 6276 (a) ownership of, or the power to vote, more than 50% of the outstanding shares of any
6277 class of voting securities of an entity;
- 6278 (b) control in any manner over the election of a majority of the directors or of the
6279 individuals exercising similar functions; or
- 6280 (c) the power to exercise controlling influence of the management of an entity.

- 6281 (12) "Controller" means a person doing business in the state who determines the purposes
6282 for which and the means by which personal data are processed, regardless of whether the
6283 person makes the determination alone or with others.
- 6284 (13) "Covered entity" means the same as that term is defined in 45 C.F.R. Sec. 160.103.
- 6285 (14)(a) "Deidentified data" means data that:
- 6286 (i) cannot reasonably be linked to an identified individual or an identifiable
6287 individual; and
- 6288 (ii) are possessed by a controller who:
- 6289 (A) takes reasonable measures to ensure that a person cannot associate the data
6290 with an individual;
- 6291 (B) publicly commits to maintain and use the data only in deidentified form and
6292 not attempt to reidentify the data; and
- 6293 (C) contractually obligates any recipients of the data to comply with the
6294 requirements described in Subsections [~~(14)(b)(i)~~] (14)(a)(i) and (ii).
- 6295 (b) "Deidentified data" includes synthetic data.
- 6296 (15) "Director" means the director of the Division of Consumer Protection.
- 6297 (16) "Division" means the Division of Consumer Protection created in Section [~~13-2-1~~]
6298 13-2-102.
- 6299 (17) "Governmental entity" means the same as that term is defined in Section 63G-2-103.
- 6300 (18) "Health care facility" means the same as that term is defined in Section 26B-2-201.
- 6301 (19) "Health care provider" means the same as that term is defined in Section 78B-3-403.
- 6302 (20) "Identifiable individual" means an individual who can be readily identified, directly or
6303 indirectly.
- 6304 (21) "Institution of higher education" means a public or private institution of higher
6305 education.
- 6306 (22) "Local political subdivision" means the same as that term is defined in Section
6307 11-14-102.
- 6308 (23) "Nonprofit corporation" means:
- 6309 (a) the same as that term is defined in Section 16-6a-102; or
- 6310 (b) a foreign nonprofit corporation as defined in Section 16-6a-102.
- 6311 (24)(a) "Personal data" means information that is linked or reasonably linkable to an
6312 identified individual or an identifiable individual.
- 6313 (b) "Personal data" does not include deidentified data, aggregated data, or publicly
6314 available information.

- 6315 (25) "Process" means an operation or set of operations performed on personal data,
6316 including collection, use, storage, disclosure, analysis, deletion, or modification of
6317 personal data.
- 6318 (26) "Processor" means a person who processes personal data on behalf of a controller.
- 6319 (27) "Protected health information" means the same as that term is defined in 45 C.F.R.
6320 Sec. 160.103.
- 6321 (28) "Pseudonymous data" means personal data that cannot be attributed to a specific
6322 individual without the use of additional information, if the additional information is:
- 6323 (a) kept separate from the consumer's personal data; and
6324 (b) subject to appropriate technical and organizational measures to ensure that the
6325 personal data are not attributable to an identified individual or an identifiable
6326 individual.
- 6327 (29) "Publicly available information" means information that a person:
- 6328 (a) lawfully obtains from a record of a governmental entity;
6329 (b) reasonably believes a consumer or widely distributed media has lawfully made
6330 available to the general public; or
6331 (c) if the consumer has not restricted the information to a specific audience, obtains from
6332 a person to whom the consumer disclosed the information.
- 6333 (30) "Right" means a consumer right described in Section 13-61-201.
- 6334 (31)(a) "Sale," "sell," or "sold" means the exchange of personal data for monetary
6335 consideration by a controller to a third party.
- 6336 (b) "Sale," "sell," or "sold" does not include:
- 6337 (i) a controller's disclosure of personal data to a processor who processes the personal
6338 data on behalf of the controller;
- 6339 (ii) a controller's disclosure of personal data to an affiliate of the controller;
- 6340 (iii) considering the context in which the consumer provided the personal data to the
6341 controller, a controller's disclosure of personal data to a third party if the purpose
6342 is consistent with a consumer's reasonable expectations;
- 6343 (iv) the disclosure or transfer of personal data when a consumer directs a controller to:
- 6344 (A) disclose the personal data; or
6345 (B) interact with one or more third parties;
- 6346 (v) a consumer's disclosure of personal data to a third party for the purpose of
6347 providing a product or service requested by the consumer or a parent or legal
6348 guardian of a child;

- 6349 (vi) the disclosure of information that the consumer:
- 6350 (A) intentionally makes available to the general public via a channel of mass
- 6351 media; and
- 6352 (B) does not restrict to a specific audience; or
- 6353 (vii) a controller's transfer of personal data to a third party as an asset that is part of a
- 6354 proposed or actual merger, an acquisition, or a bankruptcy in which the third party
- 6355 assumes control of all or part of the controller's assets.
- 6356 (32)(a) "Sensitive data" means:
- 6357 (i) personal data that reveals:
- 6358 (A) an individual's racial or ethnic origin;
- 6359 (B) an individual's religious beliefs;
- 6360 (C) an individual's sexual orientation;
- 6361 (D) an individual's citizenship or immigration status; or
- 6362 (E) information regarding an individual's medical history, mental or physical
- 6363 health condition, or medical treatment or diagnosis by a health care
- 6364 professional;
- 6365 (ii) the processing of genetic personal data or biometric data, if the processing is for
- 6366 the purpose of identifying a specific individual; or
- 6367 (iii) specific geolocation data.
- 6368 (b) "Sensitive data" does not include personal data that reveals an individual's:
- 6369 (i) racial or ethnic origin, if the personal data are processed by a video
- 6370 communication service; or
- 6371 (ii) if the personal data are processed by a person licensed to provide health care
- 6372 under Title 26B, Chapter 2, Part 2, Health Care Facility Licensing and Inspection,
- 6373 or Title 58, Occupations and Professions, information regarding an individual's
- 6374 medical history, mental or physical health condition, or medical treatment or
- 6375 diagnosis by a health care professional.
- 6376 (33)(a) "Specific geolocation data" means information derived from technology,
- 6377 including global position system level latitude and longitude coordinates, that directly
- 6378 identifies an individual's specific location, accurate within a radius of 1,750 feet or
- 6379 less.
- 6380 (b) "Specific geolocation data" does not include:
- 6381 (i) the content of a communication; or
- 6382 (ii) any data generated by or connected to advanced utility metering infrastructure

6383 systems or equipment for use by a utility.

6384 (34) "Synthetic data" means data that has been generated by computer algorithms or
6385 statistical models and does not contain personal data.

6386 (35)(a) "Targeted advertising" means displaying an advertisement to a consumer where
6387 the advertisement is selected based on personal data obtained from the consumer's
6388 activities over time and across nonaffiliated websites or online applications to predict
6389 the consumer's preferences or interests.

6390 (b) "Targeted advertising" does not include advertising:

6391 (i) based on a consumer's activities within a controller's website or online application
6392 or any affiliated website or online application;

6393 (ii) based on the context of a consumer's current search query or visit to a website or
6394 online application;

6395 (iii) directed to a consumer in response to the consumer's request for information,
6396 product, a service, or feedback; or

6397 (iv) processing personal data solely to measure or report advertising:

6398 (A) performance;

6399 (B) reach; or

6400 (C) frequency.

6401 (36) "Third party" means a person other than:

6402 (a) the consumer, controller, or processor; or

6403 (b) an affiliate or contractor of the controller or the processor.

6404 (37) "Trade secret" means information, including a formula, pattern, compilation, program,
6405 device, method, technique, or process, that:

6406 (a) derives independent economic value, actual or potential, from not being generally
6407 known to, and not being readily ascertainable by proper means by, other persons who
6408 can obtain economic value from the information's disclosure or use; and

6409 (b) is the subject of efforts that are reasonable under the circumstances to maintain the
6410 information's secrecy.

6411 Section 141. Section **13-64-101** is amended to read:

6412 **13-64-101 (Effective 05/06/26). Definitions.**

6413 As used in this chapter:

6414 (1) "Administrative functions" means the same as that term is defined in Section
6415 31A-6b-102.

6416 (2) "Agreement administrator" means a person who provides administrative functions

- 6417 related to a vehicle value protection agreement.
- 6418 (3) "Covered vehicle" means a vehicle that is covered under a vehicle value protection
6419 agreement.
- 6420 (4) "Division" means the Division of Consumer Protection established in Section [~~13-2-1~~]
6421 13-2-102.
- 6422 (5) "Finance agreement" means the same as that term is defined in Section 31A-6b-102.
- 6423 (6) "Insurer" means the same as that term is defined in Section 31A-1-301.
- 6424 (7) "Preliminary period" means a time period that:
- 6425 (a) begins the day on which the vehicle value protection agreement becomes effective;
6426 and
- 6427 (b) ends the last day on which the purchaser may cancel the vehicle value protection
6428 agreement with a full refund.
- 6429 (8) "Provider" means a person who is obligated to provide a benefit to another person under
6430 a vehicle value protection agreement.
- 6431 (9) "Purchaser" means a person who purchases a benefit from another person under a
6432 vehicle value protection agreement.
- 6433 (10) "Security" means the same as that term is defined in Section 31A-1-301.
- 6434 (11) "Vehicle" means the same as that term is defined in Section 31A-6b-102.
- 6435 (12)(a) "Vehicle value protection agreement" means an agreement for a separate charge
6436 between a provider and purchaser under which the provider agrees to, upon damage,
6437 total loss, or unrecovered theft of the purchaser's covered vehicle, provide a benefit to
6438 the purchaser that may be applied to:
- 6439 (i) the cash value of the covered vehicle when traded in for a replacement vehicle;
6440 (ii) the finance agreement for a replacement vehicle; or
6441 (iii) the purchase or lease price of a replacement vehicle.
- 6442 (b) "Vehicle value protection agreement" includes:
- 6443 (i) a vehicle trade-in agreement;
6444 (ii) a vehicle diminished value agreement;
6445 (iii) a vehicle cash down payment protection agreement; and
6446 (iv) a vehicle depreciation benefit agreement.
- 6447 (c) "Vehicle value protection agreement" does not include:
- 6448 (i) insurance or an insurance contract regulated under Title 31A, Insurance Code;
6449 (ii) a guaranteed asset protection waiver, as defined in Section 31A-6b-102;
6450 (iii) a debt cancellation agreement, as defined in Section 31A-21-109; or

6451 (iv) a debt suspension contract, as defined in Section 31A-21-109.

6452 Section 142. Section **13-64-301** is amended to read:

6453 **13-64-301 (Effective 05/06/26). Administration and enforcement -- Division**
 6454 **powers -- Fees -- Rulemaking.**

6455 (1) The division shall administer and enforce this chapter in accordance with Chapter 2,
 6456 Division of Consumer Protection.

6457 (2) In addition to the division's enforcement powers under Chapter 2, Division of Consumer
 6458 Protection:

6459 (a) the division director may impose an administrative fine of up to \$2,500 for each act
 6460 that is in violation of this chapter, including failure to insure or consider a vehicle
 6461 value protection agreement as required under Subsection 13-64-202(1); and

6462 (b) the division may bring a civil action to enforce this chapter.

6463 (3) In a civil action by the division to enforce this chapter, the court may:

6464 (a) declare that an act or practice violates this chapter;

6465 (b) issue an injunction for a violation of this chapter;

6466 (c) order disgorgement of any money received after a violation of this chapter;

6467 (d) order payment of disgorged money to an injured individual;

6468 (e) impose a civil penalty of up to \$2,500 for each violation of this chapter; or

6469 (f) award any other relief that the court deems reasonable and necessary.

6470 (4) If a court grants judgment or injunctive relief to the division, the court shall award the
 6471 division:

6472 (a) reasonable attorney fees;

6473 (b) court costs; and

6474 (c) investigative fees.

6475 (5)(a) A person who violates an administrative or court order issued for a violation of
 6476 this chapter is subject to a civil penalty of no more than \$5,000 for each violation.

6477 (b) A civil penalty authorized under this section may be imposed in any civil action
 6478 brought by the division.

6479 (c) The division shall deposit money received for the payment of a fine or civil penalty
 6480 under this section into the Consumer Protection Education and Training Fund created
 6481 in Section [~~13-2-8~~] 13-2-109.

6482 (6) The division may make rules in accordance with Title 63G, Chapter 3, Utah
 6483 Administrative Rulemaking Act, to administer and enforce this chapter.

6484 Section 143. Section **13-65-203** is amended to read:

6485 **13-65-203 (Effective 05/06/26). Enforcement.**

6486 (1) The division shall administer and enforce the provisions of this chapter in accordance
 6487 with Chapter 2, Division of Consumer Protection.

6488 [~~(2) The attorney general, upon request, shall give legal advice to, and act as counsel for,
 6489 the division in the exercise of the division's responsibilities under this chapter.~~]

6490 [~~(3)~~ (2)(a) In addition to the division's enforcement powers under Chapter 2, Division of
 6491 Consumer Protection:

6492 (i) the division director may impose an administrative fine of up to \$2,500 for each
 6493 violation of this chapter; and

6494 (ii) the division may bring an action in a court of competent jurisdiction to enforce a
 6495 provision of this chapter.

6496 (b) In a court action by the division to enforce a provision of this chapter, the court may:

6497 (i) declare that an act or practice violates a provision of this chapter;

6498 (ii) issue an injunction for a violation of this chapter;

6499 (iii) order disgorgement of any money received in violation of this chapter;

6500 (iv) order payment of disgorged money to an injured purchaser or consumer;

6501 (v) impose a fine of up to \$2,500 for each violation of this chapter; or

6502 (vi) award any other relief that the court deems reasonable and necessary.

6503 [~~(4)~~ (3) If a court of competent jurisdiction grants judgment or injunctive relief to the
 6504 division, the court shall award the division:

6505 (a) reasonable attorney fees;

6506 (b) court costs; and

6507 (c) investigative fees.

6508 [~~(5)~~ (4)(a) A person who violates an administrative or court order issued for a violation
 6509 of this chapter is subject to a civil penalty of no more than \$5,000 for each violation.

6510 (b) A civil penalty authorized under this section may be imposed in any civil action
 6511 brought by [~~the attorney general on behalf of~~]the division.

6512 [~~(6)~~ (5) All money received for the payment of a fine or civil penalty imposed under this
 6513 section shall be deposited into the Consumer Protection Education and Training Fund
 6514 created in Section [~~13-2-8~~] 13-2-109.

6515 Section 144. Section **13-68-101** is amended to read:

6516 **13-68-101 (Effective 05/06/26). Definitions.**

6517 As used in this chapter:

6518 (1) "Attorney" means an individual who is authorized to provide legal services in any state

- 6519 or territory of the United States.
- 6520 (2) "Client" means a person:
- 6521 (a) ~~[that is provided]~~ to whom a lawyer referral consultant provides lawyer referral
- 6522 services~~[by a lawyer referral consultant]~~ ; or
- 6523 (b) that enters into an agreement to receive services from a lawyer referral consultant.
- 6524 (3) "Compensation" means anything of economic value that ~~[is paid, loaned, granted, given,~~
- 6525 ~~donated, or transferred]~~ a person pays, loans, grants, gives, donates, or transfers to a
- 6526 person, directly or indirectly, for or in consideration of:
- 6527 (a) services;
- 6528 (b) personal or real property; or
- 6529 (c) another thing of value.
- 6530 (4) "Digital marketing service" means an ~~[Internet-based]~~ internet-based company that:
- 6531 (a) advertises legal services on behalf of a law firm; and
- 6532 (b) does not contact prospective clients individually.
- 6533 (5) "Division" means the Division of Consumer Protection ~~[in the Department of Commerce]~~
- 6534 established in Section 13-2-102.
- 6535 (6) "Law firm" means an entity consisting of one or more licensed lawyers lawfully
- 6536 engaged in the practice of law.
- 6537 (7) "Lawyer referral consultant" means an individual that engages in lawyer referral service.
- 6538 (8)(a) "Lawyer referral service" means assisting a person to find an attorney or law firm
- 6539 that provides legal services in the legal field appropriate for the person's legal matter.
- 6540 (b) "Lawyer referral service" does not include a digital marketing service.
- 6541 (9) "Legal services" means any form of legal advice or legal representation that is subject to
- 6542 the laws of this state.

6543 Section 145. Section **13-68-201** is amended to read:

6544 **13-68-201 (Effective 05/06/26). Requirement to be registered as a lawyer referral**

6545 **consultant.**

6546 (1)~~[(a)]~~ Except as provided in Subsection ~~[(1)(b)]~~ (2), an individual may not engage in an

6547 activity of a lawyer referral consultant for compensation unless the individual ~~[is~~

6548 ~~registered]~~ registers as a lawyer referral consultant under this chapter.

6549 ~~[(b)]~~ (2) Except as provided in Subsections 13-68-303(3), (4), and ~~[(4)]~~ (5), this chapter does

6550 not apply to an attorney.

6551 ~~[(2)]~~ (3) A lawyer referral consultant may only offer nonlegal assistance or advice in

6552 providing lawyer referral services.

6553 Section 146. Section **13-68-202** is amended to read:

6554 **13-68-202 (Effective 05/06/26). Application for registration.**

6555 (1) To register as a lawyer referral consultant an individual shall:

6556 (a) submit an annual application in a form~~[-prescribed by the division]~~ :

6557 (i) in the manner the division determines; and

6558 (ii) including any information that the division requires by rule the division makes in
6559 accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act;

6560 (b) pay an annual registration fee determined by the division in accordance with Section
6561 63J-1-504~~[-which shall include the costs of the criminal background check required~~
6562 ~~under Subsection (1)(e)];~~

6563 (c) not have [good moral character in that the individual has not]been convicted of:

6564 (i) a felony; or

6565 (ii) within the [prior 10 years] 10 years before the day on which the applicant submits
6566 the application or renewal application, a misdemeanor involving theft, fraud, or
6567 dishonesty;

6568 (d) not have violated Chapter 11, Utah Consumer Sales Practices Act;

6569 ~~[(d)] (e)~~ submit fingerprint cards in a form acceptable to the division at the time the
6570 application is filed;~~[-and]~~

6571 (f) pay the cost of:

6572 (i) the fingerprint card described in Subsection (1)(e); and

6573 (ii) the criminal background check described in Subsection (1)(g);

6574 ~~[(e)] (g)~~ consent to a fingerprint background check of the individual by:

6575 (i) ~~[-]the Bureau of Criminal Identification[-regarding the application]~~ ; or

6576 (ii) another state or federal agency that performs criminal background checks; and

6577 (h) designate a registered agent for service of process in the state, and state the registered
6578 agent's:

6579 (i) name;

6580 (ii) street address;

6581 (iii) mailing address; and

6582 (iv) telephone number.

6583 (2) The division shall register an individual who qualifies under this chapter as a lawyer
6584 referral consultant.

6585 (3) A lawyer referral consultant shall update registration information within 30 days after
6586 the day on which information the lawyer referral consultant provides to the division on

6587 the application becomes incorrect or incomplete.

6588 (4) Registration of a lawyer referral consultant in accordance with this chapter is effective
 6589 for one year after the day on which the division registers an individual as a lawyer
 6590 referral consultant.

6591 (5) To renew a lawyer referral consultant registration in accordance with this section, a
 6592 lawyer referral consultant shall submit a registration renewal application to the division
 6593 at least 30 days before the day on which the lawyer referral consultant's registration
 6594 expires.

6595 (6) Registration with the division does not constitute an approval or endorsement of the
 6596 lawyer referral consultant by the division or the state.

6597 Section 147. Section **13-68-204** is amended to read:

6598 **13-68-204 (Effective 05/06/26). Bonds -- Exemption -- Statements dependent on**
 6599 **posting bond.**

6600 (1) A lawyer referral consultant shall [~~post a cash bond or surety bond~~] submit proof of
 6601 obtaining and maintaining the following in a form the division approves and in the
 6602 amount of \$50,000:

6603 (a) a surety bond that a surety authorized to transact business in this state issues; or
 6604 (b) a certificate of deposit in a financial institution authorized under the laws of this state
 6605 or the United States to accept deposits from the public.

6606 [(a) ~~in the amount of \$50,000; and~~]

6607 [(b) ~~payable to the division for the benefit of any person damaged by any of the~~
 6608 ~~following acts that a lawyer referral consultant or the lawyer referral consultant's~~
 6609 ~~agent, representative, or employee commits:]~~

6610 [(i) ~~fraud;~~]

6611 [(ii) ~~misstatement;~~]

6612 [(iii) ~~misrepresentation;~~]

6613 [(iv) ~~unlawful act;~~]

6614 [(v) ~~omission; or~~]

6615 [(vi) ~~failure to provide lawyer referral services.~~]

6616 (2) The division may claim a lawyer referral consultant's surety bond or certificate of
 6617 deposit for the benefit of a consumer who incurs actual damages as a result of the lawyer
 6618 referral consultant's failure to comply with this chapter.

6619 [(2) ~~A bond under this section shall be:~~]

6620 [(a) ~~in a form approved by the division;~~]

- 6621 ~~[(b) conditioned upon the faithful compliance of a lawyer referral consultant with this~~
6622 ~~chapter and division rules; and]~~
- 6623 ~~[(e) maintained at all times while the lawyer referral consultant provides lawyer referral~~
6624 ~~services.]~~
- 6625 (3) After a consumer recovers actual damages, the division may recover from the surety
6626 bond or certificate of deposit any administrative fine, civil penalty, investigative cost,
6627 attorney fees, and other costs of collecting and distributing funds under this section.
- 6628 ~~[(3) A lawyer referral consultant shall keep the bond required under this section in force for~~
6629 ~~one year after:]~~
- 6630 ~~[(a) the lawyer referral consultant's registration expires; or]~~
- 6631 ~~[(b) the lawyer referral consultant notifies the division in writing that the lawyer referral~~
6632 ~~consultant has ceased all activities regulated under this chapter.]~~
- 6633 (4)(a) If a surety bond ~~[posted by]~~ or certificate of deposit that a lawyer referral
6634 consultant posts under this section is canceled due to the lawyer referral consultant's
6635 negligence, the division may assess a \$300 reinstatement fee.
- 6636 (b) No part of a surety bond ~~[posted by]~~ or certificate of deposit a lawyer referral
6637 consultant posts under this section may be withdrawn:
- 6638 (i) during the one-year period the registration under this chapter is in effect; or
- 6639 (ii) while a revocation proceeding is pending against the lawyer referral consultant.
- 6640 (5)(a) A surety bond ~~[posted under this section by]~~ or certificate of deposit that a lawyer
6641 referral consultant posts under this section may be forfeited if the division revokes
6642 the lawyer referral consultant's registration under this chapter~~[-is revoked].~~
- 6643 (b) Notwithstanding Subsection (5)(a), the division may make a claim against a surety
6644 bond ~~[posted by]~~ or certificate of deposit that a lawyer referral consultant posts for
6645 money ~~[owed]~~ the lawyer referral consultant owes to the division under this chapter
6646 without the division first revoking the lawyer referral consultant's registration.
- 6647 (6) An individual may not disseminate by any means a statement indicating that the
6648 individual is a lawyer referral consultant, or proposes to engage in the business of a
6649 lawyer referral consultant, unless the individual ~~[has posted a bond under this section~~
6650 ~~that is maintained throughout the period covered by the statement]~~ complies with
6651 Subsection (1).
- 6652 (7) A lawyer referral consultant may not make or authorize the making of an oral or written
6653 reference to the lawyer referral consultant's compliance with ~~[the bonding requirements~~
6654 ~~of this section except as provided in this section]~~ Subsection (1).

6655 Section 148. Section **13-68-205** is enacted to read:

6656 **13-68-205 (Effective 05/06/26). Denial, suspension, or revocation of an**
 6657 **application or registration.**

6658 In accordance with Chapter 2, Division of Consumer Protection, and Title 63G, Chapter
 6659 4, Administrative Procedures Act, the division may initiate adjudicative proceedings to deny,
 6660 suspend, or revoke an application or registration if:

6661 (1) the division finds that the denial, suspension, or revocation is in the public interest; and

6662 (2)(a) the registration is incomplete, false, or misleading; or

6663 (b) the applicant or the applicant's principal:

6664 (i) violates, causes a violation, allows a violation, or fails to satisfy the requirements
 6665 of a provision of:

6666 (A) this chapter; or

6667 (B) a rule the division makes in accordance with this chapter;

6668 (ii) violates Chapter 11, Utah Consumer Sales Practices Act;

6669 (iii) is enjoined by a court, or is the subject of an administrative or judicial order
 6670 issued in Utah or another state, if the order:

6671 (A) includes a finding or admission of fraud, breach of fiduciary duty, or material
 6672 misrepresentation; or

6673 (B) is based on a finding of a lack of integrity, truthfulness, or mental competence;

6674 (iv) is convicted of a crime involving theft, fraud, or dishonesty;

6675 (v) obtains or attempts to obtain a registration by misrepresenting a material fact;

6676 (vi) fails to provide information the division requests;

6677 (vii) fails to pay an administrative fine the division or an administrative or judicial
 6678 order imposes; or

6679 (viii) fails to pay the fee to file a registration application or a renewal application.

6680 Section 149. Section **13-68-301** is amended to read:

6681 **13-68-301 (Effective 05/06/26). Requirements for written contract -- Prohibited**
 6682 **statements.**

6683 (1)[(a) Before a] A lawyer referral consultant [may provide lawyer referral services to a
 6684 client, the lawyer referral consultant] shall provide [the] a client with a written contract
 6685 before providing a lawyer referral consulting service to the client.

6686 [(b)] (2) The contents of the written contract described in Subsection [(1)(a)] (1) shall
 6687 comply with this section and rules [made by]the division makes in accordance with
 6688 Title 63G, Chapter 3, Utah Administrative Rulemaking Act.

- 6689 ~~[(e)]~~ (3) A prospective client may cancel a written contract on or before midnight of the
 6690 third business day after execution of the written contract, excluding weekends and state
 6691 and federal holidays.
- 6692 ~~[(2)]~~ (4) A written contract under this section shall be stated in both English and in the
 6693 client's native language.
- 6694 ~~[(3)]~~ (5) A written contract under this section shall:
- 6695 (a) state the purpose for which the client hires the lawyer referral consultant~~[has been~~
 6696 hired];
- 6697 (b) state the one or more lawyer referral services ~~[to be performed]~~ the lawyer referral
 6698 consultant will perform;
- 6699 (c) state the price for a lawyer referral service ~~[to be performed]~~ the lawyer referral
 6700 consultant will perform;
- 6701 (d) include a statement printed in ~~[10-point]~~ 12-point boldface ~~[type]~~ font that the lawyer
 6702 referral consultant:
- 6703 (i) ~~[-]~~is not an attorney; and
- 6704 (ii) ~~[-]~~may not perform the legal services that an attorney performs;
- 6705 (e) include a provision stating that the client may report complaints relating to a lawyer
 6706 referral consultant to the division, including a ~~[toll-free-]~~telephone number and [
 6707 ~~Internet-]~~website;
- 6708 (f) include a provision stating that complaints concerning the unauthorized practice of
 6709 law may be reported to the Utah State Bar, including a ~~[toll-free-]~~telephone number
 6710 and [~~Internet-]~~website; and
- 6711 (g) ~~[in accordance with Subsection (1)(b),]~~include a provision stating in boldface on the
 6712 first page of the written contract~~[in both English and in the client's native language in~~
 6713 ~~accordance with Subsection (2)]~~: "You may cancel this contract on or before
 6714 midnight of the third business day after execution of the written contract."
- 6715 ~~[(4)]~~ A written contract may not contain a provision relating to a guarantee or promise
 6716 unless the lawyer referral consultant has some basis in fact for making the guarantee or
 6717 promise.]
- 6718 ~~[(5)]~~ (6) A lawyer referral consultant may not~~[make a guarantee or promise described in~~
 6719 ~~Subsection (4) orally to a client]~~ , without some basis in fact:
- 6720 (a) include in a written contract a guarantee or promise; or
- 6721 (b) orally represent that the lawyer referral service includes a guarantee or promise.
- 6722 ~~[(6)]~~ (7) A written contract is void if not written in accordance with this section.

6723 Section 150. Section **13-68-302** is amended to read:

6724 **13-68-302 (Effective 05/06/26). Accounting for services -- Receipts.**

6725 (1)(a) A lawyer referral consultant shall provide a signed receipt to a client for each
6726 payment ~~[made by that]~~ the client makes.

6727 (b) A receipt described in Subsection (1)(a) shall be typed or computer generated on the
6728 lawyer referral consultant's letterhead.

6729 (2) A lawyer referral consultant shall ~~[make]~~ provide a statement of accounting for the
6730 lawyer referral services rendered and payments made:

6731 (a) in the client's native language;

6732 (b) that is typed or computer generated on the lawyer referral consultant's letterhead;

6733 (c) that lists the individual and total charges for services; and

6734 (d) that lists the payments made by or on behalf of the client.

6735 Section 151. Section **13-68-303** is amended to read:

6736 **13-68-303 (Effective 05/06/26). Notice to be displayed -- Disclosure to be**
6737 **provided in writing.**

6738 ~~[(1) A lawyer referral consultant shall conspicuously display in the lawyer referral~~
6739 ~~consultant's office a notice that shall be at least 12 by 20 inches with boldface type or~~
6740 ~~print with each character at least one inch in height and width, that contains the~~
6741 ~~following information:]~~

6742 ~~[(a) the full name, address, and evidence of compliance with any applicable bonding~~
6743 ~~requirement including the bond number;]~~

6744 ~~[(b) a statement that the lawyer referral consultant is not an attorney; and]~~

6745 ~~[(c) the name of each lawyer referral consultant employed at each location.]~~

6746 ~~[(2)]~~ (1)(a) Before providing any services, a lawyer referral consultant shall provide a
6747 client with a written disclosure in the native language of the client that includes the
6748 following:

6749 (i) the lawyer referral consultant's name, address, and telephone number;

6750 (ii) the lawyer referral consultant's agent for service of process in this state, including
6751 the agent's[:];

6752 (A) name;

6753 (B) street address;

6754 (C) mailing address; and

6755 (D) telephone number;

6756 (iii) evidence of compliance with any applicable ~~[bonding]~~ surety bond or certificate

6757 of deposit requirement, including the surety bond or certificate of deposit number;
 6758 and

6759 (iv) a list of the services that the lawyer referral consultant provides and the current
 6760 and total fee for each service.

6761 ~~[(b)]~~ (2) A lawyer referral consultant shall obtain the signature of the client verifying that
 6762 the client ~~[received]~~ receives the written disclosure described in Subsection ~~[(2)(a)]~~ (1)
 6763 before a lawyer referral consultant provides a service~~[-is provided]~~.

6764 (3)~~[(a)]~~ Except as provided in Subsection ~~[(3)(b)]~~ (4), a lawyer referral consultant who
 6765 prints, displays, publishes, distributes, or broadcasts, or who causes to be printed,
 6766 displayed, published, distributed, or broadcasted, any advertisement for services as a
 6767 lawyer referral consultant, shall include in that advertisement a clear and conspicuous
 6768 statement that the lawyer referral consultant is not an attorney.

6769 ~~[(b)]~~

6770 ~~[(i)]~~ (4) Subsection ~~[(3)(a)]~~ (3) does not apply to a person who is not an active member of the
 6771 Utah State Bar, but is an attorney licensed in another state or territory of the United
 6772 States.

6773 ~~[(ii)]~~ (5) A person described in Subsection ~~[(3)(b)(i)]~~ (4) shall include in ~~[any]~~ an
 6774 advertisement for lawyer referral services a clear and conspicuous statement that the
 6775 person is not an attorney licensed to practice law in this state, but is an attorney licensed
 6776 in another state or territory of the United States.

6777 ~~[(4)]~~ (6) If an advertisement subject to this section is in a language other than English, the
 6778 statement required by Subsection (3) shall be in the same language as the advertisement.

6779 Section 152. Section **13-68-401** is amended to read:

6780 **13-68-401 (Effective 05/06/26). Unlawful acts.**

6781 (1) It is unlawful for a lawyer referral consultant or ~~[any other]~~ another person to:

6782 (a) ~~[make-]~~ make, cause, or allow to be made a false or misleading statement to a client
 6783 or prospective client while providing or soliciting services to that client or
 6784 prospective client;

6785 (b) ~~[make-]~~ make, cause, or allow to be made a guarantee or promise to a client or
 6786 prospective client, unless the guarantee or promise is in writing and there is basis in
 6787 fact for making the guarantee or promise;

6788 (c) charge a client a fee for referral of the client to another person for services that the
 6789 lawyer referral consultant cannot or will not provide to the client;~~[-or]~~

6790 (d) communicate with a prospective client for the purpose of obtaining or referring

6791 business if the communication concerns a disaster, or an action for personal injury or
6792 wrongful death, unless:

- 6793 (i) the disaster, injury, or death occurred more than 30 days before the
6794 communication;
- 6795 (ii) the prospective client is a person who has a prior familial, prior personal, or prior
6796 professional relationship with the lawyer to be referred, the lawyer referral
6797 consultant, or the person communicating with the prospective client;
- 6798 (iii) the prospective client initiates the communication~~[is initiated by the prospective
6799 client];~~ or
- 6800 (iv) ~~[the communication is requested by]~~ a third party who has a prior familial or
6801 prior close personal relationship with the prospective client requests the
6802 communication~~[.]~~ ;

- 6803 (e) represent that the division or the state endorses or approves the lawyer referral
6804 consultant;
- 6805 (f) omit from a filing with the division a material statement of fact that this chapter or a
6806 rule the division makes in accordance with this section requires; or
- 6807 (g) include in a filing with the division a material statement of fact that the lawyer
6808 referral consultant or the lawyer referral consultant's principal knows or should know
6809 is false, deceptive, inaccurate, or misleading.

6810 (2) A lawyer referral consultant may not translate a document or other information in a way
6811 that falsely represents or implies that the lawyer referral consultant is an attorney.

6812 ~~[(2) A sign describing the prohibition described in Subsection (1)(c) shall be conspicuously
6813 displayed in the office of a lawyer referral consultant.]~~

6814 Section 153. Section **13-68-402** is amended to read:

6815 **13-68-402 (Effective 05/06/26). Violations -- Actions by division.**

6816 (1) The division shall administer and enforce the provisions of this chapter in accordance
6817 with Chapter 2, Division of Consumer Protection.

6818 ~~[(2) The attorney general, upon request, shall give legal advice to, and act as counsel for,
6819 the division in the exercise of the division's responsibilities under this chapter.]~~

6820 ~~[(3)]~~ (2)~~[(a)]~~ In addition to the division's enforcement powers under Chapter 2, Division
6821 of Consumer Protection:

6822 ~~[(i)]~~ (a) the division director may impose an administrative fine of up to \$2,500 for each
6823 violation of this chapter; and

6824 ~~[(ii)]~~ (b) the division may bring an action in a court ~~[of competent]~~ with jurisdiction to

6825 enforce a provision of this chapter.

6826 [~~(b)~~] (3) In [~~a court action by the division to enforce a provision of this chapter~~] an action the
6827 division brings in accordance with Subsection (2)(b), the court may:

6828 [(i)] (a) declare that an act or practice violates a provision of this chapter;

6829 [(ii)] (b) issue an injunction for a violation of this chapter;

6830 [(iii)] (c) order disgorgement of any money received in violation of this chapter;

6831 [(iv)] (d) order payment of disgorged money to an injured purchaser or consumer;

6832 [(v)] (e) impose a fine of up to \$2,500 for each violation of this chapter; or

6833 [(vi)] (f) award any other relief that the court deems reasonable and necessary.

6834 (4) If a court [~~of competent~~] with jurisdiction grants judgment or injunctive relief to the
6835 division, the court shall award the division:

6836 (a) reasonable attorney fees;

6837 (b) court costs; and

6838 (c) investigative fees.

6839 (5)(a) A person who violates an administrative or court order issued for a violation of
6840 this chapter is subject to a civil penalty of no more than \$5,000 for each violation.

6841 (b) A civil penalty authorized under this section may be imposed in any civil action
6842 brought by the [~~attorney general on behalf of the~~] division.

6843 [(e) All money received for the payment of a fine or civil penalty imposed under this
6844 section shall be deposited into the Consumer Protection Education and Training Fund
6845 created in Section 13-2-8.]

6846 (6)(a) A person who intentionally violates this chapter:

6847 (i) is guilty of a class A misdemeanor; and

6848 (ii) may be fined up to \$10,000.

6849 (b) A person intentionally violates this part if the violation occurs after the division,
6850 attorney general, or a district or county attorney notifies the person by certified mail
6851 that the person is in violation of this chapter.

6852 Section 154. Section **13-68-403** is amended to read:

6853 **13-68-403 (Effective 05/06/26). Action by attorney general or district or county**
6854 **attorney.**

6855 (1) Upon referral from the division, the attorney general or any district or county attorney
6856 may:

6857 (a) bring an action for temporary or permanent injunctive or other relief in any court of
6858 competent jurisdiction for any violation of this part;

6859 (b) bring an action in any court of competent jurisdiction for the collection of penalties
6860 authorized under Subsection 13-68-402(2); or

6861 (c) bring an action under Subsection [~~13-68-402(4)~~] 13-68-402(5).

6862 (2) A court may, upon entry of final judgment, award restitution when appropriate to any
6863 person suffering loss because of a violation of this part if proof of loss is submitted to
6864 the satisfaction of the court.

6865 Section 155. Section **13-68-404** is amended to read:

6866 **13-68-404 (Effective 05/06/26). Recovery of losses.**

6867 In addition to any other remedies, a person [~~suffering~~] that suffers pecuniary loss because
6868 of a violation by another person of this chapter may bring an action in any court [~~of competent~~]
6869 with jurisdiction and may recover:

6870 (1) the greater of:

6871 (a) \$500; or

6872 (b) twice the amount of the pecuniary loss; and

6873 (2) court costs and reasonable attorney fees as [~~determined by~~]the court determines.

6874 Section 156. Section **13-70-101** is amended to read:

6875 **13-70-101 (Effective 05/06/26). Definitions.**

6876 As used in this chapter:

6877 (1) "Automatic renewal provision" means a provision under a contract that is automatically
6878 renewed at the end of a definite, paid term for a subsequent, paid term that is longer than
6879 45 days.

6880 (2) "Clearly and conspicuously disclose" means to disclose:

6881 (a) in print:

6882 (i) in larger [~~type~~] font than the surrounding text;

6883 (ii) in contrasting type, font, or color to the surrounding text of the same size; or

6884 (iii) in a manner set off from the surrounding text of the same size by symbols or
6885 other marks that clearly call attention to the language; or

6886 (b) through audio, in a volume and cadence sufficient to be readily audible and
6887 understandable.

6888 (3) "Division" means the Division of Consumer Protection established in Section [~~13-2-1~~]
6889 13-2-102.

6890 (4) "Rental agreement" means any agreement, written or oral, which establishes or modifies
6891 the terms, conditions, rules, or any other provisions regarding the use or occupancy of
6892 real property for residential or commercial purposes.

6893 (5) "Trial period offer" means an offer to provide a period of time to sample or use a
6894 product or service without payment.

6895 Section 157. Section **13-70-301** is amended to read:

6896 **13-70-301 (Effective 05/06/26). Administration and enforcement -- Division**
6897 **powers -- Fees -- Rulemaking.**

6898 (1) The division shall administer and enforce this chapter in accordance with Chapter 2,
6899 Division of Consumer Protection.

6900 (2) In addition to the division's enforcement powers under Chapter 2, Division of Consumer
6901 Protection:

6902 (a) the division director may impose an administrative fine of up to \$2,500 for each
6903 violation of this chapter; and

6904 (b) the division may bring a civil action to enforce this chapter.

6905 (3) In a civil action by the division to enforce this chapter, the court may:

6906 (a) declare that an act or practice violates this chapter;

6907 (b) issue an injunction for a violation of this chapter;

6908 (c) order disgorgement of any money received after a violation of this chapter;

6909 (d) order payment of disgorged money to an injured individual;

6910 (e) impose a civil penalty of up to \$2,500 for each violation of this chapter; or

6911 (f) award any other relief that the court deems reasonable and necessary.

6912 (4) If a court grants judgment or [-]injunctive relief to the division, the court shall award the
6913 division:

6914 (a) reasonable attorney fees;

6915 (b) court costs; and

6916 (c) investigative fees.

6917 (5)(a) A person [~~who~~] that violates an administrative or court order issued for a violation
6918 of this chapter is subject to a civil penalty of no more than \$5,000 for each violation.

6919 (b) A civil penalty authorized under this section may be imposed in [~~any~~] a civil action
6920 brought by the division.

6921 [~~(e) The division shall deposit money received for the payment of a fine or civil penalty~~
6922 ~~under this section into the General Fund.~~]

6923 (6) The division may make rules in accordance with Title 63G, Chapter 3, Utah
6924 Administrative Rulemaking Act, to enforce this chapter.

6925 Section 158. Section **13-71-101** is amended to read:

6926 **13-71-101 (Effective 05/06/26). Definitions.**

- 6927 (1) "Account holder" means a person who has, creates, or opens an account or profile to use
6928 a social media service.
- 6929 (2) "Age assurance system" means measures reasonably calculated to enable a social media
6930 company to identify whether a current or prospective Utah account holder is a minor
6931 with an accuracy rate of at least 95%.
- 6932 (3) "Connected account" means an account on the social media service that is directly
6933 connected to:
- 6934 (a) the minor account holder's account; or
6935 (b) an account that is directly connected to an account directly connected to the minor
6936 account holder's account.
- 6937 (4) "Content" means any information, visual depictions, tools, features, links, software, or
6938 other materials that appear on or are available or enabled through a social media service.
- 6939 (5) "Directly connected" means an account on the social media service that is connected to
6940 another account by:
- 6941 (a) sending a request to connect to another account holder and having the request to
6942 connect accepted by the other account holder; or
6943 (b) receiving a request to connect from another account holder and accepting the request
6944 to connect.
- 6945 (6) "Director" means the director of the division.
- 6946 (7) "Division" means the Division of Consumer Protection created in Section [~~13-2-1~~]
6947 13-2-102.
- 6948 (8) "Minor" means an individual under 18 years old that:
- 6949 (a) has not been emancipated as that term is defined in Section 80-7-102; or
6950 (b) has not been married.
- 6951 (9) "Parent" includes a legal guardian.
- 6952 (10)(a) "Personal information" means information that is linked or can be reasonably
6953 linked to an identified individual or an identifiable individual.
- 6954 (b) "Personal information" includes a person's:
- 6955 (i) first and last name;
6956 (ii) date of birth;
6957 (iii) home or physical address, including street name and city;
6958 (iv) screen or user name that reveals an individual's email address, first name, or last
6959 name;
6960 (v) telephone number;

- 6961 (vi) [~~Social Security~~] social security number;
- 6962 (vii) photograph, video, or audio file containing a person's image or voice;
- 6963 (viii) geolocation information sufficient to identify street name and city; and
- 6964 (ix) any other identifier that a person may use to contact a specific individual.
- 6965 (11) "Push notification" means an automatic electronic message displayed on an account
- 6966 holder's device, when the user interface for the social media service is not actively open
- 6967 or visible on the device, that prompts the account holder to repeatedly check and engage
- 6968 with the social media service.
- 6969 (12) "Resident" means the same as that term is defined in Section 53-3-102.
- 6970 (13) "Social media company" means an entity that owns or operates a social media service.
- 6971 (14)(a) "Social media service" means a public website or application that:
- 6972 (i) displays content that is primarily generated by account holders and not by the
- 6973 social media company;
- 6974 (ii) permits an individual to register as an account holder and create a profile that is
- 6975 made visible to the general public or a set of other users defined by the account
- 6976 holder;
- 6977 (iii) connects account holders to allow users to interact socially with each other
- 6978 within the website or application;
- 6979 (iv) makes available to each account holder a list or lists of other account holders
- 6980 with whom the account holder shares a connection within the system; and
- 6981 (v) allows account holders to post content viewable by other users.
- 6982 (b) "Social media service" does not include:
- 6983 (i) email;
- 6984 (ii) cloud storage; or
- 6985 (iii) document viewing, sharing, or collaboration services.
- 6986 (15) "User" means an individual who accesses or uses a social media service.
- 6987 (16)(a) "Utah account holder" means a person who is a Utah resident and an account
- 6988 holder.
- 6989 (b) "Utah account holder" includes a Utah minor account holder.
- 6990 (17) "Utah minor account holder" means a Utah account holder who is a minor.
- 6991 (18) "Verifiable parental consent" means authorization from a parent for a social media
- 6992 service to collect, use, and disclose personal information of a Utah minor account
- 6993 holder, that complies with the following verifiability requirements:
- 6994 (a) the social media service shall provide advance notice to the parent describing

6995 information practices related to the minor account holder's personal information; and
6996 (b) the social media service shall receive confirmation that the parent received the notice
6997 described in Subsection (18)(a).

6998 Section 159. Section **13-71-301** is amended to read:

6999 **13-71-301 (Effective 05/06/26). Enforcement powers.**

- 7000 (1) The division shall administer and enforce the provisions of Part 2, General
7001 Requirements, in accordance with Chapter 2, Division of Consumer Protection.
- 7002 (2) The attorney general, upon request, shall give legal advice to, and act as counsel for, the
7003 division in the exercise of the division's responsibilities under this part.
- 7004 (3)(a) In addition to the division's enforcement powers under Chapter 2, Division of
7005 Consumer Protection:
- 7006 (i) the division director may impose an administrative fine of up to \$2,500 for each
7007 violation of this chapter; and
 - 7008 (ii) the division may bring an action in court to enforce a provision of this chapter.
- 7009 (b) In a court action by the division to enforce a provision of this chapter, the court may:
- 7010 (i) declare that the act or practice violates a provision of this chapter;
 - 7011 (ii) enjoin actions that violate this chapter;
 - 7012 (iii) order disgorgement of any money received in violation of this chapter;
 - 7013 (iv) order payment of disgorged money to an injured purchaser or consumer;
 - 7014 (v) impose a civil penalty of up to \$2,500 for each violation of this chapter;
 - 7015 (vi) award actual damages to an injured purchaser or consumer; and
 - 7016 (vii) award any other relief that the court deems reasonable and necessary.
- 7017 (c) If a court grants judgment or injunctive relief to the division, the court shall award
7018 the division:
- 7019 (i) reasonable attorney fees;
 - 7020 (ii) court costs; and
 - 7021 (iii) investigative fees.
- 7022 (4)(a) A person who violates an administrative or court order issued for a violation of
7023 this chapter is subject to a civil penalty of no more than \$5,000 for each violation.
- 7024 (b) A civil penalty authorized under this section may be imposed in any civil action
7025 brought by the division, or by the attorney general on behalf of the division.
- 7026 (5) All money received for the payment of a fine or civil penalty imposed under this section
7027 shall be deposited into the Consumer Protection Education and Training Fund
7028 established in Section [~~13-2-8~~] 13-2-109.

7029 Section 160. Section **13-72a-101** is amended to read:

7030 **13-72a-101 (Effective 05/06/26). Definitions.**

7031 As used in this chapter:

7032 (1) "Artificial intelligence" means the same as that term is defined in Section 13-72-101.

7033 (2) "Artificial intelligence technology" means the same as that term is defined in Section
7034 13-72-101.

7035 (3) "Confidential communications" means the same as that term is defined in Section
7036 58-60-102.

7037 (4) "Covered entity" means the same as that term is defined in 45 C.F.R. Sec. 160.103.

7038 (5) "Division" means the Division of Consumer Protection created in Section [~~13-2-1~~]
7039 13-2-102.

7040 (6) "Generative artificial intelligence" means an artificial intelligence technology system
7041 that:

7042 (a) is trained on data;

7043 (b) is designed to simulate human conversation with a consumer through one or more of
7044 the following:

7045 (i) text;

7046 (ii) audio; or

7047 (iii) visual communication; and

7048 (c) generates non-scripted outputs similar to outputs created by a human, with limited or
7049 no human oversight.

7050 (7) "Health care provider" means the same as that term is defined in 45 C.F.R. Sec. 160.103.

7051 (8) "Health plan" means the same as that term is defined in 45 C.F.R. Sec. 160.103.

7052 (9) "Individually identifiable health information" means any information, whether oral or
7053 recorded in any form or medium, that relates to the physical or mental health or
7054 condition of an individual.

7055 (10)(a) "Mental health chatbot" means an artificial intelligence technology that:

7056 (i) uses generative artificial intelligence to engage in interactive conversations with a
7057 user of the mental health chatbot similar to the confidential communications that
7058 an individual would have with a licensed mental health therapist; and

7059 (ii) a supplier represents, or a reasonable person would believe, can or will provide
7060 mental health therapy or help a user manage or treat mental health conditions.

7061 (b) "Mental health chatbot" does not include artificial intelligence technology that only:

7062 (i) provides scripted output, such as guided meditations or mindfulness exercises; or

7063 (ii) analyzes an individual's input for the purpose of connecting the individual with a
7064 human mental health therapist.

7065 (11) "Mental health therapist" means the same as that term is defined in Section 58-60-102.

7066 (12) "Personal data" means the same as that term is defined in Section 63A-19-101.

7067 (13) "Scientific research development" means research:

7068 (a) conducted by a researcher affiliated with:

7069 (i) an institution of higher education;

7070 (ii) a research organization; or

7071 (iii) a healthcare facility; and

7072 (b) that is:

7073 (i) approved by an institutional review board; and

7074 (ii) conducted in accordance with applicable ethics requirements for human subject
7075 research.

7076 (14) "Supplier" means the same as that term is defined in Section 13-11-3.

7077 [~~(15) "Utah user" means an individual located in the state at the time the individual accesses
7078 or uses a mental health chatbot.~~]

7079 [~~(16)~~ (15) "User input" means content provided to a mental health chatbot by a Utah user.

7080 (16) "Utah user" means an individual located in the state at the time the individual accesses
7081 or uses a mental health chatbot.

7082 Section 161. Section ~~13-72a-204~~ is amended to read:

7083 **13-72a-204 (Effective 05/06/26). Violations -- Enforcement authority.**

7084 (1) The division shall administer and enforce the provisions of this chapter in accordance
7085 with Chapter 2, Division of Consumer Protection.

7086 [~~(2) The attorney general shall:~~]

7087 [~~(a) upon request, give legal advice to the division; and]~~

7088 [~~(b) act as counsel for the division in the exercise of the division's responsibilities under
7089 this chapter.~~]

7090 [~~(3)~~ (2) In addition to the division's enforcement powers under Chapter 2, Division of
7091 Consumer Protection:

7092 (a) the division director may impose an administrative fine of up to \$2,500 for each
7093 violation of this chapter; and

7094 (b) the division may bring an action in a court of competent jurisdiction to enforce a
7095 provision of this chapter.

7096 [~~(4)~~ (3) In a court action by the division to enforce a provision of this chapter, the court

- 7097 may:
- 7098 (a) declare that an act or practice violates a provision of this chapter;
- 7099 (b) issue an injunction for a violation of this part;
- 7100 (c) order disgorgement of money received in violation of this chapter;
- 7101 (d) order payment of disgorged money to an injured purchaser or consumer;
- 7102 (e) impose a fine of up to \$2,500 for each violation of this chapter; or
- 7103 (f) award other relief that the court determines reasonable and necessary.
- 7104 ~~[(5)]~~ (4) If a court awards judgment or injunctive relief to the division, the court shall award
- 7105 the division:
- 7106 (a) reasonable attorney fees;
- 7107 (b) court costs; and
- 7108 (c) investigative fees.
- 7109 ~~[(6)]~~ (5) A court may impose a civil penalty of no more than \$5,000 for each violation of an
- 7110 administrative or court order issued for a violation of this chapter.
- 7111 ~~[(7) The attorney general may bring a civil action on behalf of the division to collect a civil~~
- 7112 ~~penalty imposed under this section.]~~
- 7113 (6) A court may impose a civil penalty authorized under this section in a civil action
- 7114 brought by the division.
- 7115 ~~[(8)]~~ (7) The division shall deposit all fines and civil penalties collected under this section
- 7116 into the Consumer Protection Education and Training Fund created in Section ~~[13-2-8]~~
- 7117 13-2-109.
- 7118 Section 162. Section **13-76-101** is amended to read:
- 7119 **13-76-101 (Effective 05/06/26). Definitions.**
- 7120 As used in this chapter:
- 7121 (1) "Age category" means one of the following categories of individuals based on age:
- 7122 (a) "child" which means an individual who is under 13 years old;
- 7123 (b) "younger teenager" which means an individual who is at least 13 years old and under
- 7124 16 years old;
- 7125 (c) "older teenager" which means an individual who is at least 16 years old and under 18
- 7126 years old; or
- 7127 (d) "adult" which means an individual who is at least 18 years old.
- 7128 (2) "Age category data" means information about a user's age category that is:
- 7129 (a) collected by an app store provider; and
- 7130 (b) shared with a developer.

- 7131 (3) "Age rating" means a classification that provides an assessment of the suitability of an
7132 app's content for different age groups.
- 7133 (4) "App" means a software application or electronic service that a user may run or direct
7134 on a mobile device.
- 7135 (5) "App store" means a publicly available website, software application, or electronic
7136 service that allows users to download apps from third-party developers onto a mobile
7137 device.
- 7138 (6) "App store provider" means a person that owns, operates, or controls an app store that
7139 allows users in the state to download apps onto a mobile device.
- 7140 (7) "Content description" means a description of the specific content elements that informed
7141 an app's age rating.
- 7142 (8) "Developer" means a person that owns or controls an app made available through an
7143 app store in the state.
- 7144 (9) "Division" means the Division of Consumer Protection, established in Section [~~13-2-1~~
7145 13-2-101].
- 7146 (10) "Knowingly" means to act with actual knowledge or to act with knowledge fairly
7147 inferred based on objective circumstances.
- 7148 (11) "Minor" means an individual under 18 years old.
- 7149 (12) "Minor account" means an account with an app store provider that:
7150 (a) is established by an individual who the app store provider has determined is under 18
7151 years old through the app store provider's age verification methods; and
7152 (b) requires affiliation with a parent account.
- 7153 (13) "Mobile device" means a phone or general purpose tablet that:
7154 (a) provides cellular or wireless connectivity;
7155 (b) is capable of connecting to the [~~Internet~~] internet;
7156 (c) runs a mobile operating system; and
7157 (d) is capable of running apps through the mobile operating system.
- 7158 (14) "Mobile operating system" means software that:
7159 (a) manages mobile device hardware resources;
7160 (b) provides common services for mobile device programs;
7161 (c) controls memory allocation; and
7162 (d) provides interfaces for applications to access device functionality.
- 7163 (15) "Parent" means, with respect to a minor, any of the following individuals who have
7164 legal authority to make decisions on behalf of the minor:

- 7165 (a) an individual with a parent-child relationship under Section 78B-15-201;
- 7166 (b) a legal guardian; or
- 7167 (c) an individual with legal custody.
- 7168 (16) "Parent account" means an account with an app store provider that:
- 7169 (a) is verified to be established by an individual who the app store provider has
- 7170 determined is at least 18 years old through the app store provider's age verification
- 7171 methods; and
- 7172 (b) may be affiliated with one or more minor accounts.
- 7173 (17) "Parental consent disclosure" means the following information that an app store
- 7174 provider is required to provide to a parent before obtaining parental consent:
- 7175 (a) if the app store provider has an age rating for the app or in-app purchase, the app's or
- 7176 in-app purchase's age rating;
- 7177 (b) if the app store provider has a content description for the app or in-app purchase, the
- 7178 app's or in-app purchase's content description;
- 7179 (c) a description of:
- 7180 (i) the personal data collected by the app from a user; and
- 7181 (ii) the personal data shared by the app with a third party; and
- 7182 (d) if personal data is collected by the app, the methods implemented by the developer to
- 7183 protect the personal data.
- 7184 (18) "Significant change" means a material modification to an app's terms of service or
- 7185 privacy policy that:
- 7186 (a) changes the categories of data collected, stored, or shared;
- 7187 (b) alters the app's age rating or content descriptions;
- 7188 (c) adds new monetization features, including:
- 7189 (i) in-app purchases; or
- 7190 (ii) advertisements; or
- 7191 (d) materially changes the app's:
- 7192 (i) functionality; or
- 7193 (ii) user experience.
- 7194 (19) "Verifiable parental consent" means authorization that:
- 7195 (a) is provided by an individual who the app store provider has verified is an adult;
- 7196 (b) is given after the app store provider has clearly and conspicuously provided the
- 7197 parental consent disclosure to the individual; and
- 7198 (c) requires the parent to make an affirmative choice to:

7199 (i) grant consent; or

7200 (ii) decline consent.

7201 Section 163. Section **13-77-101** is amended to read:

7202 **13-77-101 (Effective 05/06/26). Definitions.**

7203 As used in this chapter:

7204 (1) "Artificial intelligence technology" means the same as that term is defined in Section
7205 13-72-101.

7206 (2) "Consumer transaction" means the same as that term is defined in Section 13-11-3.

7207 (3) "Division" means the Division of Consumer Protection created in Section [~~13-2-1~~]
7208 13-2-102.

7209 (4) "Generative artificial intelligence" means an artificial intelligence technology system
7210 that:

7211 (a) is trained on data;

7212 (b) is designed to simulate human conversation with a consumer through one or more of
7213 the following:

7214 (i) text;

7215 (ii) audio; or

7216 (iii) visual communication; and

7217 (c) generates non-scripted outputs similar to outputs created by a human, with limited or
7218 no human oversight.

7219 (5) "High-risk artificial intelligence interaction" means an interaction with generative
7220 artificial intelligence that involves:

7221 (a) the collection of sensitive personal information, including:

7222 (i) health data;

7223 (ii) financial data; or

7224 (iii) biometric data;

7225 (b) the provision of personalized recommendations, advice, or information that could
7226 reasonably be relied upon to make significant personal decisions, including the
7227 provision of:

7228 (i) financial advice or services;

7229 (ii) legal advice or services;

7230 (iii) medical advice or services; or

7231 (iv) mental health advice or services; or

7232 (c) other applications as defined by division rule.

- 7233 (6) "License" means a state-granted authorization for an individual to engage in a specified
 7234 occupation:
- 7235 (a) based on the individual meeting personal qualifications established under state law;
 7236 and
- 7237 (b) that is required before the individual may lawfully engage in the occupation for
 7238 compensation.
- 7239 (7) "Office" means the Office of Artificial Intelligence Policy created in Section [~~13-74-201~~]
 7240 13-72-201.
- 7241 (8) "Regulated occupation" means an occupation that:
- 7242 (a) is regulated by the Department of Commerce; and
- 7243 (b) requires an individual to obtain a license or state certification to practice the
 7244 occupation.
- 7245 (9) "State certification" means a state-granted authorization that:
- 7246 (a) permits an individual to use the term "state certified" as part of a designated title
 7247 related to a specified occupation:
- 7248 (i) based on the individual meeting personal qualifications established under state
 7249 law; and
- 7250 (ii) where state law prohibits a noncertified individual from using the term "state
 7251 certified" as part of a designated title; and
- 7252 (b) does not prohibit a noncertified individual from engaging in the occupation for
 7253 compensation.
- 7254 (10) "Supplier" means the same as that term is defined in Section 13-11-3.
 7255 Section 164. Section **13-77-102** is amended to read:
- 7256 **13-77-102 (Effective 05/06/26). Liability for violation of consumer protection law.**
 7257 It is not a defense to the violation of any statute administered and enforced by the division
 7258 under Section [~~13-2-1~~] 13-2-102 that generative artificial intelligence:
- 7259 (1) made the violative statement;
- 7260 (2) undertook the violative act; or
- 7261 (3) was used in furtherance of the violation.
- 7262 Section 165. Section **13-78-101** is amended to read:
- 7263 **13-78-101 (Effective 05/06/26). Definitions.**
 7264 As used in this chapter:
- 7265 (1) "Consumer" means an individual who resides in the state.
- 7266 (2) "Division" means the Division of Consumer Protection established in Section 13-2-102.

7267 [(2)] (3) "Earned but unpaid income" means compensation, including salary, wages, or other
7268 income, that[is]:

7269 (a) [~~earned or accrued by~~] a consumer earns or accrues through services [~~provided~~] the
7270 consumer provides to an employer or as an independent contractor; and

7271 (b) [~~not paid yet to the consumer by~~] the employer or hiring party has not yet paid to the
7272 consumer.

7273 [(3)] (4) "Earned wage access services" means the payment of funds to a consumer
7274 determined by:

7275 (a)(i) a consumer's representation; and

7276 (ii) the provider's reasonable determination of earned but unpaid income; or

7277 (b) employment, income, and attendance data obtained directly or indirectly by a
7278 provider from an employer or an employer's payroll service provider.

7279 [(4)] (5)(a) "Fee" means a charge the provider imposes on a consumer for earned wage
7280 access services, expedited delivery of funds, or a subscription or membership that
7281 includes earned wage access services.

7282 (b) "Fee" does not include a voluntary tip, gratuity, or donation.

7283 [(5)] (6)(a) "Provider" means a person [~~engaged~~] that engages in the business of offering
7284 earned wage access services.

7285 (b) "Provider" does not include:

7286 (i) a service provider, such as a payroll service provider, that verifies, but does not
7287 fund, earned wages;

7288 (ii) an employer that advances a portion of earned wages directly to employees or
7289 independent contractors; or

7290 (iii) a person regulated under Title 7, Financial Institutions Act.

7291 Section 166. Section **13-78-102** is amended to read:

7292 **13-78-102 (Effective 05/06/26). Provider registration and registration renewal.**

7293 (1) [~~Except as provided in Subsection (4), a~~] A person may not act as a provider without
7294 registering with the division.

7295 (2) To register as a provider, a person shall submit to the division a registration application:

7296 (a) in the manner the division determines; and

7297 (b) that includes:

7298 (i) a registration application fee in an amount the division determines in accordance
7299 with [~~Sections 13-1-2 and~~] Section 63J-1-504;

7300 (ii) a copy of the agreement for earned wage access services the provider uses with a

- 7301 consumer; and
- 7302 (iii) any information that the division requires by rule made in accordance with Title
- 7303 63G, Chapter 3, Utah Administrative Rulemaking Act.
- 7304 (3) Each year a provider shall renew the provider's registration by submitting to the division
- 7305 an application for registration renewal:
- 7306 (a) in a manner the division determines; and
- 7307 (b) that includes:
- 7308 (i) a registration renewal application fee in an amount the division determines in
- 7309 accordance with [~~Sections 13-1-2 and~~] Section 63J-1-504;~~[-and]~~
- 7310 (ii) any information the division requires by rule made in accordance with Title 63G,
- 7311 Chapter 3, Utah Administrative Rulemaking Act~~[-]~~ ; and
- 7312 (iii) a designated registered agent for service of process in the state and the registered
- 7313 agent's:
- 7314 (A) name;
- 7315 (B) street address;
- 7316 (C) mailing address; and
- 7317 (D) telephone number.
- 7318 [~~(4) A person that acts as a provider on May 7, 2025, may continue to act as a provider:]~~
- 7319 [~~(a) if the person:]~~
- 7320 [~~(i) applies for registration in accordance with this section on or before October 6,~~
- 7321 ~~2025; and]~~
- 7322 [~~(ii) complies with the requirements of this chapter; and]~~
- 7323 [~~(b) until the day on which the division issues a decision on the registration application~~
- 7324 ~~after which:]~~
- 7325 [~~(i) a person for which a registration application is denied may no longer operate; and]~~
- 7326 [~~(ii) a person for which a registration application is granted may operate as provider.]~~
- 7327 [~~(5)~~] (4)(a) The division shall require a provider's principal to:
- 7328 (i) submit a fingerprint card in a form acceptable to the division; and
- 7329 (ii) consent to a criminal background check by:
- 7330 [~~(A) the Federal Bureau of Investigation;~~]
- 7331 [~~(B)~~] (A) the [~~Utah~~]Bureau of Criminal Identification; or
- 7332 [~~(C)~~] (B) another state or federal agency [~~of any state~~]that performs criminal
- 7333 background checks.
- 7334 (b) The provider shall pay the cost of:

- 7335 (i) the fingerprint card described in Subsection [~~(5)(a)(i)~~] (4)(a)(i); and
 7336 (ii) the criminal background check described in Subsection [~~(5)(a)(ii)~~] (4)(a)(ii).

7337 [~~(6)~~] (5) The division may grant or deny the registration application or the renewal
 7338 application in accordance with Section 13-78-105.

7339 (6) A provider shall update registration information within 30 days after the day on which
 7340 information the provider provides on the application becomes incorrect or incomplete.

7341 (7) Registration with the division does not constitute an approval or endorsement of the
 7342 provider by the division or the state.

7343 Section 167. Section **13-78-103** is amended to read:

7344 **13-78-103 (Effective 05/06/26). Regulation of earned wage access services.**

7345 (1) A provider is exempt from Title 7, Financial Institutions Act, and Title 12, Collection
 7346 Agencies.

7347 (2) A provider shall:

7348 (a) develop and implement procedures to address consumer questions and complaints;

7349 (b) before entering into an agreement for earned wage access services with a consumer,
 7350 clearly and conspicuously disclose:

7351 (i) the consumer's rights under the agreement;

7352 (ii) all fees; and

7353 (iii) any voluntary tip, gratuity, or donation opportunities;

7354 (c)(i) obtain customer consent to changes to terms and conditions of the earned wage
 7355 access services; or

7356 (ii) clearly and conspicuously disclose any material changes to terms and conditions
 7357 of the earned wage access services at least 30 days before the effective date of the
 7358 material changes;

7359 (d) allow a consumer to cancel the use of earned wage access services at any time
 7360 without incurring a penalty;

7361 (e) offer at least one no-fee option to receive funds and clearly and conspicuously
 7362 disclose how to select the no-fee option to receive funds;

7363 (f) comply with all applicable local, state, and federal privacy and information security
 7364 laws;

7365 (g) deliver funds through any method agreed upon by the consumer and provider;

7366 (h) reimburse overdraft or non-sufficient fund fees the consumer incurs as a result of the
 7367 provider's error in disclosed or actual payment amount or payment date unless the
 7368 funds were acquired by a consumer through fraudulent means;

- 7369 (i) clearly and conspicuously disclose the voluntary nature of tips, gratuities, or
 7370 donations and ensure the availability or terms of the earned wage access services are
 7371 not contingent upon the payment of tips, gratuities, or donations;
- 7372 (j) provide information to a consumer on how to file a complaint with the division;
- 7373 (k) provide the following disclosures to a consumer at the time the consumer makes a
 7374 request for funds:
- 7375 (i) the anticipated timeline the consumer will receive the requested funds;
- 7376 (ii) the amount of funds the consumer has requested;
- 7377 (iii) the amount of the fee charged;
- 7378 (iv) the amount of funds the consumer will receive;
- 7379 (v) the account that will receive the funds; and
- 7380 (vi) the date the provider is authorized to withdraw funds from the consumer's
 7381 account, including fees and voluntary payments; and
- 7382 (l) before initiating an advance, require the customer to acknowledge receiving the
 7383 opportunity to view all disclosures listed in Subsection (2)(k) and any costs and fees.
- 7384 (3) A provider may not:
- 7385 (a) compel a consumer to repay funds by:
- 7386 (i) using or threatening to use civil lawsuits, outbound calls, third-party collections,
 7387 or debt sales;
- 7388 (ii) reporting or threatening to report nonpayment to consumer reporting agencies; or
- 7389 (iii) charging or threatening to charge interest, finance charges, late fees, or other
 7390 penalties for nonpayment;
- 7391 (b) use a consumer's credit report or credit score as defined by 15 U.S.C. Sec. 1681 et
 7392 seq., to determine eligibility for earned wage access services;
- 7393 (c) accept payment with a credit card or charge card;
- 7394 (d) condition receipt of funds based on fees, tips, gratuities, or donations;
- 7395 (e) mislead a consumer about the voluntary nature of tips, gratuities, or donations;
- 7396 (f) charge a consumer a fee, interest, or any other penalty for failure to repay outstanding
 7397 proceeds, fees, tips, or gratuities;[-~~or~~]
- 7398 (g) provide earned wage access services in this state without first registering with the
 7399 division[-];
- 7400 (h) represent that the division or the state endorses the provider;
- 7401 (i) omit from a filing with the division a material statement of fact that this chapter or a
 7402 rule the division makes in accordance with this chapter requires; or

7403 (j) include in a filing with the division a material statement of fact that the provider or
 7404 the provider's principal knows or should know is false, deceptive, inaccurate, or
 7405 misleading.

7406 (4) Each act performed in violation of Subsection (3) is a separate violation of this chapter.

7407 (5) The provider may prohibit a consumer from requesting a transaction if the consumer has
 7408 outstanding unpaid proceeds from a previous transaction with the provider.

7409 (6) A provider is not entitled to the exemption described by Subsection 13-11-22(1)(d).

7410 Section 168. Section **13-78-104** is amended to read:

7411 **13-78-104 (Effective 05/06/26). Penalties and enforcement -- Powers -- Legal**
 7412 **counsel -- Fees.**

7413 [~~(1)~~] ~~The attorney general, upon request, shall give legal advice to, and act as counsel for,~~
 7414 ~~the division in the exercise of the division's responsibilities under this chapter.]~~

7415 [~~(2)~~] (1)(a) In addition to the division's enforcement powers under Chapter 2, Division of
 7416 Consumer Protection:

7417 (i) the division director may impose an administrative fine of up to \$2,500 for each
 7418 violation of this chapter; and

7419 (ii) the division may bring an action in a court with jurisdiction to enforce a provision
 7420 of this chapter.

7421 (b) In a court action by the division to enforce a provision of this chapter, the court may:

7422 (i) declare that an act or practice violates a provision of this chapter;

7423 (ii) issue an injunction for a violation of this chapter;

7424 (iii) order disgorgement of any money received in violation of this chapter;

7425 (iv) order payment of disgorged money to an injured purchaser or consumer;

7426 (v) impose a fine of up to \$2,500 for each violation of this chapter; or

7427 (vi) award any other relief that the court deems reasonable and necessary.

7428 [~~(3)~~] (2) If a court grants judgment or injunctive relief to the division, the court shall award
 7429 the division:

7430 (a) reasonable attorney fees;

7431 (b) court costs; and

7432 (c) investigative fees.

7433 [~~(4)~~] (3)(a) A person that violates an administrative or court order issued for a violation
 7434 of this chapter is subject to a civil penalty of no more than \$5,000 for each violation.

7435 (b) The court may impose a civil penalty authorized under this section in any civil action
 7436 brought by the [~~attorney general on behalf of the~~]division.

7437 [~~(5) The division shall deposit money received for the payment of a fine or civil penalty~~
7438 ~~imposed under this section into the Consumer Protection Education and Training Fund~~
7439 ~~created in Section 13-2-8.~~]

7440 Section 169. Section **16-6a-102** is amended to read:

7441 **16-6a-102 (Effective 05/06/26). Definitions.**

7442 As used in this chapter:

7443 (1)(a) "Address" means a location where mail can be delivered by the United States
7444 Postal Service.

7445 (b) "Address" includes:

7446 (i) a post office box number;

7447 (ii) a rural free delivery route number; and

7448 (iii) a street name and number.

7449 (2) "Affiliate" means a person that directly or indirectly through one or more intermediaries
7450 controls, or is controlled by, or is under common control with, the person specified.

7451 (3) "Articles of incorporation" include:

7452 (a) amended articles of incorporation;

7453 (b) restated articles of incorporation;

7454 (c) articles of merger; and

7455 (d) a document of a similar import to the documents described in Subsections (3)(a)
7456 through (c).

7457 (4) "Assumed corporate name" means a name assumed for use in this state:

7458 (a) by a:

7459 (i) foreign corporation as described in Section 16-10a-1506; or

7460 (ii) a foreign nonprofit corporation as described in Section 16-6a-1506; and

7461 (b) because the corporate name of the foreign corporation described in Subsection (4)(a)
7462 is not available for use in this state.

7463 (5)(a) Except as provided in Subsection (5)(b), "board of directors" means the body
7464 authorized to manage the affairs of a domestic or foreign nonprofit corporation.

7465 (b) Notwithstanding Subsection (5)(a), a person may not be considered a member of the
7466 board of directors because of a power delegated to that person under Subsection
7467 16-6a-801(2).

7468 (6)(a) "Bylaws" means the one or more codes of rules, other than the articles of
7469 incorporation, adopted under this chapter for the regulation or management of the
7470 affairs of a domestic or foreign nonprofit corporation irrespective of the one or more

- 7471 names by which the codes of rules are designated.
- 7472 (b) "Bylaws" includes:
- 7473 (i) amended bylaws; and
- 7474 (ii) restated bylaws.
- 7475 (7)(a) "Cash" or "money" means:
- 7476 (i) legal tender;
- 7477 (ii) a negotiable instrument; or
- 7478 (iii) other cash equivalent readily convertible into legal tender.
- 7479 (b) "Cash" and "money" are used interchangeably in this chapter.
- 7480 (8) "Charitable organization" means the same as that term is defined in Section [~~13-22-2~~
- 7481 13-22-101.
- 7482 (9)(a) "Class" means a group of memberships that has the same right with respect to
- 7483 voting, dissolution, redemption, transfer, or other characteristics.
- 7484 (b) For purposes of Subsection (9)(a), a right is considered the same if it is determined
- 7485 by a formula applied uniformly to a group of memberships.
- 7486 (10)(a) "Conspicuous" means so written that a reasonable person against whom the
- 7487 writing is to operate should have noticed the writing.
- 7488 (b) "Conspicuous" includes printing or typing in:
- 7489 (i) italics;
- 7490 (ii) boldface;
- 7491 (iii) contrasting color;
- 7492 (iv) capitals; or
- 7493 (v) underlining.
- 7494 (11) "Control" or a "controlling interest" means the direct or indirect possession of the
- 7495 power to direct or cause the direction of the management and policies of an entity by:
- 7496 (a) the ownership of voting shares;
- 7497 (b) contract; or
- 7498 (c) a means other than those specified in Subsection (11)(a) or (b).
- 7499 (12) Subject to Section 16-6a-207, "cooperative nonprofit corporation" or "cooperative"
- 7500 means a nonprofit corporation organized or existing under this chapter.
- 7501 (13) "Corporate name" means:
- 7502 (a) the name of a domestic corporation as stated in the domestic corporation's articles of
- 7503 incorporation;
- 7504 (b) the name of a domestic nonprofit corporation as stated in the domestic nonprofit

- 7505 corporation's articles of incorporation;
- 7506 (c) the name of a foreign corporation as stated in the foreign corporation's:
- 7507 (i) articles of incorporation; or
- 7508 (ii) document of similar import to articles of incorporation; or
- 7509 (d) the name of a foreign nonprofit corporation as stated in the foreign nonprofit
- 7510 corporation's:
- 7511 (i) articles of incorporation; or
- 7512 (ii) document of similar import to articles of incorporation.
- 7513 (14)(a) "Corporate records" means the records described in Section 16-6a-1601.
- 7514 (b) "Corporate records" does not include correspondence, communications, notes, or
- 7515 other similar information, regardless of format or method of storage, that are not an
- 7516 official decision, published document, or record of the corporation.
- 7517 (15) "Corporation" or "domestic corporation" means a corporation for profit that:
- 7518 (a) is not a foreign corporation; and
- 7519 (b) is incorporated under or subject to Chapter 10a, Utah Revised Business Corporation
- 7520 Act.
- 7521 (16) "Delegate" means a person elected or appointed to vote in a representative assembly:
- 7522 (a) for the election of a director; or
- 7523 (b) on matters other than the election of a director.
- 7524 (17) "Deliver" includes delivery by mail or another means of transmission authorized by
- 7525 Section 16-6a-103, except that delivery to the division means actual receipt by the
- 7526 division.
- 7527 (18) "Director" means a member of the board of directors.
- 7528 (19)(a) "Distribution" means the payment of a dividend or any part of the income or
- 7529 profit of a nonprofit corporation to the nonprofit corporation's:
- 7530 (i) members;
- 7531 (ii) directors; or
- 7532 (iii) officers.
- 7533 (b) "Distribution" does not include a fair-value payment for:
- 7534 (i) a good sold; or
- 7535 (ii) a service received.
- 7536 (20) "Division" means the Division of Corporations and Commercial Code.
- 7537 (21) "Effective date," when referring to a document filed by the division, means the time
- 7538 and date determined in accordance with Section 16-6a-108.

- 7539 (22) "Effective date of notice" means the date notice is effective as provided in Section
7540 16-6a-103.
- 7541 (23) "Electronic transmission" or "electronically transmitted" means a process of
7542 communication not directly involving the physical transfer of paper that is suitable for
7543 the receipt, retention, retrieval, and reproduction of information by the recipient,
7544 whether by email, texting, facsimile, or otherwise.
- 7545 (24)(a) "Employee" includes an officer of a nonprofit corporation.
- 7546 (b)(i) Except as provided in Subsection (24)(b)(ii), "employee" does not include a
7547 director of a nonprofit corporation.
- 7548 (ii) Notwithstanding Subsection (24)(b)(i), a director may accept one or more duties
7549 that make that director an employee of a nonprofit corporation.
- 7550 (25) "Entity" includes:
- 7551 (a) a domestic or foreign corporation;
- 7552 (b) a domestic or foreign nonprofit corporation;
- 7553 (c) a limited liability company;
- 7554 (d) a profit or nonprofit unincorporated association;
- 7555 (e) a business trust;
- 7556 (f) an estate;
- 7557 (g) a partnership;
- 7558 (h) a trust;
- 7559 (i) two or more persons having a joint or common economic interest;
- 7560 (j) a state;
- 7561 (k) the United States; or
- 7562 (l) a foreign government.
- 7563 (26) "Executive director" means the executive director of the Department of Commerce.
- 7564 (27) "Foreign corporation" means a corporation for profit incorporated under a law other
7565 than the laws of this state.
- 7566 (28) "Foreign nonprofit corporation" means an entity:
- 7567 (a) incorporated under a law other than the laws of this state; and
- 7568 (b) that would be a nonprofit corporation if formed under the laws of this state.
- 7569 (29) "Governmental entity" means:
- 7570 (a)(i) the executive branch of the state;
- 7571 (ii) the judicial branch of the state;
- 7572 (iii) the legislative branch of the state;

- 7573 (iv) an independent entity, as defined in Section 63E-1-102;
- 7574 (v) a political subdivision of the state;
- 7575 (vi) an institution of higher education, as defined in Section 53H-1-101;
- 7576 (vii) an entity within the state system of public education; or
- 7577 (viii) the National Guard; or
- 7578 (b) any of the following that is established or controlled by a governmental entity listed
- 7579 in Subsection (29)(a) to carry out the public's business:
- 7580 (i) an office;
- 7581 (ii) a division;
- 7582 (iii) an agency;
- 7583 (iv) a board;
- 7584 (v) a bureau;
- 7585 (vi) a committee;
- 7586 (vii) a department;
- 7587 (viii) an advisory board;
- 7588 (ix) an administrative unit; or
- 7589 (x) a commission.
- 7590 (30) "Governmental subdivision" means:
- 7591 (a) a county;
- 7592 (b) a city;
- 7593 (c) a town; or
- 7594 (d) another type of governmental subdivision authorized by the laws of this state.
- 7595 (31) "Individual" means:
- 7596 (a) a natural person;
- 7597 (b) the estate of an incompetent individual; or
- 7598 (c) the estate of a deceased individual.
- 7599 (32) "Internal Revenue Code" means the federal "Internal Revenue Code of 1986," as
- 7600 amended from time to time, or to corresponding provisions of subsequent internal
- 7601 revenue laws of the United States of America.
- 7602 (33)(a) "Mail," "mailed," or "mailing" means deposit, deposited, or depositing in the
- 7603 United States mail, properly addressed, first-class postage prepaid.
- 7604 (b) "Mail," "mailed," or "mailing" includes registered or certified mail for which the
- 7605 proper fee is paid.
- 7606 (34)(a) "Member" means one or more persons identified or otherwise appointed as a

- 7607 member of a domestic or foreign nonprofit corporation as provided:
- 7608 (i) in the articles of incorporation;
- 7609 (ii) in the bylaws;
- 7610 (iii) by a resolution of the board of directors; or
- 7611 (iv) by a resolution of the members of the nonprofit corporation.
- 7612 (b) "Member" includes:
- 7613 (i) "voting member"; and
- 7614 (ii) a shareholder in a water company.
- 7615 (35) "Membership" refers to the rights and obligations of a member or members.
- 7616 (36) "Mutual benefit corporation" means a nonprofit corporation:
- 7617 (a) that issues shares of stock to its members evidencing a right to receive distribution of
- 7618 water or otherwise representing property rights; or
- 7619 (b) all of whose assets are contributed or acquired by or for the members of the nonprofit
- 7620 corporation or the members' predecessors in interest to serve the mutual purposes of
- 7621 the members.
- 7622 (37) "Nonprofit corporation" or "domestic nonprofit corporation" means an entity that:
- 7623 (a) is not a foreign nonprofit corporation; and
- 7624 (b) is incorporated under or subject to this chapter.
- 7625 (38) "Notice" means the same as that term is defined in Section 16-6a-103.
- 7626 (39) "Party related to a director" means:
- 7627 (a) the spouse of the director;
- 7628 (b) a child of the director;
- 7629 (c) a grandchild of the director;
- 7630 (d) a sibling of the director;
- 7631 (e) a parent of the director;
- 7632 (f) the spouse of an individual described in Subsections (39)(b) through (e);
- 7633 (g) an individual having the same home as the director;
- 7634 (h) a trust or estate of which the director or another individual specified in this
- 7635 Subsection (39) is a substantial beneficiary; or
- 7636 (i) any of the following of which the director is a fiduciary:
- 7637 (i) a trust;
- 7638 (ii) an estate;
- 7639 (iii) an incompetent;
- 7640 (iv) a conservatee; or

- 7641 (v) a minor.
- 7642 (40) "Person" means an:
- 7643 (a) individual; or
- 7644 (b) entity.
- 7645 (41) "Principal office" means:
- 7646 (a) the office, in or out of this state, designated by a domestic or foreign nonprofit
- 7647 corporation as its principal office in the most recent document on file with the
- 7648 division providing that information, including:
- 7649 (i) an annual report;
- 7650 (ii) an application for a certificate of authority; or
- 7651 (iii) a notice of change of principal office; or
- 7652 (b) if no principal office can be determined, a domestic or foreign nonprofit
- 7653 corporation's registered office.
- 7654 (42) "Proceeding" includes:
- 7655 (a) a civil suit;
- 7656 (b) arbitration;
- 7657 (c) mediation;
- 7658 (d) a criminal action;
- 7659 (e) an administrative action; or
- 7660 (f) an investigatory action.
- 7661 (43) "Receive," when used in reference to receipt of a writing or other document by a
- 7662 domestic or foreign nonprofit corporation, means the writing or other document is
- 7663 actually received:
- 7664 (a) by the domestic or foreign nonprofit corporation at:
- 7665 (i) its registered office in this state; or
- 7666 (ii) its principal office;
- 7667 (b) by the secretary of the domestic or foreign nonprofit corporation, wherever the
- 7668 secretary is found; or
- 7669 (c) by another person authorized by the bylaws or the board of directors to receive the
- 7670 writing or other document, wherever that person is found.
- 7671 (44)(a) "Record date" means the date established under Part 6, Members, or Part 7,
- 7672 Member Meetings and Voting, on which a nonprofit corporation determines the
- 7673 identity of the nonprofit corporation's members.
- 7674 (b) The determination described in Subsection (44)(a) shall be made as of the close of

- 7675 business on the record date unless another time for doing so is specified when the
7676 record date is fixed.
- 7677 (45) "Registered agent" means the registered agent of:
- 7678 (a) a domestic nonprofit corporation; or
7679 (b) a foreign nonprofit corporation.
- 7680 (46) "Registered office" means the office within this state designated by a domestic or
7681 foreign nonprofit corporation as its registered office in the most recent document on file
7682 with the division providing that information, including:
- 7683 (a) articles of incorporation;
7684 (b) an application for a certificate of authority; or
7685 (c) a notice of change of registered office.
- 7686 (47) "Secretary" means the corporate officer to whom the bylaws or the board of directors
7687 delegates responsibility under Subsection 16-6a-818(3) for:
- 7688 (a) the preparation and maintenance of:
- 7689 (i) minutes of the meetings of:
- 7690 (A) the board of directors; or
7691 (B) the members; and
7692 (ii) the other records and information required to be kept by the nonprofit corporation
7693 as described in Section 16-6a-1601; and
7694 (b) authenticating records of the nonprofit corporation.
- 7695 (48) "Share" means a unit of interest in a nonprofit corporation.
- 7696 (49) "Shareholder" means a person in whose name a share is registered in the records of a
7697 nonprofit corporation.
- 7698 (50) "State," when referring to a part of the United States, includes:
- 7699 (a) a state;
7700 (b) a commonwealth;
7701 (c) the District of Columbia;
7702 (d) an agency or governmental and political subdivision of a state, commonwealth, or
7703 District of Columbia;
7704 (e) territory or insular possession of the United States; or
7705 (f) an agency or governmental and political subdivision of a territory or insular
7706 possession of the United States.
- 7707 (51) "Street address" means:
- 7708 (a)(i) street name and number;

- 7709 (ii) city or town; and
7710 (iii) United States post office zip code designation; or
7711 (b) if, by reason of rural location or otherwise, a street name, number, city, or town does
7712 not exist, an appropriate description other than that described in Subsection (51)(a)
7713 fixing as nearly as possible the actual physical location, but only if the information
7714 includes:
7715 (i) the rural free delivery route;
7716 (ii) the county; and
7717 (iii) the United States post office zip code designation.
- 7718 (52) "Tribal nonprofit corporation" means a nonprofit corporation:
7719 (a) incorporated under the law of a tribe; and
7720 (b) that is at least 51% owned or controlled by the tribe.
- 7721 (53) "Tribe" means a tribe, band, nation, pueblo, or other organized group or community of
7722 Indians, including an Alaska Native village, that is legally recognized as eligible for and
7723 is consistent with a special program, service, or entitlement provided by the United
7724 States to Indians because of the tribe's status as Indians.
- 7725 (54) "United States" includes a district, authority, office, bureau, commission, department,
7726 and another agency of the United States of America.
- 7727 (55) "Vote" includes authorization by:
7728 (a) written ballot; and
7729 (b) written consent.
- 7730 (56)(a) "Voting group" means all the members of one or more classes of members or
7731 directors that, under this chapter, the articles of incorporation, or the bylaws, are
7732 entitled to vote and be counted together collectively on a matter.
7733 (b) All members or directors entitled by this chapter, the articles of incorporation, or the
7734 bylaws to vote generally on a matter are for that purpose a single voting group.
- 7735 (57)(a) "Voting member" means a person entitled to vote for all matters required or
7736 permitted under this chapter to be submitted to a vote of the members, except as
7737 otherwise provided in the articles of incorporation or bylaws.
7738 (b) A person is not a voting member solely because of:
7739 (i) a right the person has as a delegate;
7740 (ii) a right the person has to designate a director; or
7741 (iii) a right the person has as a director.
7742 (c) Except as the bylaws may otherwise provide, "voting member" includes a

7743 "shareholder" if the nonprofit corporation has shareholders.

7744 (58) "Water company" means:

7745 (a) the same as that term is defined in Subsection 16-4-102(5); or

7746 (b) a mutual benefit corporation, when the stock in the mutual benefit corporation
7747 represents a right to receive a distribution of water for beneficial use.

7748 Section 170. Section **16-6a-203** is amended to read:

7749 **16-6a-203 (Effective 05/06/26). Incorporation -- Required filings.**

7750 (1) A nonprofit corporation is incorporated, and its corporate existence begins:

7751 (a) when the articles of incorporation are filed by the division; or

7752 (b) if a delayed effective date is specified as described in Subsection 16-6a-108(2), on
7753 the delayed effective date, unless a certificate of withdrawal is filed prior to the
7754 delayed effective date.

7755 (2) Notwithstanding Subsection 16-6a-110(4), the filing of the articles of incorporation by
7756 the division is conclusive proof that all conditions precedent to incorporation have been
7757 satisfied, except in a proceeding by the state to:

7758 (a) cancel or revoke the incorporation; or

7759 (b) involuntarily dissolve the nonprofit corporation.

7760 (3) Beginning January 1, 2025, a nonprofit corporation that is a charitable organization,
7761 unless exempted by Section [~~13-22-15~~] 13-22-110, shall file with the division the
7762 information described by Section [~~13-22-15~~] 13-22-110 in the form described in Section [~~13-22-15~~]
7763 13-22-110.

7764 Section 171. Section **16-6a-1503** is amended to read:

7765 **16-6a-1503 (Effective 05/06/26). Application for authority to conduct affairs.**

7766 (1) A foreign nonprofit corporation may apply for authority to conduct affairs in this state
7767 by delivering to the division for filing an application for authority to conduct affairs
7768 setting forth:

7769 (a) its corporate name and its assumed corporate name, if any;

7770 (b) the name of the state or country under whose law it is incorporated;

7771 (c) its date of incorporation;

7772 (d) its period of duration;

7773 (e) the street address of its principal office;

7774 (f) the information required by Subsection 16-17-203(1);

7775 (g) the names and usual business addresses of its current directors and officers;

7776 (h) the date it commenced or expects to commence conducting affairs in this state; and

- 7777 (i) the additional information the division determines is necessary or appropriate to
7778 determine whether the application for authority to conduct affairs should be filed.
- 7779 (2) With the completed application required by Subsection (1) the foreign nonprofit
7780 corporation shall deliver to the division for a certificate of existence, or a document of
7781 similar import that is:
- 7782 (a) authenticated by the division or other official having custody of corporate records in
7783 the state or country under whose law it is incorporated; and
- 7784 (b) dated within 90 days before the day on which the application for authority to conduct
7785 affairs is filed.
- 7786 (3) The foreign nonprofit corporation shall include in the application for authority to
7787 conduct affairs, or in an accompanying document, written consent to appointment by its
7788 designated registered agent.
- 7789 (4) Beginning January 1, 2025, a foreign nonprofit corporation that is a charitable
7790 organization, unless exempted by Section [~~13-22-15~~] 13-22-110, shall file the
7791 information described in Section [~~13-22-15~~] 13-22-110 in the form described in Section [
7792 ~~13-22-15~~] 13-22-110.
- 7793 (5)(a) The division may permit a tribal nonprofit corporation to apply for authority to
7794 conduct affairs in this state in the same manner as a nonprofit corporation
7795 incorporated in another state.
- 7796 (b) If a tribal nonprofit corporation elects to apply for authority to conduct affairs in this
7797 state, for purposes of this chapter, the tribal nonprofit corporation shall be treated in
7798 the same manner as a foreign nonprofit corporation incorporated under the laws of
7799 another state.

7800 Section 172. Section **17-70-401** is amended to read:

7801 **17-70-401 (Effective 05/06/26). Definitions.**

7802 As used in this part:

- 7803 (1)(a) "Contribution" means any of the following when done for a political purpose:
- 7804 (i) a gift, subscription, donation, loan, advance, deposit of money, or anything of
7805 value given to the filing entity;
- 7806 (ii) an express, legally enforceable contract, promise, or agreement to make a gift,
7807 subscription, donation, unpaid or partially unpaid loan, advance, deposit of
7808 money, or anything of value to the filing entity;
- 7809 (iii) any transfer of funds from another reporting entity to the filing entity;
- 7810 (iv) compensation paid by any person or reporting entity other than the filing entity

- 7811 for personal services provided without charge to the filing entity;
- 7812 (v) a loan made by a county office candidate or local school board candidate
- 7813 deposited into the county office candidate's or local school board candidate's own
- 7814 campaign account; or
- 7815 (vi) an in-kind contribution.
- 7816 (b) "Contribution" does not include:
- 7817 (i) services provided by an individual volunteering a portion or all of the individual's
- 7818 time on behalf of the filing entity if the services are provided without
- 7819 compensation by the filing entity or any other person;
- 7820 (ii) money lent to the filing entity by a financial institution in the ordinary course of
- 7821 business; or
- 7822 (iii) goods or services provided for the benefit of a county office candidate or local
- 7823 school board candidate at less than fair market value that are not authorized by or
- 7824 coordinated with the county office candidate or the local school board candidate.
- 7825 (2) "County office" means an office described in Section 17-66-102 that is required to be
- 7826 filled by an election.
- 7827 (3) "County office candidate" means an individual who:
- 7828 (a) files a declaration of candidacy for a county office; or
- 7829 (b) receives a contribution, makes an expenditure, or gives consent for any other person
- 7830 to receive a contribution or make an expenditure to bring about the individual's
- 7831 nomination or election to a county office.
- 7832 (4) "County officer" means an individual who holds a county office.
- 7833 (5)(a) Except as provided in Subsection (5)(b), "expenditure" means any of the
- 7834 following made by a reporting entity or an agent of a reporting entity on behalf of the
- 7835 reporting entity:
- 7836 (i) any disbursement from contributions, receipts, or the separate bank account
- 7837 required under Section 17-70-403;
- 7838 (ii) a purchase, payment, donation, distribution, loan, advance, deposit, gift of money,
- 7839 or anything of value made for a political purpose;
- 7840 (iii) an express, legally enforceable contract, promise, or agreement to make any
- 7841 purchase, payment, donation, distribution, loan, advance, deposit, gift of money,
- 7842 or anything of value for a political purpose;
- 7843 (iv) compensation paid by a filing entity for personal services rendered by a person
- 7844 without charge to a reporting entity;

- 7845 (v) a transfer of funds between the filing entity and a county office candidate's, or a
7846 local school board candidate's, personal campaign committee; or
7847 (vi) goods or services provided by the filing entity to or for the benefit of another
7848 reporting entity for a political purpose at less than fair market value.
- 7849 (b) "Expenditure" does not include:
- 7850 (i) services provided without compensation by an individual volunteering a portion or
7851 all of the individual's time on behalf of a reporting entity;
- 7852 (ii) money lent to a reporting entity by a financial institution in the ordinary course of
7853 business; or
- 7854 (iii) anything described in Subsection (5)(a) that is given by a reporting entity to a
7855 candidate or officer in another state.
- 7856 (6) "Filing entity" means:
- 7857 (a) a county office candidate;
- 7858 (b) a county officer;
- 7859 (c) a local school board candidate;
- 7860 (d) a local school board member; or
- 7861 (e) a reporting entity that is required to meet a campaign finance disclosure requirement
7862 adopted by a county in accordance with Section 17-70-403.
- 7863 (7) "In-kind contribution" means anything of value, other than money, that is accepted by or
7864 coordinated with a filing entity.
- 7865 (8) "Local school board candidate" means an individual who:
- 7866 (a) files a declaration of candidacy for local school board; or
- 7867 (b) receives a contribution, makes an expenditure, or gives consent for any other person
7868 to receive a contribution or make an expenditure to bring about the individual's
7869 nomination or election to a local school board.
- 7870 (9)(a) "Personal use expenditure" means an expenditure that:
- 7871 (i)(A) is not excluded from the definition of personal use expenditure by
7872 Subsection (9)(c); and
- 7873 (B) primarily furthers a personal interest of a county office candidate, county
7874 officer, local school board candidate, or a local school board member, or a
7875 member of a county office candidate's, county officer's, local school board
7876 candidate's, or local school board member's family; or
- 7877 (ii) would cause the county office candidate, county officer, local school board
7878 candidate, or local school board member to recognize the expenditure as taxable

- 7879 income under federal law.
- 7880 (b) "Personal use expenditure" includes:
- 7881 (i) a mortgage, rent, utility, or vehicle payment;
- 7882 (ii) a household food item or supply;
- 7883 (iii) a clothing expense, except:
- 7884 (A) clothing bearing the county office candidate's or local school board
- 7885 candidate's name or campaign slogan or logo that is used in the county office
- 7886 candidate's or local school board candidate's campaign;
- 7887 (B) clothing bearing the logo or name of a jurisdiction, district, government
- 7888 organization, government entity, caucus, or political party that the county
- 7889 officer or local school board member represents or of which the county officer
- 7890 or local school board member is a member;
- 7891 (C) repair or replacement of clothing that is damaged while the county office
- 7892 candidate or county officer is engaged in an activity of a county office
- 7893 candidate or county officer; or
- 7894 (D) repair or replacement of clothing that is damaged while the local school board
- 7895 candidate or local school board member is engaged in an activity of a local
- 7896 school board candidate or local school board member;
- 7897 (iv) admission to a sporting, artistic, or recreational event or other form of
- 7898 entertainment;
- 7899 (v) dues, fees, or gratuities at a country club, health club, or recreational facility;
- 7900 (vi) a salary payment made to:
- 7901 (A) a county office candidate, county officer, local school board candidate, or
- 7902 local school board member; or
- 7903 (B) a person who has not provided a bona fide service to a county candidate,
- 7904 county officer, local school board candidate, or local school board member;
- 7905 (vii) a vacation;
- 7906 (viii) a vehicle expense;
- 7907 (ix) a meal expense;
- 7908 (x) a travel expense;
- 7909 (xi) payment of an administrative, civil, or criminal penalty;
- 7910 (xii) satisfaction of a personal debt;
- 7911 (xiii) a personal service, including the service of an attorney, accountant, physician,
- 7912 or other professional person;

- 7913 (xiv) a membership fee for a professional or service organization; and
7914 (xv) a payment in excess of the fair market value of the item or service purchased.
- 7915 (c) "Personal use expenditure" does not include an expenditure made:
- 7916 (i) for a political purpose;
- 7917 (ii) for candidacy for county office or local school board;
- 7918 (iii) to fulfill a duty or activity of a county officer or local school board member;
- 7919 (iv) for a donation to a registered political party;
- 7920 (v) for a contribution to another candidate's campaign account, including sponsorship
7921 of or attendance at an event, the primary purpose of which is to solicit a
7922 contribution for another candidate's campaign account;
- 7923 (vi) to return all or a portion of a contribution to a contributor;
- 7924 (vii) for the following items, if made in connection with the candidacy for county
7925 office or local school board, or an activity or duty of a county officer or local
7926 school board member:
- 7927 (A) a mileage allowance at the rate established by the political subdivision that
7928 provides the mileage allowance;
- 7929 (B) for motor fuel or special fuel, as defined in Section 59-13-102;
- 7930 (C) a meal expense;
- 7931 (D) a travel expense, including an expense incurred for airfare or a rental vehicle;
- 7932 (E) a payment for a service provided by an attorney or accountant;
- 7933 (F) a tuition payment or registration fee for participation in a meeting or
7934 conference;
- 7935 (G) a gift;
- 7936 (H) a payment for rent, utilities, a supply, or furnishings, in connection with an
7937 office space;
- 7938 (I) a booth at a meeting or event; or
- 7939 (J) educational material;
- 7940 (viii) to purchase or mail informational material, a survey, or a greeting card;
- 7941 (ix) for a donation to a charitable organization, as defined in Section [~~13-22-2~~]
7942 13-22-101, including admission to or sponsorship of an event, the primary
7943 purpose of which is charitable solicitation, as defined in Section [~~13-22-2~~]
7944 13-22-101;
- 7945 (x) to repay a loan a county office candidate or local school board candidate makes
7946 from the candidate's personal account to the candidate's campaign account;

- 7947 (xi) to pay membership dues to a national organization whose primary purpose is to
 7948 address general public policy;
- 7949 (xii) for admission to or sponsorship of an event, the primary purpose of which is to
 7950 promote the social, educational, or economic well-being of the state or the county
 7951 candidate's, county officer's, local school board candidate's, or local school board
 7952 member's community;
- 7953 (xiii) for one or more guests of a county office candidate, county officer, local school
 7954 board candidate, or local school board member to attend an event, meeting, or
 7955 conference described in this Subsection (9)(c);
- 7956 (xiv) that is connected with the performance of an activity as a county office
 7957 candidate or local school board member, or an activity or duty of a county officer
 7958 or local school board member; or
- 7959 (xv) to pay childcare expenses of:
- 7960 (A) a candidate while the candidate is engaging in campaign activity; or
- 7961 (B) an officeholder while the officeholder is engaging in the duties of an
 7962 officeholder.

7963 (10) "Political purpose" means an act done with the intent or in a way to influence or tend
 7964 to influence, directly or indirectly, any person to refrain from voting or to vote for or
 7965 against any candidate or a person seeking an office at any caucus, political convention,
 7966 or election.

7967 (11) "Reporting entity":

- 7968 (a) means the same as that term is defined in Section 20A-11-101; and
- 7969 (b) includes a county office candidate, a county office candidate's personal campaign
 7970 committee, a county officer, a local school board candidate, a local school board
 7971 candidate's personal campaign committee, and a local school board member.

7972 Section 173. Section **20A-11-104** is amended to read:

7973 **20A-11-104 (Effective 05/06/26). Personal use expenditure -- Authorized and**
 7974 **prohibited uses of campaign funds -- Enforcement -- Penalties.**

7975 (1)(a) As used in this chapter, "personal use expenditure" means an expenditure that:

- 7976 (i)(A) is not excluded from the definition of personal use expenditure by
 7977 Subsection (2); and
- 7978 (B) primarily furthers a personal interest of a candidate or officeholder or a
 7979 candidate's or officeholder's family, which interest is not connected with the
 7980 performance of an activity as a candidate or an activity or duty of an

- 7981 officeholder; or
- 7982 (ii) would likely cause the candidate or officeholder to recognize the expenditure as
- 7983 taxable income under federal or state law.
- 7984 (b) "Personal use expenditure" includes:
- 7985 (i) a mortgage, rent, utility, or vehicle payment;
- 7986 (ii) a household food item or supply;
- 7987 (iii) a clothing expense, except:
- 7988 (A) clothing bearing the candidate's name or campaign slogan or logo that is used
- 7989 in the candidate's campaign;
- 7990 (B) clothing bearing the logo or name of a jurisdiction, district, government
- 7991 organization, government entity, caucus, or political party that the officeholder
- 7992 represents or of which the officeholder is a member; or
- 7993 (C) repair or replacement of clothing that is damaged while the candidate or
- 7994 officeholder is engaged in an activity of a candidate or officeholder;
- 7995 (iv) an admission to a sporting, artistic, or recreational event or other form of
- 7996 entertainment;
- 7997 (v) dues, fees, or gratuities at a country club, health club, or recreational facility;
- 7998 (vi) a salary payment made to:
- 7999 (A) a candidate or officeholder; or
- 8000 (B) a person who has not provided a bona fide service to a candidate or
- 8001 officeholder;
- 8002 (vii) a vacation;
- 8003 (viii) a vehicle expense;
- 8004 (ix) a meal expense;
- 8005 (x) a travel expense;
- 8006 (xi) a payment of an administrative, civil, or criminal penalty;
- 8007 (xii) a satisfaction of a personal debt;
- 8008 (xiii) a personal service, including the service of an attorney, accountant, physician,
- 8009 or other professional person;
- 8010 (xiv) a membership fee for a professional or service organization; and
- 8011 (xv) a payment in excess of the fair market value of the item or service purchased.
- 8012 (2) As used in this chapter, "personal use expenditure" does not include an expenditure
- 8013 made:
- 8014 (a) for a political purpose;

- 8015 (b) for candidacy for public office;
- 8016 (c) to fulfill a duty or activity of an officeholder;
- 8017 (d) for a donation to a registered political party;
- 8018 (e) for a contribution to another candidate's campaign account, including sponsorship of
8019 or attendance at an event, the primary purpose of which is to solicit a contribution for
8020 another candidate's campaign account;
- 8021 (f) to return all or a portion of a contribution to a contributor;
- 8022 (g) for the following items, if made in connection with the candidacy for public office or
8023 an activity or duty of an officeholder:
- 8024 (i)(A) a mileage allowance at the rate established by the Division of Finance under
8025 Section 63A-3-107; or
- 8026 (B) for motor fuel or special fuel, as defined in Section 59-13-102;
- 8027 (ii) a food expense, including food or beverages:
- 8028 (A) served at a campaign event;
- 8029 (B) served at a charitable event;
- 8030 (C) consumed, or provided to others, by a candidate while the candidate is
8031 engaged in campaigning;
- 8032 (D) consumed, or provided to others, by an officeholder while the officeholder is
8033 acting in the capacity of an officeholder; or
- 8034 (E) provided as a gift to an individual who works on a candidate's campaign or
8035 who assists an officeholder in the officeholder's capacity as an officeholder;
- 8036 (iii) a travel expense of a candidate, if the primary purpose of the travel is related to
8037 the candidate's campaign, including airfare, car rental, other transportation, hotel,
8038 or other expenses incidental to the travel;
- 8039 (iv) a travel expense of an individual assisting a candidate, if the primary purpose of
8040 the travel by the individual is to assist the candidate with the candidate's
8041 campaign, including an expense described in Subsection (2)(g)(iii);
- 8042 (v) a travel expense of an officeholder, if the primary purpose of the travel is related
8043 to an activity or duty of the officeholder, including an expense described in
8044 Subsection (2)(g)(iii);
- 8045 (vi) a travel expense of an individual assisting an officeholder, if the primary purpose
8046 of the travel by the individual is to assist the officeholder in an activity or duty of
8047 an officeholder, including an expense described in Subsection (2)(g)(iii);
- 8048 (vii) a payment for a service provided by an attorney or accountant;

- 8049 (viii) a tuition payment or registration fee for participation in a meeting or conference;
- 8050 (ix) a gift;
- 8051 (x) a payment for the following items in connection with an office space:
- 8052 (A) rent;
- 8053 (B) utilities;
- 8054 (C) a supply; or
- 8055 (D) furnishing;
- 8056 (xi) a booth at a meeting or event;
- 8057 (xii) educational material; or
- 8058 (xiii) an item purchased for a purpose related to a campaign or to an activity or duty
- 8059 of an officeholder;
- 8060 (h) to purchase or mail informational material, a survey, or a greeting card;
- 8061 (i) for a donation to a charitable organization, as defined by Section [~~13-22-2~~] 13-22-101,
- 8062 including admission to or sponsorship of an event, the primary purpose of which is
- 8063 charitable solicitation, as defined in Section [~~13-22-2~~] 13-22-101;
- 8064 (j) to repay a loan a candidate makes from the candidate's personal account to the
- 8065 candidate's campaign account;
- 8066 (k) to pay membership dues to a national organization whose primary purpose is to
- 8067 address general public policy;
- 8068 (l) for admission to or sponsorship of an event, the primary purpose of which is to
- 8069 promote the social, educational, or economic well-being of the state or the candidate's
- 8070 or officeholder's community;
- 8071 (m) for one or more guests of an officeholder or candidate to attend an event, meeting,
- 8072 or conference described in this Subsection (2), including related travel expenses and
- 8073 other expenses, if attendance by the guest is for a primary purpose described in
- 8074 Subsection (2)(g)(iv) or (vi); or
- 8075 (n) to pay childcare expenses of:
- 8076 (i) a candidate while the candidate is engaging in campaign activity; or
- 8077 (ii) an officeholder while the officeholder is engaging in the duties of an officeholder.
- 8078 (3)(a) The lieutenant governor shall enforce this chapter prohibiting a personal use
- 8079 expenditure by:
- 8080 (i) evaluating a financial statement to identify a personal use expenditure; and
- 8081 (ii) commencing an informal adjudicative proceeding in accordance with Title 63G,
- 8082 Chapter 4, Administrative Procedures Act, if the lieutenant governor has probable

8083 cause to believe a candidate or officeholder has made a personal use expenditure.

8084 (b) Following the proceeding, the lieutenant governor may issue a signed order requiring
8085 a candidate or officeholder who has made a personal use expenditure to:

8086 (i) remit an administrative penalty of an amount equal to 50% of the personal use
8087 expenditure to the lieutenant governor; and

8088 (ii) deposit the amount of the personal use expenditure in the campaign account from
8089 which the personal use expenditure was disbursed.

8090 (c) The lieutenant governor shall deposit money received under Subsection (3)(b)(i) [~~in~~]
8091 into the General Fund.

8092 Section 174. Section **36-11-102** is amended to read:

8093 **36-11-102 (Effective 05/06/26). Definitions.**

8094 As used in this chapter:

8095 (1) "Aggregate daily expenditures" means:

8096 (a) for a single lobbyist, principal, or government officer, the total of all expenditures
8097 made within a calendar day by the lobbyist, principal, or government officer for the
8098 benefit of an individual public official;

8099 (b) for an expenditure made by a member of a lobbyist group, the total of all
8100 expenditures made within a calendar day by every member of the lobbyist group for
8101 the benefit of an individual public official; or

8102 (c) for a multiclient lobbyist, the total of all expenditures made by the multiclient
8103 lobbyist within a calendar day for the benefit of an individual public official,
8104 regardless of whether the expenditures were attributed to different clients.

8105 (2) "Approved activity" means an event, a tour, or a meeting:

8106 (a)(i) to which a legislator or another nonexecutive branch public official is invited;

8107 and

8108 (ii) attendance at which is approved by:

8109 (A) the speaker of the House of Representatives, if the public official is a member
8110 of the House of Representatives or another nonexecutive branch public official;

8111 or

8112 (B) the president of the Senate, if the public official is a member of the Senate or
8113 another nonexecutive branch public official; or

8114 (b)(i) to which a public official who holds a position in the executive branch of state
8115 government is invited; and

8116 (ii) attendance at which is approved by the governor or the lieutenant governor.

- 8117 (3) "Board of education" means:
- 8118 (a) a local school board described in Title 53G, Chapter 4, School Districts;
- 8119 (b) the State Board of Education;
- 8120 (c) the State Charter School Board created under Section 53G-5-201; or
- 8121 (d) a charter school governing board described in Title 53G, Chapter 5, Charter Schools.
- 8122 (4) "Capitol hill complex" means capitol hill, as defined in Section 63O-1-101.
- 8123 (5)(a) "Compensation" means anything of economic value, however designated, that is
- 8124 paid, loaned, granted, given, donated, or transferred to an individual for the provision
- 8125 of services or ownership before any withholding required by federal or state law.
- 8126 (b) "Compensation" includes:
- 8127 (i) a salary or commission;
- 8128 (ii) a bonus;
- 8129 (iii) a benefit;
- 8130 (iv) a contribution to a retirement program or account;
- 8131 (v) a payment includable in gross income, as defined in Section 62, Internal Revenue
- 8132 Code, and subject to social security deductions, including a payment in excess of
- 8133 the maximum amount subject to deduction under social security law;
- 8134 (vi) an amount that the individual authorizes to be deducted or reduced for salary
- 8135 deferral or other benefits authorized by federal law; or
- 8136 (vii) income based on an individual's ownership interest.
- 8137 (6) "Compensation payor" means a person who pays compensation to a public official in
- 8138 the ordinary course of business:
- 8139 (a) because of the public official's ownership interest in the compensation payor; or
- 8140 (b) for services rendered by the public official on behalf of the compensation payor.
- 8141 (7) "Education action" means:
- 8142 (a) a resolution, policy, or other official action for consideration by a board of education;
- 8143 (b) a nomination or appointment by an education official or a board of education;
- 8144 (c) a vote on an administrative action taken by a vote of a board of education;
- 8145 (d) an adjudicative proceeding over which an education official has direct or indirect
- 8146 control;
- 8147 (e) a purchasing or contracting decision;
- 8148 (f) drafting or making a policy, resolution, or rule;
- 8149 (g) determining a rate or fee; or
- 8150 (h) making an adjudicative decision.

- 8151 (8) "Education official" means:
- 8152 (a) a member of a board of education;
- 8153 (b) an individual appointed to or employed in a position under a board of education, if
- 8154 that individual:
- 8155 (i) occupies a policymaking position or makes purchasing or contracting decisions;
- 8156 (ii) drafts resolutions or policies or drafts or makes rules;
- 8157 (iii) determines rates or fees;
- 8158 (iv) makes decisions relating to an education budget or the expenditure of public
- 8159 money; or
- 8160 (v) makes adjudicative decisions; or
- 8161 (c) an immediate family member of an individual described in Subsection (8)(a) or (b).
- 8162 (9) "Event" means entertainment, a performance, a contest, or a recreational activity that an
- 8163 individual participates in or is a spectator at, including a sporting event, an artistic event,
- 8164 a play, a movie, dancing, or singing.
- 8165 (10) "Executive action" means:
- 8166 (a) a nomination or appointment by the governor;
- 8167 (b) the proposal, drafting, amendment, enactment, or defeat by a state agency of a rule
- 8168 made in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act;
- 8169 (c) agency ratemaking proceedings; or
- 8170 (d) an adjudicative proceeding of a state agency.
- 8171 (11)(a) "Expenditure" means any of the items listed in this Subsection (11)(a) when
- 8172 given to or for the benefit of a public official unless consideration of equal or greater
- 8173 value is received:
- 8174 (i) a purchase, payment, or distribution;
- 8175 (ii) a loan, gift, or advance;
- 8176 (iii) a deposit, subscription, or forbearance;
- 8177 (iv) services or goods;
- 8178 (v) money;
- 8179 (vi) real property;
- 8180 (vii) a ticket or admission to an event; or
- 8181 (viii) a contract, promise, or agreement, whether or not legally enforceable, to
- 8182 provide any item listed in Subsections (11)(a)(i) through (vii).
- 8183 (b) "Expenditure" does not mean:
- 8184 (i) a commercially reasonable loan made in the ordinary course of business;

- 8185 (ii) a campaign contribution:
- 8186 (A) reported in accordance with Title 20A, Chapter 11, Campaign and Financial
- 8187 Reporting Requirements, Section 10-3-208, Section 17-70-403, or any
- 8188 applicable ordinance adopted under Subsection 10-3-208(7) or 17-70-403(1); or
- 8189 (B) lawfully given to a person that is not required to report the contribution under
- 8190 a law or ordinance described in Subsection (11)(b)(ii)(A);
- 8191 (iii) printed informational material that is related to the performance of the recipient's
- 8192 official duties;
- 8193 (iv) a devise or inheritance;
- 8194 (v) any item listed in Subsection (11)(a) if:
- 8195 (A) given by a relative;
- 8196 (B) given by a compensation payor for a purpose solely unrelated to the public
- 8197 official's position as a public official;
- 8198 (C) the item is food or beverage with a value that does not exceed the food
- 8199 reimbursement rate, and the aggregate daily expenditures for food and
- 8200 beverage do not exceed the food reimbursement rate; or
- 8201 (D) the item is not food or beverage, has a value of less than \$10, and the
- 8202 aggregate daily expenditures do not exceed \$10;
- 8203 (vi) food or beverage that is provided at an event, a tour, or a meeting to which the
- 8204 following are invited:
- 8205 (A) all members of the Legislature;
- 8206 (B) all members of a standing or interim committee;
- 8207 (C) all members of an official legislative task force;
- 8208 (D) all members of a party caucus; or
- 8209 (E) all members of a group described in Subsections (11)(b)(vi)(A) through (D)
- 8210 who are attending a meeting of a national organization whose primary purpose
- 8211 is addressing general legislative policy;
- 8212 (vii) food or beverage that is provided at an event, a tour, or a meeting to a public
- 8213 official who is:
- 8214 (A) giving a speech at the event, tour, or meeting;
- 8215 (B) participating in a panel discussion at the event, tour, or meeting; or
- 8216 (C) presenting or receiving an award at the event, tour, or meeting;
- 8217 (viii) a plaque, commendation, or award that:
- 8218 (A) is presented in public; and

- 8219 (B) has the name of the individual receiving the plaque, commendation, or award
8220 inscribed, etched, printed, or otherwise permanently marked on the plaque,
8221 commendation, or award;
- 8222 (ix) a gift that:
- 8223 (A) is an item that is not consumable and not perishable;
- 8224 (B) a public official, other than a local official or an education official, accepts on
8225 behalf of the state;
- 8226 (C) the public official promptly remits to the state;
- 8227 (D) a property administrator does not reject under Section 63G-23-103;
- 8228 (E) does not constitute a direct benefit to the public official before or after the
8229 public official remits the gift to the state; and
- 8230 (F) after being remitted to the state, is not transferred, divided, distributed, or used
8231 to distribute a gift or benefit to one or more public officials in a manner that
8232 would otherwise qualify the gift as an expenditure if the gift were given
8233 directly to a public official;
- 8234 (x) any of the following with a cash value not exceeding \$30:
- 8235 (A) a publication; or
- 8236 (B) a commemorative item;
- 8237 (xi) admission to or attendance at an event, a tour, or a meeting, the primary purpose
8238 of which is:
- 8239 (A) to solicit a contribution that is reportable under Title 20A, Chapter 11,
8240 Campaign and Financial Reporting Requirements, 2 U.S.C. Sec. 434, Section
8241 10-3-208, Section 17-70-403, or an applicable ordinance adopted under
8242 Subsection 10-3-208(7) or 17-70-403(1);
- 8243 (B) to solicit a campaign contribution that a person is not required to report under
8244 a law or ordinance described in Subsection (11)(b)(xi)(A); or
- 8245 (C) charitable solicitation, as defined in Section ~~[13-22-2]~~ 13-22-101;
- 8246 (xii) travel to, lodging at, food or beverage served at, and admission to an approved
8247 activity;
- 8248 (xiii) sponsorship of an approved activity;
- 8249 (xiv) notwithstanding Subsection (11)(a)(vii), admission to, attendance at, or travel to
8250 or from an event, a tour, or a meeting:
- 8251 (A) that is sponsored by a governmental entity;
- 8252 (B) that is widely attended and related to a governmental duty of a public official;

- 8253 (C) for a local official, that is sponsored by an organization that represents only
 8254 local governments, including the Utah Association of Counties, the Utah
 8255 League of Cities and Towns, or the Utah Association of Special Districts; or
 8256 (D) for an education official, that is sponsored by a public school, a charter
 8257 school, or an organization that represents only public schools or charter
 8258 schools, including the Utah Association of Public Charter Schools, the Utah
 8259 School Boards Association, or the Utah School Superintendents Association; or
 8260 (xv) travel to a widely attended tour or meeting related to a governmental duty of a
 8261 public official if that travel results in a financial savings to:
 8262 (A) for a public official who is not a local official or an education official, the
 8263 state; or
 8264 (B) for a public official who is a local official or an education official, the local
 8265 government or board of education to which the public official belongs.
- 8266 (12) "Food reimbursement rate" means the total amount set by the director of the Division
 8267 of Finance, by rule, under Section 63A-3-107, for in-state meal reimbursement, for an
 8268 employee of the executive branch, for an entire day.
- 8269 (13)(a) "Foreign agent" means an individual who engages in lobbying under contract
 8270 with a foreign government.
- 8271 (b) "Foreign agent" does not include an individual who is recognized by the United
 8272 States Department of State as a duly accredited diplomatic or consular officer of a
 8273 foreign government, including a duly accredited honorary consul.
- 8274 (14) "Foreign government" means a government other than the government of:
 8275 (a) the United States;
 8276 (b) a state within the United States;
 8277 (c) a territory or possession of the United States; or
 8278 (d) a political subdivision of the United States.
- 8279 (15)(a) "Government officer" means:
 8280 (i) an individual elected to a position in state or local government, when acting in the
 8281 capacity of the state or local government position;
 8282 (ii) an individual elected to a board of education, when acting in the capacity of a
 8283 member of a board of education;
 8284 (iii) an individual appointed to fill a vacancy in a position described in Subsection
 8285 (15)(a)(i) or (ii), when acting in the capacity of the position; or
 8286 (iv) an individual appointed to or employed in a full-time position by state

- 8287 government, local government, or a board of education, when acting in the
8288 capacity of the individual's appointment or employment.
- 8289 (b) "Government officer" does not mean a member of the legislative branch of state
8290 government.
- 8291 (16) "Immediate family" means:
- 8292 (a) a spouse;
- 8293 (b) a child residing in the household; or
- 8294 (c) an individual claimed as a dependent for tax purposes.
- 8295 (17) "Legislative action" means:
- 8296 (a) a bill, resolution, amendment, nomination, veto override, or other matter pending or
8297 proposed in either house of the Legislature or its committees or requested by a
8298 legislator; and
- 8299 (b) the action of the governor in approving or vetoing legislation.
- 8300 (18) "Lobbying" means communicating with a public official for the purpose of influencing
8301 a legislative action, executive action, local action, or education action.
- 8302 (19)(a) "Lobbyist" means:
- 8303 (i) an individual who is employed by a principal; or
- 8304 (ii) an individual who contracts for economic consideration, other than
8305 reimbursement for reasonable travel expenses, with a principal to lobby a public
8306 official.
- 8307 (b) "Lobbyist" does not include:
- 8308 (i) a government officer;
- 8309 (ii) a member or employee of the legislative branch of state government;
- 8310 (iii) a person, including a principal, while appearing at, or providing written
8311 comments to, a hearing conducted in accordance with Title 63G, Chapter 3, Utah
8312 Administrative Rulemaking Act, or Title 63G, Chapter 4, Administrative
8313 Procedures Act;
- 8314 (iv) a person participating on or appearing before an advisory or study task force,
8315 commission, board, or committee, constituted by the Legislature, a local
8316 government, a board of education, or any agency or department of state
8317 government, except legislative standing, appropriation, or interim committees;
- 8318 (v) a representative of a political party;
- 8319 (vi) an individual representing a bona fide church solely for the purpose of protecting
8320 the right to practice the religious doctrines of the church, unless the individual or

- 8321 church makes an expenditure that confers a benefit on a public official;
- 8322 (vii) a newspaper, television station or network, radio station or network, periodical
8323 of general circulation, or book publisher for the purpose of publishing news items,
8324 editorials, other comments, or paid advertisements that directly or indirectly urge
8325 legislative action, executive action, local action, or education action;
- 8326 (viii) an individual who appears on the individual's own behalf before a committee of
8327 the Legislature, an agency of the executive branch of state government, a board of
8328 education, the governing body of a local government, a committee of a local
8329 government, or a committee of a board of education, solely for the purpose of
8330 testifying in support of or in opposition to legislative action, executive action,
8331 local action, or education action; or
- 8332 (ix) an individual representing a business, entity, or industry, who:
- 8333 (A) interacts with a public official, in the public official's capacity as a public
8334 official, while accompanied by a registered lobbyist who is lobbying in relation
8335 to the subject of the interaction or while presenting at a legislative committee
8336 meeting at the same time that the registered lobbyist is attending another
8337 legislative committee meeting; and
- 8338 (B) does not make an expenditure for, or on behalf of, a public official in relation
8339 to the interaction or during the period of interaction.
- 8340 (20) "Lobbyist group" means two or more lobbyists, principals, government officers, or any
8341 combination of lobbyists, principals, and government officers, who each contribute a
8342 portion of an expenditure made to benefit a public official or member of the public
8343 official's immediate family.
- 8344 (21) "Local action" means:
- 8345 (a) an ordinance or resolution for consideration by a local government;
- 8346 (b) a nomination or appointment by a local official or a local government;
- 8347 (c) a vote on an administrative action taken by a vote of a local government's legislative
8348 body;
- 8349 (d) an adjudicative proceeding over which a local official has direct or indirect control;
- 8350 (e) a purchasing or contracting decision;
- 8351 (f) drafting or making a policy, resolution, or rule;
- 8352 (g) determining a rate or fee; or
- 8353 (h) making an adjudicative decision.
- 8354 (22) "Local government" means:

- 8355 (a) a county, city, or town;
- 8356 (b) a special district governed by Title 17B, Limited Purpose Local Government Entities
8357 - Special Districts;
- 8358 (c) a special service district governed by Title 17D, Chapter 1, Special Service District
8359 Act;
- 8360 (d) a community reinvestment agency governed by Title 17C, Limited Purpose Local
8361 Government Entities - Community Reinvestment Agency Act;
- 8362 (e) a conservation district governed by Title 17D, Chapter 3, Conservation District Act;
- 8363 (f) a redevelopment agency; or
- 8364 (g) an interlocal entity or a joint cooperative undertaking governed by Title 11, Chapter
8365 13, Interlocal Cooperation Act.
- 8366 (23) "Local official" means:
- 8367 (a) an elected member of a local government;
- 8368 (b) an individual appointed to or employed in a position in a local government if that
8369 individual:
- 8370 (i) occupies a policymaking position or makes purchasing or contracting decisions;
- 8371 (ii) drafts ordinances or resolutions or drafts or makes rules;
- 8372 (iii) determines rates or fees; or
- 8373 (iv) makes adjudicative decisions; or
- 8374 (c) an immediate family member of an individual described in Subsection (23)(a) or (b).
- 8375 (24) "Meeting" means a gathering of people to discuss an issue, receive instruction, or make
8376 a decision, including a conference, seminar, or summit.
- 8377 (25) "Multiclient lobbyist" means a single lobbyist, principal, or government officer who
8378 represents two or more clients and divides the aggregate daily expenditure made to
8379 benefit a public official or member of the public official's immediate family between
8380 two or more of those clients.
- 8381 (26) "Principal" means a person that employs an individual to perform lobbying, either as
8382 an employee or as an independent contractor.
- 8383 (27) "Public official" means:
- 8384 (a)(i) a member of the Legislature;
- 8385 (ii) an individual elected to a position in the executive branch of state government; or
- 8386 (iii) an individual appointed to or employed in a position in the executive or
8387 legislative branch of state government if that individual:
- 8388 (A) occupies a policymaking position or makes purchasing or contracting

- 8389 decisions;
- 8390 (B) drafts legislation or makes rules;
- 8391 (C) determines rates or fees; or
- 8392 (D) makes adjudicative decisions;
- 8393 (b) an immediate family member of a person described in Subsection (27)(a);
- 8394 (c) a local official; or
- 8395 (d) an education official.
- 8396 (28) "Public official type" means a notation to identify whether a public official is:
- 8397 (a)(i) a member of the Legislature;
- 8398 (ii) an individual elected to a position in the executive branch of state government;
- 8399 (iii) an individual appointed to or employed in a position in the legislative branch of
- 8400 state government who meets the definition of public official under Subsection
- 8401 (27)(a)(iii);
- 8402 (iv) an individual appointed to or employed in a position in the executive branch of
- 8403 state government who meets the definition of public official under Subsection
- 8404 (27)(a)(iii);
- 8405 (v) a local official, including a description of the type of local government for which
- 8406 the individual is a local official; or
- 8407 (vi) an education official, including a description of the type of board of education for
- 8408 which the individual is an education official; or
- 8409 (b) an immediate family member of an individual described in Subsection (27)(a), (c), or
- 8410 (d).
- 8411 (29) "Quarterly reporting period" means the three-month period covered by each financial
- 8412 report required under Subsection 36-11-201(2)(a).
- 8413 (30) "Related person" means a person, agent, or employee who knowingly and intentionally
- 8414 assists a lobbyist, principal, or government officer in lobbying.
- 8415 (31) "Relative" means:
- 8416 (a) a spouse;
- 8417 (b) a child, parent, grandparent, grandchild, brother, sister, parent-in-law, brother-in-law,
- 8418 sister-in-law, nephew, niece, aunt, uncle, or first cousin; or
- 8419 (c) a spouse of an individual described in Subsection (31)(b).
- 8420 (32) "Tour" means visiting a location, for a purpose relating to the duties of a public
- 8421 official, and not primarily for entertainment, including:
- 8422 (a) viewing a facility;

- 8423 (b) viewing the sight of a natural disaster; or
- 8424 (c) assessing a circumstance in relation to which a public official may need to take
- 8425 action within the scope of the public official's duties.
- 8426 Section 175. Section **51-9-801** is amended to read:
- 8427 **51-9-801 (Effective 05/06/26). Opioid Litigation Proceeds Fund.**
- 8428 (1) As used in this section:
- 8429 (a) "Fund" means the Opioid Litigation Proceeds Fund created in this section.
- 8430 (b)(i) "Principal" means money deposited into the fund in accordance with this
- 8431 section.
- 8432 (ii) "Principal" does not include:
- 8433 (A) earnings credited to the fund, including interest and dividends; or
- 8434 (B) up to \$21 million of money described in Subsection (4) that the Legislature
- 8435 allocated through July 1, 2026, to be spent for various purposes through June
- 8436 30, 2027.
- 8437 (2) There is created the Opioid Litigation Proceeds Fund.
- 8438 (3) The fund consists of:
- 8439 (a) any money deposited into the fund in accordance with Subsection (4);
- 8440 (b) interest and dividends earned on money in the fund; and
- 8441 (c) money appropriated to the fund by the Legislature.
- 8442 (4) Notwithstanding Sections [~~13-2-8~~] 13-2-109 and 67-5-40, after reimbursement to the
- 8443 attorney general and the Department of Commerce for expenses related to the matters
- 8444 described in Subsection (4)(a) or (b), the following shall be deposited into the fund:
- 8445 (a) all money received by the attorney general or the Department of Commerce as a
- 8446 result of any judgment, settlement, or compromise of claims pertaining to alleged
- 8447 violations of law related to the manufacture, marketing, distribution, or sale of
- 8448 opioids from a case designated as an opioid case by the attorney general in a legal
- 8449 services contract; and
- 8450 (b) all money received by the attorney general or the Department of Commerce as a
- 8451 result of any multistate judgment, settlement, or compromise of claims pertaining to
- 8452 alleged violations of law related to the manufacture, marketing, distribution, or sale
- 8453 of opioids.
- 8454 (5) The state treasurer shall:
- 8455 (a) invest the money in the fund:
- 8456 (i) for the benefit of the people of the state in perpetuity; and

- 8457 (ii) with the following goals, in order of priority:
- 8458 (A) providing for growth of the principal; and
- 8459 (B) fund stability; and
- 8460 (b) invest and manage fund money as a prudent investor would by:
- 8461 (i) considering the purpose, terms, distribution requirements, and other circumstances
- 8462 of the fund; and
- 8463 (ii) exercising reasonable care, skill, and caution in order to meet the standard of care
- 8464 of a prudent investor.
- 8465 (6) The state treasurer may deduct any administrative costs incurred by managing the fund
- 8466 from earnings generated by investments in the fund.
- 8467 (7)(a) The Legislature may not appropriate principal from the fund.
- 8468 (b) Subject to appropriation by the Legislature, money in the account other than
- 8469 principal shall be used:
- 8470 (i) to address the effects of alleged violations of law related to the manufacture,
- 8471 marketing, distribution, or sale of opioids; or
- 8472 (ii) if applicable, in accordance with the terms of a settlement agreement described in
- 8473 Subsection (4)(a) or (b) entered into by the state.
- 8474 Section 176. Section **54-8b-18** is amended to read:
- 8475 **54-8b-18 (Effective 05/06/26). Definitions -- Unauthorized change of**
- 8476 **telecommunications provider -- Unauthorized charges -- Procedures for verification --**
- 8477 **Penalties -- Authority of commission.**
- 8478 (1) For purposes of this section:
- 8479 (a) "Agents" includes any person, firm, or corporation representing a
- 8480 telecommunications corporation for purposes of requesting a change in a subscriber's
- 8481 telecommunications provider, but does not include a local service provider when
- 8482 executing a request submitted by another service provider or [its] another service
- 8483 provider's agents.
- 8484 (b) "Freeze" means a directive from a subscriber to retain the provider of public
- 8485 telecommunications services selected by the subscriber until the subscriber provides
- 8486 authorization for a change to another provider of public telecommunications services
- 8487 through any means by which a freeze is implemented.
- 8488 (c) "Small commercial subscriber" is a person or entity conducting a business,
- 8489 agriculture, or other enterprise in the state having less than five telecommunications
- 8490 lines.

- 8491 (d) "Subscriber" means a corporation, person, or government, or a person acting legally
8492 on behalf of a corporation, person, or government who has purchased public
8493 telecommunications services from a telecommunications corporation.
- 8494 (2) No telecommunications corporation or ~~[its]~~ the telecommunications corporation's agents
8495 shall make any change or authorize a different telecommunications corporation to make
8496 any change in the provider of any public telecommunications service to a subscriber
8497 unless it complies, at a minimum, with Subsections (2)(a) through (e).~~[-]~~ This Subsection
8498 (2) does not apply to a telecommunications corporation that effectuates a change in
8499 service provider ~~[pursuant to]~~ in accordance with a change authorization submitted or
8500 requested by another telecommunications corporation.
- 8501 (a) The telecommunications corporation or ~~[its]~~ the telecommunications corporation's
8502 agents shall, at a minimum, inform the subscriber of the nature, extent, and rates of
8503 the service being offered and any charges associated with the change.
- 8504 (b) Notwithstanding Section ~~[13-26-4]~~ 13-26-104, changes in provider of
8505 telecommunication service accomplished through telephone solicitation shall comply
8506 with the Telephone Fraud Prevention Act, Sections ~~[13-26-2]~~ 13-26-101, ~~[13-26-8]~~
8507 13-26-106, ~~[13-26-10]~~ 13-26-107, and ~~[13-26-11]~~ 13-26-108.
- 8508 (c) For sales of residential service or small commercial subscriber service, the
8509 telecommunications corporation or ~~[its]~~ the telecommunications corporation's agents
8510 shall confirm that the subscriber is aware of any charges that the subscriber must pay
8511 associated with the change and that the subscriber authorizes the change of provider.
8512 The subscriber's authorization to change the provider shall be confirmed by any one
8513 of the following methods:
- 8514 (i) obtaining the subscriber's written authorization;
8515 (ii) having the subscriber's oral authorization verified by an independent third party;
8516 or
8517 (iii) any means provided by rule of the Federal Communications Commission or the
8518 commission.
- 8519 (d) If the subscriber is not an individual, an authorization shall be valid only if given by
8520 an authorized representative of the subscriber.
- 8521 (e)(i) The written authorization to change the provider shall be signed by the
8522 subscriber and shall contain a clear, conspicuous, and unequivocal request by the
8523 subscriber for a change of telecommunications provider.
- 8524 (ii) A written authorization is not valid if it is presented to the subscriber for signature

8525 in connection with a sweepstakes, game of chance, or any other means prohibited
8526 by commission rule.

8527 (iii) Nothing in this section shall be construed to prohibit any person from offering a
8528 premium, incentive, or a thing of value to another as consideration for authorizing
8529 a change of telecommunications service provider, provided that no element of
8530 chance or skill is associated with the offer of the premium, incentive, or thing of
8531 value or its receipt.

8532 (3) The confirmation by a third-party verifier shall, at a minimum:

8533 (a) confirm the subscriber's identity with information unique to the customer, unless the
8534 customer refuses to provide identifying information, then that fact shall be noted;

8535 (b) confirm that the subscriber agrees to the requested change in telecommunications
8536 service providers; and

8537 (c) confirm that the subscriber has the authority to select the provider as the provider of
8538 that service.

8539 (4) A third-party verifier shall meet each of the following criteria:

8540 (a) any criteria for third-party verifiers set by the Federal Communications Commission;

8541 (b) not be directly or indirectly managed, controlled, directed, or owned wholly or in
8542 part:

8543 (i) by the telecommunications corporation or [its] the telecommunications
8544 corporation's agents that seek to provide the telecommunications service or by any
8545 corporation, firm, or person who directly or indirectly manages, controls, directs,
8546 or owns more than 5% of the telecommunications corporation; or

8547 (ii) by the marketing entity that seeks to market the telecommunications service or by
8548 any corporation, firm, or person who directly or indirectly manages, controls,
8549 directs, or owns more than 5% of the marketing entity;

8550 (c) operate from facilities physically separated from:

8551 (i) those of the telecommunications corporation or its agents that seek to provide the
8552 subscriber's telecommunications service; or

8553 (ii) those of the marketing entity that seeks to market a telecommunications service to
8554 the subscriber; and

8555 (d) not derive commissions or compensation based upon the number of change
8556 authorizations verified.

8557 (5) A telecommunications corporation or its agents seeking to verify the change

8558 authorization shall connect the subscriber to the third-party verifier or arrange for the

- 8559 third-party verifier to call the subscriber to verify the change authorization.
- 8560 (6) A third-party verifier that obtains the subscriber's oral verification regarding the change
8561 shall record that verification by obtaining appropriate verification data.
- 8562 (7)(a) The record verifying a subscriber's change of provider shall be available to the
8563 subscriber upon request.
- 8564 (b) Information obtained from the subscriber through verification may not be used for
8565 any other purpose.
- 8566 (c) Any intentional unauthorized release of the information in Subsection (7)(b) is
8567 grounds for penalties or other action by the commission or remedies provided by law
8568 to the aggrieved subscriber against the telecommunications corporation, third-party
8569 verifier, their agents, or their employees who are responsible for the violation.
- 8570 (8) The third-party verification shall occur in the same language as that in which the change
8571 was solicited.
- 8572 (9) The verification requirements described in this section shall apply to all changes in the
8573 provider of any public telecommunications service.
- 8574 (10) The commission may promulgate rules:
- 8575 (a) necessary to implement this section;
- 8576 (b) consistent with any rules promulgated by the Federal Communications Commission;
8577 and
- 8578 (c) in a nondiscriminatory and competitively neutral manner.
- 8579 (11)(a) Each subscriber may elect to require the telecommunications corporation
8580 providing the subscriber's local exchange service to implement a freeze until the
8581 subscriber provides authorization for a change to another provider of public
8582 telecommunications services.
- 8583 (b) Once a subscriber has elected the freeze option under Subsection (11)(a), the
8584 telecommunications corporation providing the subscriber's local exchange service
8585 may not process a request to change the subscriber to another provider of
8586 telecommunications services without prior authorization directly from the subscriber.
- 8587 (12)(a) Whenever the subscriber's provider of a telecommunications service changes, the
8588 new provider shall:
- 8589 (i) retain a record of the verified change authorization consistent with requirements of
8590 the Federal Communications Commission or rules issued by the commission; and
- 8591 (ii) be responsible for providing a conspicuous notice of the change within 30 days of
8592 the effective date of the change of service.

- 8593 (b) At a minimum, the notice in Subsection (12)(a)(ii) shall identify the new provider,
 8594 contain a general description of the service and price, and provide information
 8595 necessary for the subscriber to have questions answered or to rescind the change.
- 8596 (13) Any bill shall identify each telecommunications service provider of telecommunication
 8597 service for which billing is rendered.
- 8598 (14)(a) Any person or provider of telecommunications service inadvertently or
 8599 knowingly designating or changing the subscriber's telecommunications service
 8600 provider in violation of this section shall refund to the subscriber any amounts
 8601 required by the rules of the Federal Communications Commission and the
 8602 commission.
- 8603 (b) The unauthorized provider in Subsection (14)(a) additionally shall:
- 8604 (i) bear all costs of restoring the customer to the service of the subscriber's original
 8605 service provider; and
- 8606 (ii) pay to any other telecommunications provider any fees set by the commission for
 8607 the designation or change.
- 8608 (15) Proceedings for violations of this section may be commenced by request for agency
 8609 action filed with the commission by a subscriber, a telecommunications corporation, the
 8610 Division of Public Utilities, or by the commission on its own motion.
- 8611 (16) Any telecommunications corporation, its agents, or a third-party verifier who violates
 8612 this section or rules adopted to implement this section shall be subject to the provisions
 8613 of Sections 54-7-23 through 54-7-29.
- 8614 (17) The commission is granted authority to enforce provisions relating to an unauthorized
 8615 telecommunication service provider change in interstate and intrastate
 8616 telecommunication service involving telecommunications corporations operating in the
 8617 state.

8618 Section 177. Section **58-16a-305** is amended to read:

8619 **58-16a-305 (Effective 05/06/26). License -- Exemptions.**

8620 In addition to the exemptions from licensure in Section 58-1-307, the following persons
 8621 may engage in acts included in the definition of the practice of optometry subject to the stated
 8622 circumstances and limitations without being licensed under this chapter:

- 8623 (1) a person who sells contact lenses on prescription provided by a person authorized under
 8624 state law to practice either optometry or medicine and surgery if the person complies
 8625 with Section 58-16a-801;
- 8626 (2) a person who sells eyeglasses or spectacles as articles of merchandise or who fabricates [

- 8627 ~~them~~] eyeglasses or spectacles from a prescription if the person complies with
8628 Subsection 58-16a-801(2), and if the person:
- 8629 (a) does so in the ordinary course of trade from a permanently located and established
8630 place of business;
 - 8631 (b) does not traffic or attempt to traffic upon assumed skill in testing the eye and
8632 adapting lenses according to the test;
 - 8633 (c) does not duplicate, replace, or accept for replacement any ophthalmic lens, except in
8634 the case of an emergency;
 - 8635 (d) does not use in the testing of the eyes any lenses or instruments other than the lenses
8636 actually sold; and
 - 8637 (e) does not give or offer eyeglasses or spectacles as premiums as defined in Section [
8638 ~~13-26-2~~] 13-26-101; and
- 8639 (3) [~~a person~~] an individual who fits contact lenses under the following conditions:
- 8640 (a) [~~he~~] the individual has a current certification from both the American Board of
8641 Opticianry and the National Contact Lens Examiners;
 - 8642 (b) [~~he~~] the individual does not give or offer contact lenses as premiums;
 - 8643 (c) [~~he~~] the individual does not perform a refraction, over-refraction, or attempt to traffic
8644 upon assumed skill in testing the eye;
 - 8645 (d) [~~he~~] the individual operates in the ordinary course of trade from a permanently
8646 located and established place of business;
 - 8647 (e) [~~he~~] the individual performs the work involved in fitting contact lenses [~~himself~~]and
8648 does not delegate the contact lens fitting to any other individual who is not qualified
8649 under this Subsection (3);
 - 8650 (f) [~~he~~] the individual does not use in the testing of the eye any lenses or instruments
8651 other than the lenses he actually will sell;
 - 8652 (g) [~~he~~] the individual provides services only to a patient who:
 - 8653 (i) presents an unexpired contact lens prescription; or
 - 8654 (ii) has had an eye examination within the prior six months by an optometrist or
8655 ophthalmologist meeting the requirements under Section 58-16a-306;
 - 8656 (h) [~~he~~] the individual maintains a copy of the patient's contact lens prescription for not
8657 less than seven years;
 - 8658 (i) [~~he~~] the individual enters into a written agreement with an optometrist or an
8659 ophthalmologist before July 1, 2000, to fit contact lenses prescribed by that
8660 optometrist or ophthalmologist;

- 8661 (j) [~~he~~] the individual fits contact lenses for at least two years under the direct
 8662 supervision of the optometrist or ophthalmologist identified in Subsection (3)(i)
 8663 before July 1, 2000, as 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(4);
- 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 Commerce~~] established in Section [13-2-1] 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 apprises 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.