1	UTAH OFFICE OF REGULATORY RELIEF REVISIONS
2	2024 GENERAL SESSION
3	STATE OF UTAH
4	Chief Sponsor: A. Cory Maloy
5	Senate Sponsor: Curtis S. Bramble
6	1
7	LONG TITLE
8	Committee Note:
9	The Business and Labor Interim Committee recommended this bill.
10	Legislative Vote: 12 voting for 0 voting against 9 absent
11	General Description:
12	This bill modifies the Utah Office of Regulatory Relief and the General Regulatory
13	Sandbox Program (regulatory sandbox).
14	Highlighted Provisions:
15	This bill:
16	 defines terms;
17	 clarifies responsibilities of the Utah Office of Regulatory Relief;
18	 reduces the membership of the General Regulatory Sandbox Program Advisory
19	Committee (advisory committee);
20	 under certain circumstances, permits the director to temporarily appoint additional
21	advisory committee members;
22	 requires the advisory committee to:
23	• approve or reject an application into the regulatory sandbox; and
24	• annually select a chair of the advisory committee;
25	 amends the application requirements of the regulatory sandbox;
26	 removes a regulatory government agency's ability to reject an application into the
27	regulatory sandbox;

28	 modifies a regulatory government agency's reporting requirements; and
29	 makes technical and conforming changes.
30	Money Appropriated in this Bill:
31	None
32	Other Special Clauses:
33	None
34	Utah Code Sections Affected:
35	AMENDS:
36	63N-16-102, as last amended by Laws of Utah 2022, Chapter 332
37	63N-16-103, as last amended by Laws of Utah 2022, Chapter 332
38	63N-16-104, as last amended by Laws of Utah 2022, Chapter 332
39	63N-16-201, as last amended by Laws of Utah 2022, Chapter 332
40	63N-16-205, as enacted by Laws of Utah 2021, Chapter 373
41	63N-16-206, as last amended by Laws of Utah 2022, Chapter 332
42	
43	Be it enacted by the Legislature of the state of Utah:
44	Section 1. Section 63N-16-102 is amended to read:
45	63N-16-102. Definitions.
46	As used in this chapter:
47	(1) "Advisory committee" means the General Regulatory Sandbox Program Advisory
48	Committee created in Section 63N-16-104.
49	(2) "Applicable agency" means a department or agency of the state that by law
50	regulates a business activity and persons engaged in such business activity, including the
51	issuance of licenses or other types of authorization, which the office determines would
52	otherwise regulate a sandbox participant.
53	(3) "Applicant" means a person that applies to participate in the regulatory sandbox.
54	(4) "Blockchain technology" means the use of a digital database containing records of
55	financial transactions, which can be simultaneously used and shared within a decentralized,
56	
	publicly accessible network and can record transactions between two parties in a verifiable and
57	publicly accessible network and can record transactions between two parties in a verifiable and permanent way.

agreement to receive an offering pursuant to a demonstration by a sandbox participant.

- 60 (6) "Demonstrate" or "demonstration" means to temporarily provide an offering in 61 accordance with the provisions of the regulatory sandbox program described in this chapter.
- 62 (7) "Director" means the director of the Utah Office of Regulatory Relief created in
 63 Section 63N-16-103.
- 64 (8) "Executive director" means the executive director of the Governor's Office of
 65 Economic Opportunity.
- 66

(9) "Financial product or service" means:

- 67 (a) a financial product or financial service that requires state licensure or registration;68 or
- (b) a financial product, financial service, or banking business that includes a business
 model, delivery mechanism, offering of deposit accounts, or element that may require a license
 or other authorization to act as a financial institution, enterprise, or other entity that is regulated
 by Title 7, Financial Institutions Act, or other related provisions.
- (10) <u>"Health, safety, and financial well-being" includes protecting against physical</u>
 injury, property damage, or financial harm.
- (11) "Innovation" means the use or incorporation of a new or existing idea, a new or
 emerging technology, or a new use of existing technology, including blockchain technology, to
 address a problem, provide a benefit, or otherwise offer a product, production method, or
 service.
- [(11)] (12) "Insurance product or service" means an insurance product or insurance
 service that requires state licensure, registration, or other authorization as regulated by Title
 31A, Insurance Code, including an insurance product or insurance service that includes a
 business model, delivery mechanism, or element that requires a license, registration, or other
 authorization to do an insurance business, act as an insurance producer or consultant, or engage
 in insurance adjusting as regulated by Title 31A, Insurance Code.
- [(12)] (13) (a) "Offering" means a product, production method, or service, including a
 financial product or service or an insurance product or service, that includes an innovation.
- 87 (b) "Offering" does not include a product, production method, or service that is88 governed by Title 61, Chapter 1, Utah Uniform Securities Act.
- 89 [(13)] (14) "Product" means a commercially distributed good that is:

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               (a) tangible personal property;
 91
               (b) the result of a production process; and
 92
               (c) passed through the distribution channel before consumption.
 93
               \left[\frac{(14)}{(15)}\right] (15) "Production" means the method or process of creating or obtaining a good,
 94
       which may include assembling, breeding, capturing, collecting, extracting, fabricating, farming,
 95
       fishing, gathering, growing, harvesting, hunting, manufacturing, mining, processing, raising, or
 96
       trapping a good.
 97
               [(15)] (16) "Regulatory relief office" means the Utah Office of Regulatory Relief
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       created in Section 63N-16-103.
 99
               [(16)] (17) "Regulatory sandbox" means the General Regulatory Sandbox Program
100
       created in Section 63N-16-201, which allows a person to temporarily demonstrate an offering
101
       under a waiver or suspension of one or more state laws or regulations.
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               [(17)] (18) "Sandbox participant" means a person whose application to participate in
103
       the regulatory sandbox is approved in accordance with the provisions of this chapter.
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               [(18)] (19) "Service" means any commercial activity, duty, or labor performed for
105
       another person.
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               Section 2. Section 63N-16-103 is amended to read:
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               63N-16-103. Creation of regulatory relief office and appointment of director --
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       Responsibilities of regulatory relief office.
109
               (1) There is created within the Governor's Office of Economic Opportunity the Utah
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       Office of Regulatory Relief.
               (2) (a) The regulatory relief office shall be administered by a director.
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112
               (b) The director shall report to the executive director or the executive director's
       designee and may appoint staff subject to the approval of the executive director.
113
114
               (3) The regulatory relief office shall:
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               (a) administer the provisions of this chapter;
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               (b) administer the regulatory sandbox program; and
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               (c) act as a liaison between private businesses and applicable agencies to identify state
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       laws or regulations that could potentially be waived or suspended under the regulatory sandbox
119
       program, or amended.
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(4) The regulatory relief office may:

121	(a) review state laws and regulations that may unnecessarily inhibit the creation and
122	success of [new] companies or industries and provide recommendations to the governor and
123	the Legislature on modifying such state laws and regulations;
124	(b) create a framework for analyzing the risk level to the health, safety, and financial
125	well-being of consumers related to permanently removing or temporarily waiving laws and
126	regulations inhibiting the creation or success of new and existing companies or industries;
127	(c) propose potential reciprocity agreements between states that use or are proposing to
128	use similar regulatory sandbox programs as described in this chapter; and
129	(d) in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, and
130	the provisions of this chapter, make rules regarding:
131	(i) administering the regulatory sandbox, including making rules regarding the
132	application process and the reporting requirements of sandbox participants; and
133	(ii) cooperating and consulting with other agencies in the state that administer sandbox
134	programs.
135	Section 3. Section 63N-16-104 is amended to read:
136	63N-16-104. Creation and duties of advisory committee.
137	(1) There is created the General Regulatory Sandbox Program Advisory Committee.
138	(2) The advisory committee shall have $[++] \underline{9}$ members as follows:
139	(a) [six] four members appointed by the director who represent [businesses] business
140	interests and are selected from a variety of industry clusters;
141	(b) three members appointed by the director who represent state agencies that regulate
142	businesses;
143	(c) one member of the Senate, appointed by the president of the Senate; and
144	(d) one member of the House of Representatives, appointed by the speaker of the
145	House of Representatives.
146	(3) (a) Subject to Subsection (3)(b), members of the advisory committee who are not
147	legislators shall be appointed to a four-year term.
148	(b) Notwithstanding the requirements of Subsection (3)(a), the director may adjust the
149	length of terms of appointments and reappointments to the advisory committee so that
150	approximately half of the advisory committee is appointed every two years.
151	[(4) The director shall select a chair of the advisory committee on an annual basis.]

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[-]; $\hat{S} \rightarrow and \leftarrow \hat{S}$
162	Ŝ→ [(b) approve or reject an application for participation in the regulatory sandbox; and
163	(e) (b) $\leftarrow \hat{S}$ 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;

183	(c) may enter into agreements with or adopt the best practices of corresponding federal
184	regulatory agencies or other states that are administering similar programs; and
185	(d) may consult with businesses in the state about existing or potential proposals for
186	the regulatory sandbox.
187	(3) (a) An applicant for the regulatory sandbox may contact the regulatory relief office
188	to request a consultation regarding the regulatory sandbox before submitting an application.
189	(b) The regulatory relief office shall provide relevant information regarding the
190	regulatory sandbox program.
191	(c) The regulatory relief office may provide assistance to an applicant in preparing an
192	application for submission.
193	(4) An applicant for the regulatory sandbox shall provide to the regulatory relief office
194	an application in a form prescribed by the regulatory relief office that:
195	(a) confirms the applicant is subject to the jurisdiction of the state;
196	(b) confirms the applicant has established a physical or virtual location in the state,
197	from which the demonstration of an offering will be developed and performed and where all
198	required records, documents, and data will be maintained;
199	(c) contains relevant personal and contact information for the applicant, including legal
200	names, addresses, telephone numbers, email addresses, website addresses, and other
201	information required by the regulatory relief office;
202	(d) discloses criminal convictions of the applicant or other participating personnel, if
203	any;
204	(e) contains a description of the offering to be demonstrated, including statements
205	regarding:
206	(i) how the offering is subject to licensing, legal prohibition, or other authorization
207	requirements outside of the regulatory sandbox;
208	(ii) each law or regulation, accompanied by their statutory reference or citation, that the
209	applicant seeks to have waived or suspended while participating in the regulatory sandbox
210	program;
211	(iii) how the offering would benefit consumers;
212	(iv) how the offering is different from other offerings available in the state;
213	(v) any identifiable, likely, and significant harm to the health, safety, or financial

214	well-being of consumers that each law or regulation described in Subsection (4)(e)(ii) protects
215	against;
216	[(v)] (vi) what risks might exist for consumers who use or purchase the offering;
217	[(vi)] (vii) how participating in the regulatory sandbox would enable a successful
218	demonstration of the offering;
219	[(viii)] (viii) a description of the proposed demonstration plan, including estimated time
220	periods for beginning and ending the demonstration;
221	[(viii)] (ix) recognition that the applicant will be subject to all laws and regulations
222	pertaining to the applicant's offering after conclusion of the demonstration; and
223	[(ix)] (x) how the applicant will end the demonstration and protect consumers if the
224	demonstration fails;
225	(f) lists each government agency, if any, that the applicant knows regulates the
226	applicant's business; and
227	(g) provides any other required information as determined by the regulatory relief
228	office.
229	(5) The regulatory relief office may collect an application fee from an applicant that is
230	set in accordance with Section 63J-1-504.
231	(6) An applicant shall file a separate application for each offering that the applicant
232	wishes to demonstrate.
233	(7) After an application is filed, the regulatory relief office shall:
234	(a) classify, as a protected record, any part of the application that the office determines
235	is nonpublic, confidential information that if disclosed would result in actual economic harm to
236	the applicant in accordance with Subsection 63G-2-305(83);
237	(b) consult with each applicable government agency that regulates the applicant's
238	business regarding whether more information is needed from the applicant; and
239	(c) seek additional information from the applicant that the regulatory relief office
240	determines is necessary.
241	(8) No later than five business days after the day on which a complete application is
242	received by the regulatory relief office, the regulatory relief office shall:
243	(a) review the application and refer the application to each applicable government
244	agency that regulates the applicant's business;

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245 (b) provide to the applicant: 246 (i) an acknowledgment of receipt of the application; and 247 (ii) the identity and contact information of each regulatory agency to which the 248 application has been referred for review; and 249 (c) provide public notice, on the office's website and through other appropriate means, 250 of each law or regulation that the office is considering to suspend or waive under the 251 application. 252 (9) (a) Subject to Subsections (9)(c) and (9)(g), no later than 30 days after the day on 253 which an applicable agency receives a complete application for review, the applicable agency 254 shall provide a written report to the director of the applicable agency's findings. 255 (b) The report shall: 256 (i) describe any identifiable, likely, and significant harm to the health, safety, or 257 financial well-being of consumers that the relevant law or regulation protects against; and 258 (ii) make a recommendation to the regulatory relief office that the applicant either be 259 admitted or denied entrance into the regulatory sandbox. 260 (c) (i) The applicable agency may request an additional five business days to deliver 261 the written report by providing notice to the director, which request shall automatically be 262 granted. 263 (ii) The applicable agency may only request one extension per application. 264 (d) If the applicable agency recommends an applicant under this section be denied 265 entrance into the regulatory sandbox, the written report shall include a description of the 266 reasons for the recommendation, including why a temporary waiver or suspension of the 267 relevant laws or regulations would potentially significantly harm the health, safety, or financial 268 well-being of consumers or the public and the likelihood of such harm occurring. 269 (e) If the agency determines that the consumer's or public's health, safety, [or] and 270 financial well-being can be protected through less restrictive means than the existing relevant 271 laws or regulations, then the applicable agency shall provide a recommendation of how that can 272 be achieved. 273 (f) If an applicable agency fails to deliver a written report as described in this 274 Subsection (9), the director shall assume that the applicable agency does not object to the 275 temporary waiver or suspension of the relevant laws or regulations for an applicant seeking to

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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, $\hat{S} \rightarrow [f] \leftarrow \hat{S}$ reject an application $\hat{S} \rightarrow [f]$ recommend an application be rejected] $\leftarrow \hat{S}$ 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) $\hat{S} \rightarrow [f] \leftarrow \hat{S}$ reject an application $\hat{S} \rightarrow [f] = \frac{1}{1 - 1} \frac{1}$
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	$\hat{S} \rightarrow [f] \leftarrow \hat{S}$ (h) If an applicable agency rejects an application under Subsection (9)(g), the
295	regulatory relief office may not approve the application. $\hat{S} \rightarrow [] \leftarrow \hat{S}$
295a	$\hat{S} \rightarrow (i)$ 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	<u>(ii)The form shall document the reason for the rejection and show every reasonable</u>
295g	<u>effort was</u>
295h	<u>made to meet with the applicant.</u> (\$
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.

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300 (c) After receiving and reviewing the application and each written report, the advisory
 301 committee shall provide to the director the advisory committee's recommendation as to whether
 302 or not the applicant should be admitted as a sandbox participant under this chapter.

303 (d) As part of the advisory committee's review of each written report, the advisory
304 committee shall use the criteria required for an applicable agency as described in Subsection
305 (9).

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

307	$\hat{S} \rightarrow [f] \leftarrow \hat{S}$ regulatory relief office $\hat{S} \rightarrow [f]$ advisory committee $ \leftarrow \hat{S}$ 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 $\hat{S} \rightarrow [f] \leftarrow \hat{S}$ regulatory relief office
315a	Ŝ → []
316	<u>advisory committee</u> $\leftarrow \hat{S}$ 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 $\hat{S} \rightarrow [f] \leftarrow \hat{S}$ regulatory relief office
319a	Ŝ→ []
320	<u>advisory committee</u>] $\leftarrow \hat{S}$ 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 $\hat{S} \rightarrow [f] \leftarrow \hat{S}$ regulatory relief
328a	office Ŝ→ [†
329	<u>advisory committee</u>] $\leftarrow \hat{S}$ approves the application for the regulatory sandbox and <u>the regulatory</u>
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

338 preponderance of evidence demonstrates that suspending or waiving enforcement of a law or 339 regulation would cause a significant risk of harm to consumers or residents of the state. 340 (b) If the director denies an application submitted under this section, the regulatory 341 relief office shall provide to the applicant a written description of the reasons for not allowing 342 the applicant to be a sandbox participant. 343 (c) The denial of an application submitted under this section is not subject to: 344 (i) agency or judicial review; or 345 (ii) the provisions of Title 63G, Chapter 4, Administrative Procedures Act. 346 (16) The director shall deny an application for participation in the regulatory sandbox 347 described by this section if the applicant or any person who seeks to participate with the applicant in demonstrating an offering has been convicted, entered a plea of nolo contendere, or 348 349 entered a plea of guilty or nolo contendere held in abeyance, for any crime involving significant 350 theft, fraud, or dishonesty if the crime bears a significant relationship to the applicant's or other 351 participant's ability to safely and competently participate in the regulatory sandbox program. 352 (17) (a) When an applicant is approved for participation in the regulatory sandbox, the 353 director shall provide public notice of the approval on the office's website and through other 354 appropriate means. 355 (b) The public notice described in Subsection (17)(a) shall state: 356 (i) the name of the sandbox participant; 357 (ii) the industries the sandbox participant represents; and (iii) each law or regulation that is suspended or waived for the sandbox participant as 358 allowed by the regulatory sandbox. 359 360 (18) In addition to the information described in Subsection (17), the office shall make 361 the following information available on the office's website and through other appropriate 362 means: (a) documentation regarding the office's determination and grounds for approving each 363 364 sandbox participant; and 365 (b) public notice regarding any sandbox participant's revocation to participate in the 366 regulatory sandbox. 367 Section 5. Section 63N-16-205 is amended to read: 368 63N-16-205. Extensions.

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369 (1) Not later than 30 days before the end of the 12-month regulatory sandbox 370 demonstration period, a sandbox participant may request an extension of the regulatory 371 sandbox demonstration period. 372 (2) The regulatory relief office shall grant or deny a request for an extension in accordance with Subsection (1) by the end of the 12-month regulatory sandbox testing period. 373 374 (3) The regulatory relief office may grant an extension in accordance with this section 375 for not more than 12 months after the end of the initial regulatory sandbox demonstration 376 period. 377 Section 6. Section 63N-16-206 is amended to read: 378 63N-16-206. Record keeping and reporting requirements. (1) A sandbox participant shall retain records, documents, and data produced in the 379 380 ordinary course of business regarding an offering demonstrated in the regulatory sandbox. 381 (2) If a sandbox participant ceases to provide an offering before the end of a 382 demonstration period, the sandbox participant shall notify the regulatory relief office and each 383 applicable agency and report on actions taken by the sandbox participant to ensure consumers 384 have not been harmed as a result. 385 (3) (a) The regulatory relief office shall establish quarterly reporting requirements for a 386 sandbox participant, including information about any consumer complaints. 387 (b) No later than 14 days after the day on which a sandbox participant submits the 388 sandbox participant's second quarterly report to the regulatory relief office, the regulatory relief 389 office shall provide the sandbox participant's first and second quarterly reports to each 390 applicable agency. 391 (c) No later than 30 days after the day on which an applicable agency receives the

392 reports as described in Subsection (3)(b), the applicable agency shall provide a written report to

393 the regulatory relief office on the demonstration that describes any statutory or regulatory

394 reform the applicable agency recommends as a result of the demonstration.

395 (4) The regulatory relief office may request records, documents, and data from a 396 sandbox participant and, upon the regulatory relief office's request, the sandbox participant 397 shall make such records, documents, and data available for inspection by the regulatory relief 398 office.

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(5) (a) The sandbox participant shall notify the regulatory relief office and each

400 applicable agency of any incidents that result in harm to the health, safety, or financial401 well-being of a consumer.

402 (b) If a sandbox participant fails to notify the regulatory relief office and each
403 applicable agency of any incidents as described in Subsection (5)(a), or the regulatory relief
404 office or an applicable agency has evidence that significant harm to a consumer has occurred,
405 the regulatory relief office may immediately remove the sandbox participant from the
406 regulatory sandbox.

407 (6) (a) No later than 30 days after the day on which a sandbox participant exits the
408 regulatory sandbox, the sandbox participant shall submit a written report to the regulatory relief
409 office and each applicable agency describing an overview of the sandbox participant's
410 demonstration, including any:

410 demonstration, meruding any.

411 (i) incidents of harm to consumers;

412 (ii) legal action filed against the participant as a result of the participant's

413 demonstration; and

414 (iii) complaints filed with an applicable agency as a result of the participant's415 demonstration.

(b) No later than 30 days after the day on which an applicable agency receives [the quarterly reporting described in Subsection (3) or] a written report from a sandbox participant as described in Subsection (6)(a), the applicable agency shall provide a written report to the regulatory relief office on the demonstration that describes any statutory or regulatory reform the applicable agency recommends as a result of the demonstration.

(7) The regulatory relief office may remove a sandbox participant from the regulatory
sandbox at any time if the regulatory relief office determines that a sandbox participant has
engaged in, is engaging in, or is about to engage in any practice or transaction that is in
violation of this chapter or that constitutes a violation of a law or regulation for which
suspension or waiver has not been granted.

426 Section 7. Effective date.

427 This bill takes effect on May 1, 2024.