57   As used in this chapter:

58   (1) "Applicable agency" means a department or agency of the state, including the

59 department and the Department of Financial Institutions, that by law regulates certain types of

60 business activity in the state and persons engaged in such business activity, including the

61 issuance of licenses or other types of authorization, which the department determines would

62 otherwise regulate a sandbox participant.

63   (2) "Applicant" means an individual or entity that is applying to participate in the

64 regulatory sandbox.

65   (3) "Blockchain technology" means the use of a digital database containing records of

66 financial transactions, which can be simultaneously used and shared within a decentralized,

67 publicly accessible network and can record transactions between two parties in a verifiable and

68 permanent way.

69   (4) "Consumer" means a person that purchases or otherwise enters into a transaction or

70 agreement to receive an innovative product or service that is being tested by a sandbox

71 participant.

72   (5) "Department" means the Department of Commerce.

73   (6) (a) "Financial product or service" means:

74   (i) a financial product or financial service that requires state licensure or registration; or

75   (ii) a financial product or financial service that includes a business model, delivery

76 mechanism, or element that may require a license or other authorization to act as a financial

77 institution, enterprise, or other entity that is regulated by Title 7, Financial Institutions Act, or

78 other related provisions.

79   (b) "Financial product or service" does not include a product or service that is governed

80 by:

81   (i) Title 31A, Insurance Code; or

82   (ii) Title 61, Chapter 1, Utah Uniform Securities Act.

83   (7) "Innovation" means the use or incorporation of a new Ĥ→ [or] **idea, a new or** ←Ĥ

83a emerging technology Ĥ→ **,** ←Ĥ or a

84 new use of existing technology, including blockchain technology, to address a problem,

85 provide a benefit, or otherwise offer a product, service, business model, or delivery mechanism

86 [that is not known by the department to have a comparable widespread offering in the state].

87   (8) "Innovative product or service" means a financial product or service that includes

88   an innovation.

89   (9) "Regulatory sandbox" means the Regulatory Sandbox Program created by Section

90   13-55-103, which allows a person to temporarily test an innovative product or service on a

91   limited basis without otherwise being licensed or authorized to act under the laws of the state.

92   (10) "Sandbox participant" means a person whose application to participate in the

93   regulatory sandbox is approved in accordance with the provisions of this chapter.

94   (11) "Test" means to provide an innovative product or service in accordance with the

95   provisions of this chapter.

96   Section 2. Section **31A-47-102** is amended to read:

97   **31A-47-102.   Definitions.**

98   As used in this chapter:

99   (1) "Applicable agency" means a department or agency of the state, including the

100   department and the Department of Commerce, that by law regulates certain types of

101   insurance-related business activity in the state and persons engaged in such insurance-related

102   business activity, including the issuance of licenses or other types of authorization, which the

103   department determines would otherwise regulate an insurance sandbox participant.

104   (2) "Applicant" means an individual or entity that is applying to participate in the

105   insurance regulatory sandbox.

106   (3) "Blockchain technology" means the use of a digital database containing records of

107   financial transactions, which can be simultaneously used and shared within a decentralized,

108   publicly accessible network and can record transactions between two parties in a verifiable and

109   permanent way.

110   (4) "Consumer" means a person that purchases or otherwise enters into a transaction or

111   agreement to receive an innovative insurance product or service that is being tested by an

112   insurance sandbox participant.

113   (5) "Department" means the Department of Insurance.

114   (6) "Innovation" means the use or incorporation of a new Ĥ➡ [or] **idea, a new or** ⬅Ĥ

114a   emerging technology Ĥ➡ **,** ⬅Ĥ or a

115   new use of existing technology, including blockchain technology, to address a problem,

116   provide a benefit, or otherwise offer a product, service, business model, or delivery mechanism

117   [that is not known by the department to have a comparable widespread offering in the state].

118   (7) "Innovative insurance product or service" means an insurance product or service

522   (d) Title 17D, Limited Purpose Local Government Entities - Other Entities; and

523   (e) Title 20A, Election Code;

524   (77) except as provided in Subsection 63G-2-305.5(2), the signature of an individual in

525   a voter registration record;

526   (78) except as provided in Subsection 63G-2-305.5(3), any signature, other than a

527   signature described in Subsection (76) or (77), in the custody of the lieutenant governor or a

528   local political subdivision collected or held under, or in relation to, Title 20A, Election Code;

529   (79) a Form I-918 Supplement B certification as described in Title 77, Chapter 38, Part

530   5, Victims Guidelines for Prosecutors Act;

531   (80) a record submitted to the Insurance Department under Subsection

532   31A-47-103(1)(b); [and]

533   (81) personal information, as defined in Section 63G-26-102, to the extent disclosure is

534   prohibited under Section 63G-26-103[-]; and

535   (82) Ĥ→ [an application and related information provided to the Governor's Office of

536   Economic Development or any other government agency as described in Section 63N-16-201.] **any**

536a **part of an application described in Section 63N-16-201 that the Governor's Office of Economic**

536b **Development determines is nonpublic, confidential information that if disclosed would result**

536c **in actual economic harm to the applicant, but this Subsection (82) may not be used to restrict**

536d **access to a record evidencing a final contract or approval decision.** ←Ĥ

537   Section 4. Section **63N-16-101** is enacted to read:

538   **CHAPTER 16. UTAH OFFICE OF REGULATORY RELIEF**

539   **Part 1. General Provisions**

540   **63N-16-101. Title.**

541   This chapter is known as the "Utah Office of Regulatory Relief."

542   Section 5. Section **63N-16-102** is enacted to read:

543   **63N-16-102. Definitions.**

544   As used in this chapter:

545   (1) "Advisory committee" means the General Regulatory Sandbox Program Advisory

546   Committee created in Section 63N-16-104.

547   (2) "Applicable agency" means a department or agency of the state that by law

548   regulates a business activity and persons engaged in such business activity, including the

549   issuance of licenses or other types of authorization, which the office determines would

550   otherwise regulate a sandbox participant.

551   (3) "Applicant" means a person that applies to participate in the regulatory sandbox.

552   (4) "Consumer" means a person that purchases or otherwise enters into a transaction or

739   which an applicable agency receives a complete application for review, the applicable agency

740   shall provide a written report to the director of the applicable agency's findings.

741   (b) The report shall:

742   (i) describe any identifiable, likely, and significant harm to the health, safety, or

743   financial well-being of consumers that the relevant law or regulation protects against; and

744   (ii) make a recommendation to the regulatory relief office that the applicant either be

745   admitted or denied entrance into the regulatory sandbox.

746   (c) (i) The applicable agency may request an additional five business days to deliver

747   the written report by providing notice to the director, which request shall automatically be

748   granted.

749   (ii) The applicable agency may only request one extension per application.

750   (d) If the applicable agency recommends an applicant under this section be denied

751   entrance into the regulatory sandbox, the written report shall include a description of the

752   reasons for the recommendation, including why a temporary waiver or suspension of the

753   relevant laws or regulations would potentially significantly harm the health, safety, or financial

754   well-being of consumers or the public and the likelihood of such harm occurring.

755   (e) If the agency determines that the consumer's or public's health, safety, or financial

756   well-being can be protected through less restrictive means than the existing relevant laws or

757   regulations, then the applicable agency shall provide a recommendation of how that can be

758   achieved.

759   (f) If an applicable agency fails to deliver a written report as described in this

760   Subsection (9), the director shall assume that the applicable agency does not object to the

761   temporary waiver or suspension of the relevant laws or regulations for an applicant seeking to

762   participate in the regulatory sandbox.

763   (g) Ĥ→ [(i)] ←Ĥ Notwithstanding any other provision of this section, an applicable agency

763a   may

764   by written notice to the regulatory relief office Ĥ→ :

764a   (i) ←Ĥ within the 30 days after the day on which the

765   applicable agency receives a complete application for review, Ĥ→ [may] **or within 35 days if an**

765a   **extension has been requested by the applicable agency,** ←Ĥ reject an application if the

766   applicable agency determines, in the applicable agency's sole discretion, that the applicant's

767   offering fails to comply with standards or specifications:

768   (A) required by federal law or regulation; or

769   (B) previously approved for use by a federal agency Ĥ→ [.] **; or**⊙

769a   ❖(ii) reject an application preliminarily approved by the regulatory relief office, if the
769b   applicable agency:
769c   (A) recommended rejection of the application in accordance with Subsection (9)(d) in
769d   the agency's written report; and
769e   (B) provides in the written notice under this Subsection (9)(g), a description of the
769f   applicable agency's reasons why approval of the application would create a substantial risk of
769g   harm to the health or safety of the public, or create unreasonable expenses for taxpayers in the
769h   state, ←Ĥ

770   Ĥ→ [(iii)] (h) ←Ĥ If Ĥ→ [the] an ←Ĥ applicable agency rejects an application under

770a   Ĥ→ [this] ←Ĥ Subsection (9)(g), the

771   regulatory relief office may not approve the application.

772   (10) (a) Upon receiving a written report described in Subsection (9), the director shall

773   provide the application and the written report to the advisory committee.

774   (b) The director may call the advisory committee to meet as needed, but not less than

775   once per quarter if applications are available for review.

776   (c) After receiving and reviewing the application and each written report, the advisory

777   committee shall provide to the director the advisory committee's recommendation as to whether

778   or not the applicant should be admitted as a sandbox participant under this chapter.

779   (d) As part of the advisory committee's review of each written report, the advisory

780   committee shall use the criteria required for an applicable agency as described in Subsection

781   (9).

782   (11) (a) In reviewing an application and each applicable agency's written report, the

783   regulatory relief office shall consult with each applicable agency and the advisory committee

784   before admitting an applicant into the regulatory sandbox.

785   (b) The consultation with each applicable agency and the consultation with the

786   advisory committee may include seeking information about whether:

787   (i) the applicable agency has previously issued a license or other authorization to the

788   applicant; and

789   (ii) the applicable agency has previously investigated, sanctioned, or pursued legal

790   action against the applicant.

791   (12) In reviewing an application under this section, the regulatory relief office and each

792   applicable agency shall consider whether a competitor to the applicant is or has been a sandbox

793   participant and, if so, weigh that as a factor in favor of allowing the applicant to also become a

794   sandbox participant.

795   (13) In reviewing an application under this section, the regulatory relief office shall

796   consider whether:

797   (a) the applicant's plan will adequately protect consumers from potential harm

798   identified by an applicable agency in the applicable agency's written report;

799   (b) the risk of harm to consumers is outweighed by the potential benefits to consumers

800   from the applicant's participation in the regulatory sandbox; and

801   (c) certain state laws or regulations that regulate an offering should not be waived or

802   suspended even if the applicant is approved as a sandbox participant Ĥ→ **, including applicable**

802a   **antifraud or disclosure provisions** ←Ĥ .

803   (14) (a) An applicant becomes a sandbox participant if the regulatory relief office

804   approves the application for the regulatory sandbox and enters into a written agreement with

805   the applicant describing the specific laws and regulations that are waived or suspended as part

806   of participation in the regulatory sandbox.

807   (b) Notwithstanding any other provision of this chapter, the regulatory relief office may

808   not enter into a written agreement with an applicant that waives or suspends a tax, fee, or

809   charge that is administered by the State Tax Commission or that is described in Title 59,

810   Revenue and Taxation.

811   (15) (a) The director may deny at the director's sole discretion any application

812   submitted under this section for any reason, including if the director determines that the

813   preponderance of evidence demonstrates that suspending or waiving enforcement of a law or

814   regulation would cause a significant risk of harm to consumers or residents of the state.

815   (b) If the director denies an application submitted under this section, the regulatory

816   relief office shall provide to the applicant a written description of the reasons for not allowing

817   the applicant to be a sandbox participant.

818   (c) The denial of an application submitted under this section is not subject to:

819   (i) agency or judicial review; or

820   (ii) the provisions of Title 63G, Chapter 4, Administrative Procedures Act.

821   (16) The director shall deny an application for participation in the regulatory sandbox

822   described by this section if:

823   (a) the director determines that the applicant should instead apply for the Regulatory

824   Sandbox Program created in Section 13-55-103 Ĥ→ **for a financial product or service** ←Ĥ or the

824a   Insurance Regulatory Sandbox Program

825   created in Section 31A-47-103 Ĥ→ **for an insurance product or service** ←Ĥ ; or

826   (b) the applicant or any person who seeks to participate with the applicant in

827   demonstrating an offering has been convicted, entered a plea of nolo contendere, or entered a

828   plea of guilty or nolo contendere held in abeyance, for any crime involving significant theft,

829   fraud, or dishonesty if the crime bears a significant relationship to the applicant's or other

830   participant's ability to safely and competently participate in the regulatory sandbox program.

831   (17) When an applicant is approved for participation in the regulatory sandbox, the