

# HB0281S01 compared with HB0281

~~text~~ shows text that was in HB0281 but was deleted in HB0281S01.

text shows text that was not in HB0281 but was inserted into HB0281S01.

**DISCLAIMER:** This document is provided to assist you in your comparison of the two bills. Sometimes this automated comparison will NOT be completely accurate. Therefore, you need to read the actual bills. This automatically generated document could contain inaccuracies caused by: limitations of the compare program; bad input data; or other causes.

Representative Cheryl K. Acton proposes the following substitute bill:

## SOCIAL CREDIT SCORE AMENDMENTS

2023 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Cheryl K. Acton**

Senate Sponsor: ~~\_\_\_\_\_~~ Michael K. McKell

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### LONG TITLE

#### General Description:

This bill addresses social credit scores.

#### Highlighted Provisions:

This bill:

- ▶ defines terms;
- ▶ requires the Division of Consumer Protection to establish a system that allows a consumer to report a financial institution's or company's use ~~for creation~~ of a social credit score;
- ▶ prohibits a governmental entity from using, enforcing, providing data for use in, or otherwise participating in the creation or use of a system that, based on a social credit score, discriminates against, advocates for, or causes adverse or preferential treatment of a person;

## HB0281S01 compared with HB0281

- ▶ provides rulemaking authority; and
- ▶ creates reporting requirements.

### Money Appropriated in this Bill:

None

### Other Special Clauses:

None

### Utah Code Sections Affected:

ENACTS:

13-2-10, Utah Code Annotated 1953

63G-28-101, Utah Code Annotated 1953

63G-28-201, Utah Code Annotated 1953

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

Section 1. Section 13-2-10 is enacted to read:

**13-2-10. Social credit score reporting system -- Rulemaking -- Referral to other agencies.**

(1) As used in this section:

(a) "Division" means the Division of Consumer Protection.

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

(c) "Social credit score" means the same as that term is defined in Section 63G-28-101.

(2) The division shall:

(a) establish and operate a system to receive consumer reports regarding a financial institution's or company's use or creation of a social credit score; and

(b) before November 1 of each year, submit a written report to the Business and Labor Interim Committee that summarizes the reports received during the immediately preceding year **that indicate a financial institution or company used a social credit score to discriminate against, advocate for, or cause adverse or preferential treatment of a person.**

(3) The division may:

(a) make rules in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, to establish and operate the system described in Subsection (2) ~~and~~ **and**

(b) as appropriate, refer a consumer who provides a report through the system

# HB0281S01 compared with HB0281

described in Subsection (2) to the Department of Financial Institutions or another agency for investigation of the report or other action.

Section 2. Section **63G-28-101** is enacted to read:

## CHAPTER 28. SOCIAL CREDIT SCORE PROHIBITION ACT

### Part 1. General Provisions

#### **63G-28-101. Definitions.**

(1) "Depository institution" means the same as that term is defined in Section 7-1-103.

(~~1~~2) (a) "Governmental entity" means:

(i) the state;

(ii) a county, city, town, metro township, school district, local district, special service district, or other political subdivision of the state; or

(iii) an independent entity.

(b) "Governmental entity" includes an agency, bureau, office, department, division, board, commission, institution, laboratory, or other instrumentality of an entity described in Subsection (~~1~~2)(a).

(~~2~~3) "Independent entity" means the same as that term is defined in Section 63E-1-102.

(~~3~~4) "Members of a person's social network" means the people a person authorizes to be part of the person's social media communications and network.

(~~4~~5) (a) "Social credit score" means a numeric, alphanumeric, or alphabetic value or other categorization assigned to a person based on:

(i) the person's:

(A) compliance or noncompliance with government guidance;

(B) social media post;

(C) participation or membership in a lawful club, association, or union;

(D) political affiliation; or

(E) employment industry or employer; or

(ii) the identity of the members of the person's social network ~~}; or~~;

~~{~~ (iii) other values-based or impact criteria similar to the criteria described in this Subsection (4)(a):

~~}~~ (b) "Social credit score" does not include:

## HB0281S01 compared with HB0281

(i) a consumer report as defined in 15 U.S.C. Sec. 1681a;

(ii) compliance or noncompliance with statute, administrative rule, or other law; or

(~~iii~~iii) a numeric, alphanumeric, or alphabetic value or other categorization assigned

to a person for:

(A) purposes of:

~~(A)~~ education, training, or job performance assessment;

(B) purposes of a contest or competition;~~or~~

(C) purposes of hiring a prospective employee or independent contractor~~;~~;

(D) purposes of issuance or taking an action against a professional license, certification, registration, or permit;

(E) purposes of a professional or tax audit;

(F) use by a depository institution to determine risk of loss, impairment, or default; or

(G) use by an entity that regulates a depository institution to determine the financial condition of the depository institution.

Section 3. Section **63G-28-201** is enacted to read:

### **Part 2. Prohibitions**

#### **63G-28-201. Social credit score prohibition.**

A governmental entity may not use, enforce, provide data for use in, or otherwise participate in the creation or use of a system that, based on a social credit score, discriminates against, advocates for, or causes adverse or preferential treatment of a person.