

152 (4) Notwithstanding the requirements in Subsection (2), the director may temporarily  
153 appoint up to three additional members to the advisory committee who represent business  
154 interests, industry, or regulatory or compliance interests to which an application for  
155 participation in the regulatory sandbox relates.

156 (5) A majority of the advisory committee constitutes a quorum for the purpose of  
157 conducting advisory committee business, and the action of the majority of a quorum constitutes  
158 the action of the advisory committee.

159 (6) The advisory committee shall:

160 (a) advise and make recommendations to the regulatory relief office as described in this  
161 chapter[-]; ~~§~~ **→** and ~~←~~ **§**

162 ~~§~~ **→** [(b) approve or reject an application for participation in the regulatory sandbox; and  
163 ~~—(c)] (b) ←~~ **§** annually select a chair of the advisory committee.

164 (7) The regulatory relief office shall provide administrative staff support for the  
165 advisory committee.

166 (8) (a) A member may not receive compensation or benefits for the member's service,  
167 but a member appointed under Subsection (2)(a) may receive per diem and travel expenses in  
168 accordance with:

169 (i) Sections 63A-3-106 and 63A-3-107; and

170 (ii) rules made by the Division of Finance pursuant to Sections 63A-3-106 and  
171 63A-3-107.

172 (b) Compensation and expenses of a member who is a legislator are governed by  
173 Section 36-2-2 and Legislative Joint Rules, Title 5, Legislative Compensation and Expenses.  
174 Section 4. Section **63N-16-201** is amended to read:

175 **63N-16-201. General Regulatory Sandbox Program -- Application requirements.**

176 (1) There is created in the regulatory relief office the General Regulatory Sandbox  
177 Program.

178 (2) In administering the regulatory sandbox, the regulatory relief office:

179 (a) shall consult with each applicable agency;

180 (b) shall establish a program to enable a person to obtain legal protections and limited  
181 access to the market in the state to demonstrate an offering without obtaining a license or other  
182 authorization that might otherwise be required;

276 participate in the regulatory sandbox.

277 (g) Notwithstanding any other provision of this section, an applicable agency may by  
278 written notice to the regulatory relief office:

279 (i) within the 30 days after the day on which the applicable agency receives a complete  
280 application for review, or within 35 days if an extension has been requested by the applicable  
281 agency, ~~§~~ [f] ~~←§~~ reject an application ~~§~~ [~~recomm~~~~end an application be rejected~~] ~~←§~~ if the  
281a applicable agency

282 determines, in the applicable agency's [~~sole~~] discretion, that the applicant's offering fails to  
283 comply with standards or specifications:

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

285 (B) previously approved for use by a federal agency; or

286 (ii) ~~§~~ [f] ~~←§~~ reject an application ~~§~~ [~~recomm~~~~end an application be rejected~~] ~~←§~~ that  
286a is preliminarily

287 approved by the regulatory relief office, if the applicable agency:

288 (A) recommended rejection of the application in accordance with Subsection (9)(d) in  
289 the agency's written report; and

290 (B) provides in the written notice under this Subsection (9)(g), a description of the  
291 applicable agency's reasons why approval of the application would create a substantial risk of  
292 harm to the [~~health or safety~~] health, safety, or financial well-being of the public, or create  
293 unreasonable expenses for taxpayers in the state.

294 ~~§~~ [f] ~~←§~~ (h) If an applicable agency rejects an application under Subsection (9)(g), the  
295 regulatory relief office may not approve the application. ~~§~~ [f] ~~←§~~

295a ~~§~~ **(i) If the applicable agency rejects an application under Subsection (9)(g), the applicable**  
295b **agency**

295c **shall provide the rejection on a form created by the agency and signed by the director of the**  
295d **applicable**

295e **agency.**

295f **(ii)The form shall document the reason for the rejection and show every reasonable**  
295g **effort was**

295h **made to meet with the applicant.** ~~←§~~

296 (10) (a) Upon receiving a written report described in Subsection (9), the director shall  
297 provide the application and the written report to the advisory committee.

298 (b) The director may call the advisory committee to meet as needed, but not less than  
299 once per quarter if applications are available for review.

307 ~~§~~→ [f] ~~←~~§ regulatory relief office ~~§~~→ [~~+~~advisory committee] ~~←~~§ shall consult with each  
 307a applicable agency [~~and the~~  
 308 ~~advisory committee~~] before admitting an applicant into the regulatory sandbox.

309 (b) The consultation with each applicable agency [~~and the consultation with the~~  
 310 ~~advisory committee~~] may include seeking information about whether:

311 (i) the applicable agency has previously issued a license or other authorization to the  
 312 applicant; and

313 (ii) the applicable agency has previously investigated, sanctioned, or pursued legal  
 314 action against the applicant.

315 (12) In reviewing an application under this section, the ~~§~~→ [f] ~~←~~§ regulatory relief office  
 315a ~~§~~→ [f]

316 ~~advisory committee~~ ~~←~~§ and each applicable agency shall consider whether a competitor to the  
 317 applicant is or has been a sandbox participant and, if so, weigh that as a factor in favor of  
 318 allowing the applicant to also become a sandbox participant.

319 (13) In reviewing an application under this section, the ~~§~~→ [f] ~~←~~§ regulatory relief office  
 319a ~~§~~→ [f]

320 ~~advisory committee~~ ~~←~~§ shall consider whether:

321 (a) the applicant's plan will adequately protect consumers from potential harm  
 322 identified by an applicable agency in the applicable agency's written report;

323 (b) the risk of harm to consumers is outweighed by the potential benefits to consumers  
 324 from the applicant's participation in the regulatory sandbox; and

325 (c) certain state laws or regulations that regulate an offering should not be waived or  
 326 suspended even if the applicant is approved as a sandbox participant, including applicable  
 327 antifraud or disclosure provisions.

328 (14) (a) An applicant becomes a sandbox participant if the ~~§~~→ [f] ~~←~~§ regulatory relief  
 328a office ~~§~~→ [f]

329 ~~advisory committee~~ ~~←~~§ approves the application for the regulatory sandbox and the regulatory  
 330 relief office enters into a written agreement with the applicant describing the specific laws and  
 331 regulations that are waived or suspended as part of participation in the regulatory sandbox.

332 (b) Notwithstanding any other provision of this chapter, the regulatory relief office may  
 333 not enter into a written agreement with an applicant and related parties that waives or suspends  
 334 a tax, fee, or charge that is administered by the State Tax Commission or that is described in  
 335 Title 59, Revenue and Taxation.

336 (15) (a) The director may deny at the director's sole discretion any application  
 337 submitted under this section for any reason, including if the director determines that the