

Calvin R. Musselman proposes the following substitute bill:

**Online Age Verification Amendments**

2026 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Calvin R. Musselman**

House Sponsor: Steve Eliason

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**LONG TITLE**

**General Description:**

This bill enacts provisions related to online providers of content harmful to minors.

**Highlighted Provisions:**

This bill:

- defines terms;
- provides legislative findings;
- imposes an excise tax on certain entities that provide content harmful to minors;
- provides for administration and collection of the excise tax by the State Tax Commission based on referrals from the Division of Consumer Protection;
- creates the Minor Mental Health Restricted Account within the General Fund;
- directs tax revenues to the Department of Health and Human Services and the Division of Consumer Protection to be used for mental health programs and enforcement of age verification requirements;
- provides for liability for publishers and distributors of material harmful to minors who fail to perform age verification;
- grants the Division of Consumer Protection authority to investigate and enforce age verification requirements;
- provides administrative fines and civil penalties for violations of age verification requirements;
- creates the Minor Online Safety Restricted Account (account) within the General Fund and provides for deposits from tax revenue and from fines and civil penalties;
- directs money in the account to the Division of Consumer Protection to be used for enforcement of age verification requirements and online safety for minors;
- provides rulemaking authority to the Division of Consumer Protection to establish standards for substantial portion determinations and age verification methods;

- 29           ▸ provides safe harbor for approved age verification methods;  
 30           ▸ provides a severability clause; and  
 31           ▸ makes technical and conforming changes.

32 **Money Appropriated in this Bill:**

33           This bill appropriates \$4,000,000 in operating and capital budgets for fiscal year 2027, all  
 34 of which is from the various sources as detailed in this bill.

35           This bill appropriates \$4,000,000 in restricted fund and account transfers for fiscal year 2027,  
 36 all of which is from the various sources as detailed in this bill.

37 **Other Special Clauses:**

38           This bill provides a special effective date.

39 **Utah Code Sections Affected:**

40 AMENDS:

41           **13-2-1 (Effective 05/06/26) (Superseded 07/01/26)**, as last amended by Laws of Utah  
 42 2025, Chapters 51, 181, 237, and 269

43           **13-2-1 (Effective 07/01/26)**, as last amended by Laws of Utah 2025, Chapter 468

44           **13-2-5 (Effective 05/06/26)**, as last amended by Laws of Utah 2008, Chapter 382

45           **13-2-6 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, Chapter 442

46           **13-2-7 (Effective 05/06/26)**, as last amended by Laws of Utah 1994, Chapter 177

47           **13-2-8 (Effective 05/06/26)**, as last amended by Laws of Utah 2023, Chapter 375

48           **59-1-403 (Effective 10/01/26) (Partially Repealed 07/01/29)**, as last amended by Laws of  
 49 Utah 2025, Chapters 182, 323, 400, and 498

50           **78B-3-1001 (Effective 05/06/26)**, as enacted by Laws of Utah 2023, Chapter 262

51           **78B-3-1002 (Effective 05/06/26)**, as enacted by Laws of Utah 2023, Chapter 262

52           **78B-3-1003 (Effective 05/06/26)**, as enacted by Laws of Utah 2024, Chapter 75

53 ENACTS:

54           **59-35-101 (Effective 10/01/26)**, Utah Code Annotated 1953

55           **59-35-102 (Effective 10/01/26)**, Utah Code Annotated 1953

56           **59-35-103 (Effective 10/01/26)**, Utah Code Annotated 1953

57           **59-35-104 (Effective 10/01/26)**, Utah Code Annotated 1953

58           **59-35-105 (Effective 10/01/26)**, Utah Code Annotated 1953

59           **78B-3-1004 (Effective 05/06/26)**, Utah Code Annotated 1953

60           **78B-3-1005 (Effective 05/06/26)**, Utah Code Annotated 1953

61           **78B-3-1006 (Effective 05/06/26)**, Utah Code Annotated 1953

62           **78B-3-1007 (Effective 05/06/26)**, Utah Code Annotated 1953

63 **78B-3-1008 (Effective 05/06/26)**, Utah Code Annotated 1953

64

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

66 Section 1. Section **13-2-1** is amended to read:

67 **13-2-1 (Effective 05/06/26) (Superseded 07/01/26). Consumer protection division**  
 68 **established -- Functions.**

69 (1) There is established within the Department of Commerce the Division of Consumer  
 70 Protection.

71 (2) The division shall administer and enforce the following:

72 (a) Chapter 10a, Music Licensing Practices Act;

73 (b) Chapter 11, Utah Consumer Sales Practices Act;

74 (c) Chapter 15, Business Opportunity Disclosure Act;

75 (d) Chapter 20, New Motor Vehicle Warranties Act;

76 (e) Chapter 21, Credit Services Organizations Act;

77 (f) Chapter 22, Charitable Solicitations Act;

78 (g) Chapter 23, Health Spa Services Protection Act;

79 (h) Chapter 25a, Telephone and Facsimile Solicitation Act;

80 (i) Chapter 26, Telephone Fraud Prevention Act;

81 (j) Chapter 28, Prize Notices Regulation Act;

82 (k) Chapter 32a, Pawnshop, Secondhand Merchandise, and Catalytic Converter  
 83 Transaction Information Act;

84 (l) Chapter 34, Utah Postsecondary School and State Authorization Act;

85 (m) Chapter 41, Price Controls During Emergencies Act;

86 (n) Chapter 42, Uniform Debt-Management Services Act;

87 (o) Chapter 49, Immigration Consultants Registration Act;

88 (p) Chapter 51, Transportation Network Company Registration Act;

89 (q) Chapter 52, Residential Solar Energy Consumer Protection Act;

90 (r) Chapter 53, Residential, Vocational [œ] and Life Skills Program Act;

91 (s) Chapter 54, Ticket Website Sales Act;

92 (t) Chapter 56, Ticket Transferability Act;

93 (u) Chapter 57, Maintenance Funding Practices Act;

94 (v) Chapter 61, Utah Consumer Privacy Act;

95 (w) Chapter 64, Vehicle Value Protection Agreement Act;

96 (x) Chapter 65, Utah Commercial Email Act;

- 97 (y) Chapter 67, Online Dating Safety Act;
- 98 (z) Chapter 68, Lawyer Referral Consultants Registration Act;
- 99 (aa) Chapter 70, Automatic Renewal Contracts Act;
- 100 (bb) Chapter 71, Utah Minor Protection in Social Media Act;
- 101 (cc) Chapter 72a, Artificial Intelligence Applications Relating to Mental Health; [~~and~~]
- 102 (dd) Chapter 78, Earned Wage Access Services Act[-] ; and
- 103 (ee) Title 78B, Chapter 3, Part 10, Liability for Publishers and Distributors of Material
- 104 Harmful to Minors.

105 (3) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the

106 division may make rules to establish:

- 107 (a) a public list that identifies a person that:
- 108 (i) violates a chapter or section described in Subsection (2);
- 109 (ii) without proper legal justification, fails to comply with an order, subpoena,
- 110 judgment, or other legal process issued by:
- 111 (A) the division; or
- 112 (B) a court of competent jurisdiction; or
- 113 (iii) breaches a settlement agreement, stipulation, assurance of voluntary compliance,
- 114 or similar instrument signed by the person and the division; and
- 115 (b) a process by which a person may be removed from the list the division establishes as
- 116 described in Subsection (3)(a).

117 Section 2. Section 13-2-1 is amended to read:

118 **13-2-1 (Effective 07/01/26). Consumer protection division established --**

119 **Functions.**

- 120 (1) There is established within the Department of Commerce the Division of Consumer
- 121 Protection.
- 122 (2) The division shall administer and enforce the following:
- 123 (a) Chapter 10a, Music Licensing Practices Act;
- 124 (b) Chapter 11, Utah Consumer Sales Practices Act;
- 125 (c) Chapter 15, Business Opportunity Disclosure Act;
- 126 (d) Chapter 20, New Motor Vehicle Warranties Act;
- 127 (e) Chapter 21, Credit Services Organizations Act;
- 128 (f) Chapter 22, Charitable Solicitations Act;
- 129 (g) Chapter 23, Health Spa Services Protection Act;
- 130 (h) Chapter 25a, Telephone and Facsimile Solicitation Act;

- 131 (i) Chapter 26, Telephone Fraud Prevention Act;
- 132 (j) Chapter 28, Prize Notices Regulation Act;
- 133 (k) Chapter 32a, Pawnshop, Secondhand Merchandise, and Catalytic Converter
- 134 Transaction Information Act;
- 135 (l) Chapter 34, Utah Postsecondary School and State Authorization Act;
- 136 (m) Chapter 41, Price Controls During Emergencies Act;
- 137 (n) Chapter 42, Uniform Debt-Management Services Act;
- 138 (o) Chapter 49, Immigration Consultants Registration Act;
- 139 (p) Chapter 51, Transportation Network Company Registration Act;
- 140 (q) Chapter 52, Residential Solar Energy Consumer Protection Act;
- 141 (r) Chapter 53, Residential, Vocational [œ] and Life Skills Program Act;
- 142 (s) Chapter 54, Ticket Website Sales Act;
- 143 (t) Chapter 56, Ticket Transferability Act;
- 144 (u) Chapter 57, Maintenance Funding Practices Act;
- 145 (v) Chapter 61, Utah Consumer Privacy Act;
- 146 (w) Chapter 64, Vehicle Value Protection Agreement Act;
- 147 (x) Chapter 65, Utah Commercial Email Act;
- 148 (y) Chapter 67, Online Dating Safety Act;
- 149 (z) Chapter 68, Lawyer Referral Consultants Registration Act;
- 150 (aa) Chapter 70, Automatic Renewal Contracts Act;
- 151 (bb) Chapter 71, Utah Minor Protection in Social Media Act;
- 152 (cc) Chapter 72a, Artificial Intelligence Applications Relating to Mental Health;
- 153 (dd) Chapter 78, Earned Wage Access Services Act; [and]
- 154 (ee) Chapter 81, Utah Digital Choice Act[-] ; and
- 155 (ff) Title 78B, Chapter 3, Part 10, Liability for Publishers and Distributors of Material
- 156 Harmful to Minors.
- 157 (3) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
- 158 division may make rules to establish:
- 159 (a) a public list that identifies a person that:
- 160 (i) violates a chapter or section described in Subsection (2);
- 161 (ii) without proper legal justification, fails to comply with an order, subpoena,
- 162 judgment, or other legal process issued by:
- 163 (A) the division; or
- 164 (B) a court of competent jurisdiction; or

- 165 (iii) breaches a settlement agreement, stipulation, assurance of voluntary compliance,  
166 or similar instrument signed by the person and the division; and  
167 (b) a process by which a person may be removed from the list the division establishes as  
168 described in Subsection (3)(a).

169 Section 3. Section **13-2-5** is amended to read:

170 **13-2-5 (Effective 05/06/26). Powers of director.**

171 The director has authority to:

- 172 (1) in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, issue  
173 rules to administer and enforce [~~the chapters~~] a chapter or section listed in Section 13-2-1;  
174 (2) investigate the activities of any business governed by the laws administered and  
175 enforced by the division;  
176 (3) take administrative and judicial action against persons in violation of the division rules  
177 and the laws administered and enforced by it, including the issuance of cease and desist  
178 orders;  
179 (4) coordinate, cooperate, and assist with business and industry desiring or attempting to  
180 correct unfair business practices between competitors;  
181 (5) provide consumer information and education to the public and assist any organization  
182 providing such services; and  
183 (6) coordinate with, assist, and utilize the assistance of federal, state, and local agencies in  
184 the performance of the director's duties and the protection of the public.

185 Section 4. Section **13-2-6** is amended to read:

186 **13-2-6 (Effective 05/06/26). Enforcement powers.**

- 187 (1) In accordance with Title 63G, Chapter 4, Administrative Procedures Act, the division  
188 shall have authority to convene administrative hearings, issue cease and desist orders,  
189 and impose fines under all the chapters[-] or sections identified in Section 13-2-1.  
190 (2) A person who intentionally violates a final cease and desist order entered by the division  
191 of which the person has notice is guilty of a third degree felony.  
192 (3) If the division has reasonable cause to believe that a person has violated or is violating  
193 any chapter or section listed in Section 13-2-1, the division may promptly issue the  
194 alleged violator a citation signed by the division's director or the director's designee.  
195 (a) Each citation shall be in writing and shall:  
196 (i) set forth with particularity the nature of the violation, including a reference to the  
197 statutory or administrative rule provision violated;  
198 (ii) state that a request for review of the citation shall be made in writing and be

- 199 received by the division no more than 20 calendar days after the day on which the  
200 division issues the citation;
- 201 (iii) state the consequences of failing to make a timely request for review; and  
202 (iv) state all other information required by Subsection 63G-4-201(2).
- 203 (b) In computing a time period under this section, the following days may not be  
204 included:
- 205 (i) the day on which the division issues a citation; and  
206 (ii) the day on which the division receives a request for review of a citation.
- 207 (c)(i) Except as provided in Subsection (3)(c)(iii), if the presiding officer finds that  
208 there is not substantial evidence that the recipient violated a chapter or section  
209 listed in Section 13-2-1:
- 210 (A) the citation may not become final; and  
211 (B) the division shall immediately vacate the citation and promptly notify the  
212 recipient in writing.
- 213 (ii) Except as provided in Subsection (3)(c)(iv), if the presiding officer finds that  
214 there is substantial evidence that the recipient violated a chapter or section listed  
215 in Section 13-2-1:
- 216 (A) the citation shall become final; and  
217 (B) the division may enter a cease and desist order against the recipient.
- 218 (iii) For a citation issued for a violation of Chapter 41, Price Controls During  
219 Emergencies Act, if the presiding officer finds that there is not clear and  
220 convincing evidence that the recipient violated the chapter:
- 221 (A) the citation may not become final; and  
222 (B) the division shall immediately vacate the citation and promptly notify the  
223 recipient in writing.
- 224 (iv) For a citation issued for a violation of Chapter 41, Price Controls During  
225 Emergencies Act, if the presiding officer finds that there is clear and convincing  
226 evidence that the recipient violated the chapter:
- 227 (A) the citation shall become final; and  
228 (B) the division may enter a cease and desist order against the recipient.
- 229 (d)(i) A citation issued under this chapter may be personally served upon a person  
230 upon whom a summons may be served in accordance with the Utah Rules of Civil  
231 Procedure.
- 232 (ii) A citation also may be served by first-class mail, postage prepaid.

- 233 (e)(i) If the recipient fails to make a request for review within 20 calendar days after  
234 the day on which the division issues the citation, the citation shall become the  
235 final order of the division.
- 236 (ii) The period to contest the citation may be extended by the director for good cause  
237 shown.
- 238 (f) If the chapter or section violated allows for an administrative fine, after a citation  
239 becomes final, the director may impose the administrative fine.
- 240 (4)(a) A person who[-] has violated, is violating, or has attempted[-] to violate a chapter  
241 or section identified in Section 13-2-1 is subject to the division's jurisdiction if:
- 242 (i) the violation or attempted violation is committed wholly or partly within the state;  
243 (ii) conduct committed outside the state constitutes an attempt to commit a violation  
244 within the state; or  
245 (iii) transactional resources located within the state are used by the offender to  
246 directly or indirectly facilitate a violation or attempted violation.
- 247 (b) As used in this section, "transactional resources" means:
- 248 (i) a mail drop or mail box, regardless of whether the mail drop or mail box is located  
249 on the premises of a United States Post Office;  
250 (ii) a telephone or facsimile transmission device;  
251 (iii) an [~~Internet~~] internet connection by a resident or inhabitant of this state with a  
252 resident- or nonresident-maintained [~~Internet~~] internet site;  
253 (iv) a business office or private residence used for a business-related purpose;  
254 (v) an account with or services of a financial institution;  
255 (vi) the services of a common or private carrier; or  
256 (vii) the use of a city, county, or state asset or facility, including a road or highway.
- 257 (5) The director or the director's designee, for the purposes outlined in a chapter  
258 administered by the division, may administer oaths, issue subpoenas, compel the  
259 attendance of witnesses, conduct audits, compel sworn responses to written questions, or  
260 compel the production of papers, books, accounts, documents, or evidence.
- 261 (6)(a) An administrative action filed under this chapter or a chapter or section listed in  
262 Section 13-2-1 shall be commenced no later than 10 years after the day on which the  
263 alleged violation occurs.
- 264 (b) A civil action filed under this chapter or a chapter or section listed in Section 13-2-1  
265 shall be commenced no later than five years after the day on which the alleged  
266 violation occurs.

267 (c) The provisions of this Subsection (6) control over the provisions of Title 78B,  
 268 Chapter 2, Statutes of Limitations.

269 (7) When granting a judgment in the division's favor in connection with the division's  
 270 exercise of any authority described in Section 13-2-5 or 13-2-6, a court shall award:

271 (a) reasonable attorney fees;

272 (b) court costs;

273 (c) costs of investigation; and

274 (d) any other relief the court deems appropriate.

275 Section 5. Section **13-2-7** is amended to read:

276 **13-2-7 (Effective 05/06/26). Violation of restraining or injunctive order -- Civil**  
 277 **penalty.**

278 If any restraining order, any chapter or section administered by the division, or  
 279 injunction granted under this chapter is violated, the division may submit a motion for, or the  
 280 court on its own motion, may impose a civil penalty of not more than \$2,000 for each day a  
 281 temporary restraining order, preliminary injunction or permanent injunction issued under this  
 282 chapter is violated, if the party has received notice of the restraining or injunctive order.

283 Section 6. Section **13-2-8** is amended to read:

284 **13-2-8 (Effective 05/06/26). Consumer Protection Education and Training Fund.**

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

287 (2)(a) Unless otherwise provided by a chapter or section listed in Section 13-2-1, all  
 288 money not distributed as consumer restitution that is received by the division from  
 289 administrative fines and settlements, from criminal restitution, or from civil damages,  
 290 forfeitures, penalties, and settlements when the division receives the money on its  
 291 own behalf and not in a representative capacity, shall be deposited into the fund.

292 (b) Any portion of the fund may be maintained in an interest-bearing account.

293 (c) All interest earned on fund money shall be deposited into the fund.

294 (3) Notwithstanding Title 63J, Chapter 1, Budgetary Procedures Act, the division may use  
 295 the fund with the approval of the executive director of the Department of Commerce in a  
 296 manner consistent with the duties of the division under this chapter for:

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

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

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

- 301 (d) investigation and litigation undertaken by the division.  
302 (4) If the balance in the fund exceeds \$1,000,000 at the close of any fiscal year, the excess  
303 shall be transferred to the General Fund.

304 Section 7. Section **59-1-403** is amended to read:

305 **59-1-403 (Effective 10/01/26) (Partially Repealed 07/01/29). Confidentiality --**  
306 **Exceptions -- Penalty -- Application to property tax.**

307 (1) As used in this section:

308 (a) "Distributed tax, fee, or charge" means a tax, fee, or charge:

309 (i) the commission administers under:

310 (A) this title, other than a tax under Chapter 12, Part 2, Local Sales and Use Tax  
311 Act;

312 (B) Title 10, Chapter 1, Part 3, Municipal Energy Sales and Use Tax Act;

313 (C) Title 10, Chapter 1, Part 4, Municipal Telecommunications License Tax Act;

314 (D) Section 19-6-805;

315 (E) Section 63H-1-205; or

316 (F) Title 69, Chapter 2, Part 4, Prepaid Wireless Telecommunications Service  
317 Charges; and

318 (ii) with respect to which the commission distributes the revenue collected from the  
319 tax, fee, or charge to a qualifying jurisdiction.

320 (b) "GOEO" means the Governor's Office of Economic Opportunity created in Section  
321 63N-1a-301.

322 (c) "Qualifying jurisdiction" means:

323 (i) a county, city, or town;

324 (ii) the military installation development authority created in Section 63H-1-201;

325 (iii) the Utah Inland Port Authority created in Section 11-58-201; or

326 (iv) the Utah Fairpark Area Investment and Restoration District created in Section  
327 11-70-201.

328 (2)(a) Any of the following may not divulge or make known in any manner any  
329 information gained by that person from any return filed with the commission:

330 (i) a tax commissioner;

331 (ii) an agent, clerk, or other officer or employee of the commission; or

332 (iii) a representative, agent, clerk, or other officer or employee of any county, city, or  
333 town.

334 (b) An official charged with the custody of a return filed with the commission is not

- 335 required to produce the return or evidence of anything contained in the return in any  
336 action or proceeding in any court, except:
- 337 (i) in accordance with judicial order;
- 338 (ii) on behalf of the commission in any action or proceeding under:
- 339 (A) this title; or
- 340 (B) other law under which persons are required to file returns with the  
341 commission;
- 342 (iii) on behalf of the commission in any action or proceeding to which the  
343 commission is a party; or
- 344 (iv) on behalf of any party to any action or proceeding under this title if the report or  
345 facts shown by the return are directly involved in the action or proceeding.
- 346 (c) Notwithstanding Subsection (2)(b), a court may require the production of, and may  
347 admit in evidence, any portion of a return or of the facts shown by the return, as are  
348 specifically pertinent to the action or proceeding.
- 349 (d) Notwithstanding any other provision of state law, a person described in Subsection  
350 (2)(a) may not divulge or make known in any manner any information gained by that  
351 person from any return filed with the commission to the extent that the disclosure is  
352 prohibited under federal law.
- 353 (3) This section does not prohibit:
- 354 (a) a person or that person's duly authorized representative from receiving a copy of any  
355 return or report filed in connection with that person's own tax;
- 356 (b) the publication of statistics as long as the statistics are classified to prevent the  
357 identification of particular reports or returns; and
- 358 (c) the inspection by the attorney general or other legal representative of the state of the  
359 report or return of any taxpayer:
- 360 (i) who brings action to set aside or review a tax based on the report or return;
- 361 (ii) against whom an action or proceeding is contemplated or has been instituted  
362 under this title; or
- 363 (iii) against whom the state has an unsatisfied money judgment.
- 364 (4)(a) Notwithstanding Subsection (2) and for purposes of administration, the  
365 commission may by rule, made in accordance with Title 63G, Chapter 3, Utah  
366 Administrative Rulemaking Act, provide for a reciprocal exchange of information  
367 with:
- 368 (i) the United States Internal Revenue Service; or

- 369 (ii) the revenue service of any other state.
- 370 (b) Notwithstanding Subsection (2) and for all taxes except individual income tax and  
371 corporate franchise tax, the commission may by rule, made in accordance with Title  
372 63G, Chapter 3, Utah Administrative Rulemaking Act, share information gathered  
373 from returns and other written statements with the federal government, any other  
374 state, any of the political subdivisions of another state, or any political subdivision of  
375 this state, except as limited by Sections 59-12-209 and 59-12-210, if the political  
376 subdivision, other state, or the federal government grant substantially similar  
377 privileges to this state.
- 378 (c) Notwithstanding Subsection (2) and for all taxes except individual income tax and  
379 corporate franchise tax, the commission may by rule, in accordance with Title 63G,  
380 Chapter 3, Utah Administrative Rulemaking Act, provide for the issuance of  
381 information concerning the identity and other information of taxpayers who have  
382 failed to file tax returns or to pay any tax due.
- 383 (d) Notwithstanding Subsection (2), the commission shall provide to the director of the  
384 Division of Environmental Response and Remediation, as defined in Section  
385 19-6-402, as requested by the director of the Division of Environmental Response  
386 and Remediation, any records, returns, or other information filed with the  
387 commission under Chapter 13, Motor and Special Fuel Tax Act, or Section  
388 19-6-410.5 regarding the environmental assurance program participation fee.
- 389 (e) Notwithstanding Subsection (2), at the request of any person the commission shall  
390 provide that person sales and purchase volume data reported to the commission on a  
391 report, return, or other information filed with the commission under:
- 392 (i) Chapter 13, Part 2, Motor Fuel; or  
393 (ii) Chapter 13, Part 4, Aviation Fuel.
- 394 (f) Notwithstanding Subsection (2), upon request from a tobacco product manufacturer,  
395 as defined in Section 59-22-202, the commission shall report to the manufacturer:
- 396 (i) the quantity of cigarettes, as defined in Section 59-22-202, produced by the  
397 manufacturer and reported to the commission for the previous calendar year under  
398 Section 59-14-407; and  
399 (ii) the quantity of cigarettes, as defined in Section 59-22-202, produced by the  
400 manufacturer for which a tax refund was granted during the previous calendar  
401 year under Section 59-14-401 and reported to the commission under Subsection  
402 59-14-401(1)(a)(v).

- 403 (g) Notwithstanding Subsection (2), the commission shall notify manufacturers,  
404 distributors, wholesalers, and retail dealers of a tobacco product manufacturer that is  
405 prohibited from selling cigarettes to consumers within the state under Subsection  
406 59-14-210(2).
- 407 (h) Notwithstanding Subsection (2), the commission may:
- 408 (i) provide to the Division of Consumer Protection within the Department of  
409 Commerce and the attorney general data:
- 410 (A) reported to the commission under Section 59-14-212; or  
411 (B) related to a violation under Section 59-14-211; and
- 412 (ii) upon request, provide to any person data reported to the commission under  
413 Subsections 59-14-212(1)(a) through (c) and Subsection 59-14-212(1)(g).
- 414 (i) Notwithstanding Subsection (2), the commission shall, at the request of a committee  
415 of the Legislature, the Office of the Legislative Fiscal Analyst, or the Governor's  
416 Office of Planning and Budget, provide to the committee or office the total amount of  
417 revenue collected by the commission under Chapter 24, Radioactive Waste Facility  
418 Tax Act, for the time period specified by the committee or office.
- 419 (j) Notwithstanding Subsection (2), the commission shall make the directory required by  
420 Section 59-14-603 available for public inspection.
- 421 (k) Notwithstanding Subsection (2), the commission may share information with federal,  
422 state, or local agencies as provided in Subsection 59-14-606(3).
- 423 (l)(i) Notwithstanding Subsection (2), the commission shall provide the Office of  
424 Recovery Services within the Department of Health and Human Services any  
425 relevant information obtained from a return filed under Chapter 10, Individual  
426 Income Tax Act, regarding a taxpayer who has become obligated to the Office of  
427 Recovery Services.
- 428 (ii) The information described in Subsection (4)(l)(i) may be provided by the Office  
429 of Recovery Services to any other state's child support collection agency involved  
430 in enforcing that support obligation.
- 431 (m)(i) Notwithstanding Subsection (2), upon request from the state court  
432 administrator, the commission shall provide to the state court administrator, the  
433 name, address, telephone number, county of residence, and social security number  
434 on resident returns filed under Chapter 10, Individual Income Tax Act.
- 435 (ii) The state court administrator may use the information described in Subsection  
436 (4)(m)(i) only as a source list for the master jury list described in Section

- 437 78B-1-106.
- 438 (n)(i) As used in this Subsection (4)(n):
- 439 (A) "Income tax information" means information gained by the commission that is  
440 required to be attached to or included in a return filed with the commission  
441 under Chapter 7, Corporate Franchise and Income Taxes, or Chapter 10,  
442 Individual Income Tax Act.
- 443 (B) "Other tax information" means information gained by the commission that is  
444 required to be attached to or included in a return filed with the commission  
445 except for a return filed under Chapter 7, Corporate Franchise and Income  
446 Taxes, or Chapter 10, Individual Income Tax Act.
- 447 (C) "Tax information" means income tax information or other tax information.
- 448 (ii)(A) Notwithstanding Subsection (2) and except as provided in Subsection  
449 (4)(n)(ii)(B) or (C), the commission shall at the request of GOEO provide to  
450 GOEO all income tax information.
- 451 (B) For purposes of a request for income tax information made under Subsection  
452 (4)(n)(ii)(A), GOEO may not request and the commission may not provide to  
453 GOEO a person's address, name, social security number, or taxpayer  
454 identification number.
- 455 (C) In providing income tax information to GOEO, the commission shall in all  
456 instances protect the privacy of a person as required by Subsection (4)(n)(ii)(B).
- 457 (iii)(A) Notwithstanding Subsection (2) and except as provided in Subsection  
458 (4)(n)(iii)(B), the commission shall at the request of GOEO provide to GOEO  
459 other tax information.
- 460 (B) Before providing other tax information to GOEO, the commission shall redact  
461 or remove any name, address, social security number, or taxpayer identification  
462 number.
- 463 (iv) GOEO may provide tax information received from the commission in accordance  
464 with this Subsection (4)(n) only:
- 465 (A) as a fiscal estimate, fiscal note information, or statistical information; and  
466 (B) if the tax information is classified to prevent the identification of a particular  
467 return.
- 468 (v)(A) A person may not request tax information from GOEO under Title 63G,  
469 Chapter 2, Government Records Access and Management Act, or this section,  
470 if GOEO received the tax information from the commission in accordance with

- 471 this Subsection (4)(n).
- 472 (B) GOEO may not provide to a person that requests tax information in  
473 accordance with Subsection (4)(n)(v)(A) any tax information other than the tax  
474 information GOEO provides in accordance with Subsection (4)(n)(iv).
- 475 (o) Notwithstanding Subsection (2), the commission may provide to the governing board  
476 of the agreement or a taxing official of another state, the District of Columbia, the  
477 United States, or a territory of the United States:
- 478 (i) the following relating to an agreement sales and use tax:
- 479 (A) information contained in a return filed with the commission;  
480 (B) information contained in a report filed with the commission;  
481 (C) a schedule related to Subsection (4)(o)(i)(A) or (B); or  
482 (D) a document filed with the commission; or
- 483 (ii) a report of an audit or investigation made with respect to an agreement sales and  
484 use tax.
- 485 (p) Notwithstanding Subsection (2), the commission may provide information  
486 concerning a taxpayer's state income tax return or state income tax withholding  
487 information to the Driver License Division if the Driver License Division:  
488 (i) requests the information; and  
489 (ii) provides the commission with a signed release form from the taxpayer allowing  
490 the Driver License Division access to the information.
- 491 (q) Notwithstanding Subsection (2), the commission shall provide to the Utah  
492 Communications Authority, or a division of the Utah Communications Authority, the  
493 information requested by the authority under Sections 63H-7a-302, 63H-7a-402, and  
494 63H-7a-502.
- 495 (r) Notwithstanding Subsection (2), the commission shall provide to the Utah  
496 Educational Savings Plan information related to a resident or nonresident individual's  
497 contribution to a Utah Educational Savings Plan account as designated on the  
498 resident or nonresident's individual income tax return as provided under Section  
499 59-10-1313.
- 500 (s) Notwithstanding Subsection (2), for the purpose of verifying eligibility under  
501 Sections 26B-3-106 and 26B-3-903, the commission shall provide an eligibility  
502 worker with the Department of Health and Human Services or its designee with the  
503 adjusted gross income of an individual if:  
504 (i) an eligibility worker with the Department of Health and Human Services or its

- 505                   designee requests the information from the commission; and
- 506                   (ii) the eligibility worker has complied with the identity verification and consent
- 507                   provisions of Sections 26B-3-106 and 26B-3-903.
- 508           (t) Notwithstanding Subsection (2), the commission may provide to a county, as
- 509                   determined by the commission, information declared on an individual income tax
- 510                   return in accordance with Section 59-10-103.1 that relates to eligibility to claim a
- 511                   residential exemption authorized under Section 59-2-103.
- 512           (u) Notwithstanding Subsection (2), the commission shall provide a report regarding any
- 513                   access line provider that is over 90 days delinquent in payment to the commission of
- 514                   amounts the access line provider owes under Title 69, Chapter 2, Part 4, Prepaid
- 515                   Wireless Telecommunications Service Charges, to[-] the board of the Utah
- 516                   Communications Authority created in Section 63H-7a-201.
- 517           (v) Notwithstanding Subsection (2), the commission shall provide the Department of
- 518                   Environmental Quality a report on the amount of tax paid by a radioactive waste
- 519                   facility for the previous calendar year under Section 59-24-103.5.
- 520           (w) Notwithstanding Subsection (2), the commission may, upon request, provide to the
- 521                   Department of Workforce Services any information received under Chapter 10, Part
- 522                   4, Withholding of Tax, that is relevant to the duties of the Department of Workforce
- 523                   Services.
- 524           (x) Notwithstanding Subsection (2), the commission may provide the Public Service
- 525                   Commission or the Division of Public Utilities information related to a seller that
- 526                   collects and remits to the commission a charge described in Subsection 69-2-405(2),
- 527                   including the seller's identity and the number of charges described in Subsection
- 528                   69-2-405(2) that the seller collects.
- 529           (y)(i) Notwithstanding Subsection (2), the commission shall provide to each
- 530                   qualifying jurisdiction the collection data necessary to verify the revenue collected
- 531                   by the commission for a distributed tax, fee, or charge collected within the
- 532                   qualifying jurisdiction.
- 533                   (ii) In addition to the information provided under Subsection (4)(y)(i), the
- 534                   commission shall provide a qualifying jurisdiction with copies of returns and other
- 535                   information relating to a distributed tax, fee, or charge collected within the
- 536                   qualifying jurisdiction.
- 537           (iii)(A) To obtain the information described in Subsection (4)(y)(ii), the chief
- 538                   executive officer or the chief executive officer's designee of the qualifying

- 539 jurisdiction shall submit a written request to the commission that states the  
540 specific information sought and how the qualifying jurisdiction intends to use  
541 the information.
- 542 (B) The information described in Subsection (4)(y)(ii) is available only in official  
543 matters of the qualifying jurisdiction.
- 544 (iv) Information that a qualifying jurisdiction receives in response to a request under  
545 this subsection is:
- 546 (A) classified as a private record under Title 63G, Chapter 2, Government Records  
547 Access and Management Act; and
- 548 (B) subject to the confidentiality requirements of this section.
- 549 (z) Notwithstanding Subsection (2), the commission shall provide the Alcoholic  
550 Beverage Services Commission, upon request, with taxpayer status information  
551 related to state tax obligations necessary to comply with the requirements described  
552 in Section 32B-1-203.
- 553 (aa) Notwithstanding Subsection (2), the commission shall inform the Department of  
554 Workforce Services, as soon as practicable, whether an individual claimed and is  
555 entitled to claim a federal earned income tax credit for the year requested by the  
556 Department of Workforce Services if:
- 557 (i) the Department of Workforce Services requests this information; and
- 558 (ii) the commission has received the information release described in Section  
559 35A-9-604.
- 560 (bb)(i) As used in this Subsection (4)(bb), "unclaimed property administrator" means  
561 the administrator or the administrator's agent, as those terms are defined in Section  
562 67-4a-102.
- 563 (ii)(A) Notwithstanding Subsection (2), upon request from the unclaimed property  
564 administrator and to the extent allowed under federal law, the commission shall  
565 provide the unclaimed property administrator the name, address, telephone  
566 number, county of residence, and social security number or federal employer  
567 identification number on any return filed under Chapter 7, Corporate Franchise  
568 and Income Taxes, or Chapter 10, Individual Income Tax Act.
- 569 (B) The unclaimed property administrator may use the information described in  
570 Subsection (4)(bb)(ii)(A) only for the purpose of returning unclaimed property  
571 to the property's owner in accordance with Title 67, Chapter 4a, Revised  
572 Uniform Unclaimed Property Act.

- 573 (iii) The unclaimed property administrator is subject to the confidentiality provisions  
574 of this section with respect to any information the unclaimed property  
575 administrator receives under this Subsection (4)(bb).
- 576 (cc) Notwithstanding Subsection (2), the commission may, upon request, disclose a  
577 taxpayer's state individual income tax information to a program manager of the Utah  
578 Fits All Scholarship Program under Section 53F-6-402 if:
- 579 (i) the taxpayer consents in writing to the disclosure;  
580 (ii) the taxpayer's written consent includes the taxpayer's name, social security  
581 number, and any other information the commission requests that is necessary to  
582 verify the identity of the taxpayer; and  
583 (iii) the program manager provides the taxpayer's written consent to the commission.
- 584 (dd) Notwithstanding Subsection (2), the commission may provide to the Division of  
585 Finance within the Department of Government Operations any information necessary  
586 to facilitate a payment from the commission to a taxpayer, including:
- 587 (i) the name of the taxpayer entitled to the payment or any other person legally  
588 authorized to receive the payment;  
589 (ii) the taxpayer identification number of the taxpayer entitled to the payment;  
590 (iii) the payment identification number and amount of the payment;  
591 (iv) the tax year to which the payment applies and date on which the payment is due;  
592 (v) a mailing address to which the payment may be directed; and  
593 (vi) information regarding an account at a depository institution to which the  
594 payment may be directed, including the name of the depository institution, the  
595 type of account, the account number, and the routing number for the account.
- 596 (ee) Notwithstanding Subsection (2), the commission shall provide the total amount of  
597 revenue collected by the commission under Subsection 59-5-202(5):
- 598 (i) at the request of a committee of the Legislature, the Office of the Legislative  
599 Fiscal Analyst, or the Governor's Office of Planning and Budget, to the committee  
600 or office for the time period specified by the committee or office; and  
601 (ii) to the Division of Finance for purposes of the Division of Finance administering  
602 Subsection 59-5-202(5).
- 603 (ff) Notwithstanding Subsection (2), the commission may provide the Department of  
604 Agriculture and Food with information from a return filed in accordance with  
605 Chapter 31, Cannabinoid Licensing and Tax Act.
- 606 (gg) Notwithstanding Subsection (2), the commission shall provide the Department of

- 607 Workforce Services with the information described in Section 35A-3-105.
- 608 (hh) Notwithstanding Subsection (2), the commission may provide aggregated  
609 information to the Utah Population Committee, created in Section 63C-20-103, if the  
610 Utah Population Committee requests the information in accordance with Section  
611 63C-20-105.
- 612 (ii) Notwithstanding Subsection (2), the commission shall provide the Division of  
613 Consumer Protection the name and identifying information of a covered entity, as  
614 defined in Section 59-35-102, that collects and remits to the commission a tax  
615 described in Section 59-35-103.
- 616 (5)(a) Each report and return shall be preserved for at least three years.
- 617 (b) After the three-year period provided in Subsection (5)(a) the commission may  
618 destroy a report or return.
- 619 (6)(a) Any individual who violates this section is guilty of a class A misdemeanor.
- 620 (b) If the individual described in Subsection (6)(a) is an officer or employee of the state,  
621 the individual shall be dismissed from office and be disqualified from holding public  
622 office in this state for a period of five years thereafter.
- 623 (c) Notwithstanding Subsection (6)(a) or (b), GOEO, when requesting information in  
624 accordance with Subsection (4)(n)(iii), or an individual who requests information in  
625 accordance with Subsection (4)(n)(v):
- 626 (i) is not guilty of a class A misdemeanor; and  
627 (ii) is not subject to:
- 628 (A) dismissal from office in accordance with Subsection (6)(b); or  
629 (B) disqualification from holding public office in accordance with Subsection  
630 (6)(b).
- 631 (d) Notwithstanding Subsection (6)(a) or (b), for a disclosure of information to the  
632 Office of the Legislative Auditor General in accordance with Title 36, Chapter 12,  
633 Legislative Organization, an individual described in Subsection (2):
- 634 (i) is not guilty of a class A misdemeanor; and  
635 (ii) is not subject to:
- 636 (A) dismissal from office in accordance with Subsection (6)(b); or  
637 (B) disqualification from holding public office in accordance with Subsection  
638 (6)(b).
- 639 (7) Except as provided in Section 59-1-404, this part does not apply to the property tax.
- 640 Section 8. Section **59-35-101** is enacted to read:

## CHAPTER 35. Covered Entity Excise Tax

## Part 1. General Provisions

**59-35-101 (Effective 10/01/26). Legislative findings.**

The Legislature finds that:

- (1) minors in the state face an unprecedented mental health crisis, with rising rates of anxiety, depression, and self-harm;
- (2) research demonstrates a correlation between minor access to material harmful to minors and negative mental health outcomes;
- (3) existing state efforts to address minor access to material harmful to minors and to provide mental health services for minors have been inadequate due to limited resources;
- (4) commercial entities that publish or distribute material harmful to minors have not voluntarily implemented effective age verification measures to prevent minor access;
- (5) the state has a substantial and compelling interest in protecting minors from material harmful to minors;
- (6) age verification requirements are an effective and minimally restrictive means of preventing minor access to material harmful to minors;
- (7) additional funding is necessary to support mental health services for minors and to enforce age verification requirements; and
- (8) entities required to implement age verification systems create regulatory costs and societal harms that warrant an excise tax to fund prevention and enforcement efforts.

Section 9. Section **59-35-102** is enacted to read:

**59-35-102 (Effective 10/01/26). Definitions.**

As used in this chapter:

- (1) "Covered entity" means a commercial entity that is required to perform age verification under Section 78B-3-1002.
- (2) "Covered transaction" means amounts paid to or charged by a covered entity for access to digital images, digital audio-visual works, digital audio works, digital books, or gaming services, including the streaming of or subscription for access to digital images, digital audio-visual works, digital audio works, digital books, or gaming services regardless of:
  - (a) the delivery method; or
  - (b) whether the amount paid or charged for access provides a right to:
    - (i) single-use access to the digital images, digital audio-visual works, digital audio

674 works, digital books, or gaming services; or  
675 (ii) access to the digital images, digital audio-visual works, digital audio works,  
676 digital books, or gaming services through a subscription, including a right that  
677 terminates upon the occurrence of a condition.

678 (3) "Division" means the Division of Consumer Protection created in Section 13-2-1.

679 Section 10. Section **59-35-103** is enacted to read:

680 **59-35-103 (Effective 10/01/26). Tax levy -- Rate -- Scope.**

681 (1) An excise tax is imposed on a covered entity in an amount equal to 2% of the sales price  
682 of covered transactions.

683 (2) A covered entity shall pay the tax imposed under this section to the commission.

684 Section 11. Section **59-35-104** is enacted to read:

685 **59-35-104 (Effective 10/01/26). Collection and administration of tax.**

686 (1) The commission shall administer, collect, and enforce the tax under this chapter in  
687 accordance with:

688 (a) Chapter 1, General Taxation Policies; and

689 (b) the same procedures used to administer, collect, and enforce the tax under Chapter  
690 12, Part 1, Tax Collection.

691 (2)(a) A covered entity that collects the tax imposed on covered transactions shall remit  
692 to the commission, in an electronic format approved by the commission:

693 (i) the tax due in the previous quarter; and

694 (ii) the tax return.

695 (b) Notwithstanding Subsection (2)(a), if a covered entity is required to file a sales and  
696 use tax return, the covered entity shall file the tax return and remit the tax imposed  
697 under this chapter in an electronic format the commission approves on the same  
698 schedule as the covered entity's sales and use tax filing.

699 (3) A covered entity shall maintain records of covered transactions to determine the amount  
700 of tax due under this part for a period of three years.

701 (4) The commission may make an assessment in accordance with Section 59-1-1405 for a  
702 deficiency of a tax, fee, or charge required to be paid under this chapter.

703 (5) In addition to the tax required by this part, a person shall pay a penalty as provided in  
704 Section 59-1-401, plus interest at the rate and in the manner provided in Section  
705 59-1-402, if a person subject to this section fails to:

706 (a) pay the tax imposed by this part;

707 (b) pay the tax on time; or

- 708 (c) file a return or statement required by this part.
- 709 (6) An overpayment of a tax imposed by this part shall accrue interest at the rate and in the
- 710 manner provided in Section 59-1-402.
- 711 (7) The commission shall administer the tax imposed under this chapter based on referrals
- 712 of covered entities from the division in accordance with Section 78B-3-1004.

713 Section 12. Section **59-35-105** is enacted to read:

714 **59-35-105 (Effective 10/01/26). Minor Mental Health Restricted Account --**

715 **Creation -- Deposits into account -- Distribution.**

- 716 (1) There is created within the General Fund a restricted account known as the "Minor
- 717 Mental Health Restricted Account."
- 718 (2) The account consists of:
- 719 (a) revenue collected from the tax imposed by Section 59-35-103;
- 720 (b) appropriations made to the account by the Legislature;
- 721 (c) interest and earnings on account money;
- 722 (d) donations or grants from public or private entities; and
- 723 (e) transfers from the Minor Online Safety Restricted Account as provided in Section
- 724 78B-3-1007.
- 725 (3) The Division of Finance shall:
- 726 (a) deposit 90% of the revenue described in Subsection (2)(a) into the account; and
- 727 (b) deposit 10% of the revenue described in Subsection (2)(a) into the Minor Online
- 728 Safety Restricted Account created in Section 78B-3-1007.
- 729 (4) Upon appropriation by the Legislature, money in the account shall be distributed to the
- 730 Department of Health and Human Services for:
- 731 (a) mental health treatment programs for minors affected by material harmful to minors;
- 732 (b) educational programs for parents, guardians, educators, and minors on the mental
- 733 health risks associated with material harmful to minors;
- 734 (c) early prevention and intervention programs for minors at risk of mental health harm
- 735 from material harmful to minors; and
- 736 (d) research and public awareness campaigns addressing mental health harm to minors
- 737 caused by material harmful to minors.

738 Section 13. Section **78B-3-1001** is amended to read:

739 **78B-3-1001 (Effective 05/06/26). Definitions.**

740 As used in this chapter:

- 741 (1) "Commercial entity" includes corporations, limited liability companies, partnerships,

- 742 limited partnerships, sole proprietorships, or other legally recognized entities.
- 743 (2) "Commission" means the State Tax Commission described in Section 59-1-201.
- 744 [(2)] (3) "Digitized identification card" means a data file available on any mobile device  
745 which has connectivity to the [~~Internet~~] internet through a state-approved application that  
746 allows the mobile device to download the data file from a state agency or an authorized  
747 agent of a state agency that contains all of the data elements visible on the face and back  
748 of a license or identification card and displays the current status of the license or  
749 identification card.
- 750 [(3)] (4) "Distribute" means to issue, sell, give, provide, deliver, transfer, transmute,  
751 circulate, or disseminate by any means.
- 752 (5) "Division" means the Division of Consumer Protection created in Section 13-2-1.
- 753 [(4)] (6) "Internet" means the international computer network of both federal and  
754 non-federal interoperable packet switched data networks.
- 755 [(5)] (7) "Material harmful to minors" [~~is defined as all of the following~~] means:
- 756 (a) any material that the average person, applying contemporary community standards,  
757 would find, taking the material as a whole and with respect to minors, is designed to  
758 appeal to, or is designed to pander to, the prurient interest;
- 759 (b) material that exploits, is devoted to, or principally consists of descriptions of actual,  
760 simulated, or animated display or depiction of any of the following, in a manner  
761 patently offensive with respect to minors:
- 762 (i) pubic hair, anus, vulva, genitals, or nipple of the female breast;
- 763 (ii) touching, caressing, or fondling of nipples, breasts, buttocks, anuses, or genitals;
- 764 or
- 765 (iii) sexual intercourse, masturbation, sodomy, bestiality, oral copulation,  
766 flagellation, excretory functions, exhibitions, or any other sexual act; and
- 767 (c) the material taken as a whole lacks serious literary, artistic, political, or scientific  
768 value for minors.
- 769 [(6)] (8) "Minor" means any person under 18 years old.
- 770 [(7)] (9) "News-gathering organization" means any of the following:
- 771 (a) an employee of a newspaper, news publication, or news source, printed or on an  
772 online or mobile platform, of current news and public interest, while operating as an  
773 employee as provided in this subsection, who can provide documentation of such  
774 employment with the newspaper, news publication, or news source; or
- 775 (b) an employee of a radio broadcast station, television broadcast station, cable

776 television operator, or wire service while operating as an employee as provided in  
777 this subsection, who can provide documentation of such employment.

778 [(8)] (10) "Publish" means to communicate or make information available to another person  
779 or entity on a publicly available [~~Internet~~] internet website.

780 [(9)] (11) "Reasonable age verification methods" means the processes or means used by a  
781 commercial entity to~~[-verifying]~~ verify that the person seeking to access the material is  
782 18 years old or older~~[-by using any of the following methods]~~ including by:

- 783 (a) use of a digitized [~~information~~] identification card as defined in this section;  
784 (b) verification through an independent, third-party age verification service that  
785 compares the personal information entered by the individual who is seeking access to  
786 the material that is available from a commercially available database, or aggregate of  
787 databases, that is regularly used by government agencies and businesses for the  
788 purpose of age and identity verification;~~[-or]~~  
789 (c) any commercially reasonable method that relies on public or private transactional  
790 data to verify the age of the person attempting to access the material~~[-]~~ ; or  
791 (d) any process or means established by the division by rule under Section 78B-3-1005.

792 [(10)] (12) "Substantial portion" means more than 33-1/3% of total material on a website,  
793 which meets the definition of "material harmful to minors" as defined in this section.

794 [(11)] (13)(a) "Transactional data" means a sequence of information that documents an  
795 exchange, agreement, or transfer between an individual, commercial entity, or third  
796 party used for the purpose of satisfying a request or event.

797 (b) "Transactional data" includes records from mortgage, education, and employment  
798 entities.

799 Section 14. Section **78B-3-1002** is amended to read:

800 **78B-3-1002 (Effective 05/06/26). Age verification requirement -- Retention of**  
801 **data -- Exceptions.**

802 (1)(a) A commercial entity that knowingly and intentionally publishes or distributes  
803 material harmful to minors on the [~~Internet~~] internet from a website that contains a  
804 substantial portion of material harmful to minors~~[such material]~~ shall ~~[be held liable~~  
805 ~~if the entity fails to]~~ perform reasonable age verification methods to verify the age of  
806 an individual attempting to access the material.

807 (b) There is a rebuttable presumption that a website contains a substantial portion of  
808 material harmful to minors if the commercial entity:

809 (i) markets or brands the website as primarily providing material harmful to minors;

- 810           (ii) uses a website name, domain name, or subdomain that indicates the website  
811           primarily provides material harmful to minors; or
- 812           (iii) advertises or promotes material harmful to minors as a primary feature of the  
813           website.
- 814       (2) A commercial entity or third party that performs the required age verification shall not  
815       retain any identifying information of the individual after access has been granted to the  
816       material.
- 817       (3) [~~A commercial entity that is found to have violated this section shall be liable to an~~  
818       ~~individual for damages resulting from a minor's accessing the material, including court~~  
819       ~~costs and reasonable attorney fees as ordered by the court.] An individual is considered  
820       to be accessing the website from this state if the individual is actually located in the  
821       state, regardless of whether the individual is using a virtual private network, proxy  
822       server, or other means to disguise or misrepresent the individual's geographic location to  
823       make it appear that the individual is accessing a website from a location outside this  
824       state.~~
- 825       (4) A commercial entity that operates a website that contains a substantial portion of  
826       material harmful to minors may not facilitate or encourage the use of a virtual private  
827       network, proxy server, or other means to circumvent age verification requirements,  
828       including by providing:
- 829           (a) instructions on how to use a virtual private network or proxy server to access the  
830           website; or
- 831           (b) means for individuals in this state to circumvent geofencing or blocking.
- 832       [~~(4) A commercial entity that is found to have knowingly retained identifying information~~  
833       ~~of the individual after access has been granted to the individual shall be liable to the~~  
834       ~~individual for damages resulting from retaining the identifying information, including~~  
835       ~~court costs and reasonable attorney fees as ordered by the court.]~~
- 836       (5) This section shall not apply to any bona fide news or public interest broadcast, website  
837       video, report, or event and shall not be construed to affect the rights of a news-gathering  
838       organization.
- 839       (6) No [~~Internet~~] internet service provider, affiliate or subsidiary of an [~~Internet~~] internet  
840       service provider, search engine, or cloud service provider shall be held to have violated  
841       the provisions of this section solely for providing access or connection to or from a  
842       website or other information or content on the [~~Internet~~] internet, or a facility, system, or  
843       network not under that provider's control, including transmission, downloading, storing,

844 or providing access, to the extent that such provider is not responsible for the creation of  
845 the content of the communication that constitutes material harmful to minors.

846 Section 15. Section **78B-3-1003** is amended to read:

847 **78B-3-1003 (Effective 05/06/26). Liability for publishers and distributors --**

848 **Liability of a parent or guardian for repeated offenses by a minor on school grounds.**

849 (1) A commercial entity that is found to have violated Section 78B-3-1002 shall be liable to  
850 an individual for damages resulting from a minor's accessing the material, including  
851 court costs and reasonable attorney fees as ordered by the court.

852 (2) A commercial entity that is found to have knowingly retained identifying information of  
853 the individual after access has been granted to the individual shall be liable to the  
854 individual for damages resulting from retaining the identifying information, including  
855 court costs and reasonable attorney fees as ordered by the court.

856 (3)(a) Except as provided in Subsection [(6)] (3)(f), if a person suffers damages from a  
857 minor committing the same offense repeatedly on school grounds for an offense in  
858 Title 76, Utah Criminal Code, or Title 80, Utah Juvenile Code, the person may bring  
859 a cause of action against a parent or guardian with legal custody of the minor to  
860 recover costs and damages caused by the repeated offense.

861 [(2)] (b) The parent or guardian is not liable for costs or damages under Subsection [(4)]  
862 (3)(a) if the parent or guardian made a reasonable effort to supervise and direct the  
863 minor.

864 [(3)] (c) If a parent or guardian is found liable under this section, the court may waive  
865 part or all of the parent's or guardian's liability for costs or damages if the court finds:

866 [(a)] (i) good cause; or

867 [(b)] (ii) that the parent or guardian reported the minor's wrongful conduct to law  
868 enforcement after the parent or guardian knew of the minor's wrongful conduct.

869 [(4)] (d) A report is not required under Subsection [(3)(b)(ii)] (3)(c)(ii) from a parent or  
870 guardian if the minor was arrested or apprehended by law enforcement.

871 [(5)] (e) An adjudication or a conviction of a minor for a repeated offense under Title 76,  
872 Utah Criminal Code, or Title 80, Utah Juvenile Code, is not required for a civil action  
873 to be brought under this section.

874 [(6)] (f) A person may not bring a cause of action against the state, an agency of the state,  
875 or a contracted provider of an agency of the state, under this [section] Subsection (3).

876 Section 16. Section **78B-3-1004** is enacted to read:

877 **78B-3-1004 (Effective 05/06/26). Enforcement powers of the division.**

- 878 (1) The division shall administer and enforce the provisions of this chapter, in accordance  
879 with Title 13, Chapter 2, Division of Consumer Protection.
- 880 (2) The division may coordinate with the Office of the Attorney General and the Internet  
881 Crimes Against Children Task Force in conducting investigations under this section.
- 882 (3)(a) In addition to the division's enforcement powers under Title 13, Chapter 2,  
883 Division of Consumer Protection:
- 884 (i) the division director may impose an administrative fine of up to \$2,500 for each  
885 violation of this chapter; and
- 886 (ii) the division may bring an action in court to enforce a provision of this chapter.
- 887 (b) In a court action by the division to enforce a provision of this chapter, the court may:
- 888 (i) declare that the act or practice violates a provision of this chapter;
- 889 (ii) enjoin actions that violate this chapter;
- 890 (iii) order disgorgement of any money received in violation of this chapter;
- 891 (iv) order payment of disgorged money to an injured purchaser or consumer;
- 892 (v) impose a civil penalty of up to \$2,500 for each violation of this chapter;
- 893 (vi) award actual damages to an injured purchaser or consumer; and
- 894 (vii) award any other relief that the court deems reasonable and necessary.
- 895 (c) If a court grants judgment or injunctive relief to the division, the court shall award  
896 the division:
- 897 (i) reasonable attorney fees;
- 898 (ii) court costs; and
- 899 (iii) investigative fees.
- 900 (4)(a) A person who violates an administrative or court order issued for a violation of  
901 this chapter is subject to a civil penalty of no more than \$5,000 for each violation.
- 902 (b) A civil penalty authorized under this section may be imposed in a civil action.
- 903 (5) Money received for the payment of a fine or civil penalty imposed under this section  
904 shall be deposited into the Minor Online Safety Restricted Account created in Section  
905 78B-3-1007.
- 906 (6) Nothing in this chapter shall displace any other available remedies or rights authorized  
907 under the laws of this state or the United States.
- 908 (7) The division shall notify the commission in writing of any commercial entity that the  
909 division determines is required to perform age verification under Section 78B-3-1002.  
910 Section 17. Section **78B-3-1005** is enacted to read:  
911 **78B-3-1005 (Effective 05/06/26). Rulemaking authority.**

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

- 914 (1) establishing standards and processes for determining whether a website contains a  
915 substantial portion of material harmful to minors, including methodologies for  
916 calculating the percentage of material harmful to minors on a website; and  
917 (2) establishing reasonable age verification standards that commercial entities may meet to  
918 comply with Section 78B-3-1002, including standards for:  
919 (a) third-party age verification services;  
920 (b) protecting user privacy and data security;  
921 (c) verifying the reliability and accuracy of age verification methods; and  
922 (d) retaining, protecting, and securely disposing of any information obtained as a result  
923 of age verification.

924 Section 18. Section **78B-3-1006** is enacted to read:

925 **78B-3-1006 (Effective 05/06/26). Safe harbor.**

926 A commercial entity is deemed in compliance with the age verification requirements of  
927 Section 78B-3-1002 if the commercial entity uses an age verification method that meets the  
928 standards established by the division by rule under Section 78B-3-1005.

929 Section 19. Section **78B-3-1007** is enacted to read:

930 **78B-3-1007 (Effective 05/06/26). Minor Online Safety Restricted Account**

931 **--Creation -- Deposits into account -- Distribution.**

- 932 (1) There is created within the General Fund a restricted account known as the "Minor  
933 Online Safety Restricted Account."  
934 (2) The account consists of:  
935 (a) deposits from the tax imposed under Title 59, Chapter 35, Covered Entity Excise  
936 Tax, as provided in Section 59-35-105;  
937 (b) fines and civil penalties collected under Section 78B-3-1004;  
938 (c) appropriations made to the account by the Legislature; and  
939 (d) interest and earnings on account money.  
940 (3) The Division of Finance shall deposit fines and civil penalties described in Subsection  
941 (2)(b) into the account.  
942 (4) Upon appropriation by the Legislature, money in the account shall be distributed to the  
943 Division of Consumer Protection for:  
944 (a) enforcement of age verification requirements described in Section 78B-3-1002;  
945 (b) investigations and audits of commercial entities for compliance with age verification

- 946 requirements;
- 947 (c) specialized equipment and facilities necessary for enforcement activities; and
- 948 (d) coordination with the Office of the Attorney General and the Internet Crimes Against
- 949 Children Task Force.
- 950 (5) The Division of Consumer Protection shall use money distributed under Subsection (4)
- 951 with the approval of the executive director of the Department of Commerce in a manner
- 952 consistent with the duties of the division under this part.
- 953 (6) If the balance in the account exceeds \$4,000,000 at the close of any fiscal year, the
- 954 excess shall be transferred to the Minor Mental Health Restricted Account created in
- 955 Section 59-35-105.

956 Section 20. Section **78B-3-1008** is enacted to read:

957 **78B-3-1008 (Effective 05/06/26). Severability.**

- 958 (1) If any provision of this chapter or the application of any provision to any person or
- 959 circumstance is held invalid by a final decision of a court of competent jurisdiction, the
- 960 remainder of this chapter shall be given effect without the invalid provision or
- 961 application.
- 962 (2) The provisions of this chapter are severable.

963 Section 21. **FY 2027 Appropriations.**

964 The following sums of money are appropriated for the fiscal year beginning July 1,

965 2026, and ending June 30, 2027. These are additions to amounts previously appropriated for

966 fiscal year 2027.

967 Subsection 21(a). **Operating and Capital Budgets**

968 Under the terms and conditions of Title 63J, Chapter 1, Budgetary Procedures Act, the

969 Legislature appropriates the following sums of money from the funds or accounts indicated for

970 the use and support of the government of the state of Utah.

971 ITEM 1 To Department of Commerce - Commerce General Regulation

972 From Minor Online Safety Restricted Account, One-time 4,000,000

973 Schedule of Programs:

974 Consumer Protection 4,000,000

975 Subsection 21(b). **Restricted Fund and Account Transfers**

976 The Legislature authorizes the State Division of Finance to transfer the following

977 amounts between the following funds or accounts as indicated. Expenditures and outlays from

978 the funds to which the money is transferred must be authorized by an appropriation.

979 ITEM 2 To Minor Online Safety Restricted Account

980	From Consumer Protection Education , One-time	4,000,000
981	Schedule of Programs:	
982	Minor Online Safety Restricted Account	4,000,000

983 Section 22. **Effective Date.**

- 984 (1) Except as provided in Subsections (2) and (3), this bill takes effect May 6, 2026.
- 985 (2) The actions affecting Section 13-2-1 (Effective 07/01/26) take effect on July 1, 2026.
- 986 (3) The actions affecting the following sections take effect on October 1, 2026:
  - 987 (a) Section 59-1-403(Effective 10/01/26)(Partially Repealed 07/01/29);
  - 988 (b) Section 59-35-101(Effective 10/01/26);
  - 989 (c) Section 59-35-102(Effective 10/01/26);
  - 990 (d) Section 59-35-103(Effective 10/01/26);
  - 991 (e) Section 59-35-104(Effective 10/01/26); and
  - 992 (f) Section 59-35-105(Effective 10/01/26).