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UTAH OFFICE OF REGULATORY RELIEF AMENDMENTS

2024 GENERAL SESSION STATE OF UTAH

Chief Sponsor: A. Cory Maloy

Senate Sponsor: Wayne A. Harper					
]	LONG TITLE				
(General Description:				
	This bill amends provisions related to the Utah Office of Regulatory Relief.				
Highlighted Provisions:					
	This bill:				
	requires the Utah Office of Regulatory Relief to:				
	 review laws and regulations each year affecting different industries to determine if 				
1	there are laws or regulations that are unnecessarily burdensome to those industries; and				
	submit a report to the Legislature; and				
	makes technical and conforming changes.				
]	Money Appropriated in this Bill:				
	None				
(Other Special Clauses:				
	None				
1	Utah Code Sections Affected:				
4	AMENDS:				
	63N-16-103 , as last amended by Laws of Utah 2022, Chapter 332				
	63N-16-104 , as last amended by Laws of Utah 2022, Chapter 332				
	63N-16-105 , as enacted by Laws of Utah 2021, Chapter 373				
]	ENACTS:				
	63N-16-302 , Utah Code Annotated 1953				
]	REPEALS:				
	63N-16-101, as enacted by Laws of Utah 2021, Chapter 373				

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

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Section 1. Section **63N-16-103** is amended to read:

H.B. 282 Enrolled Copy

29	63N-16-103. Creation of the regulatory relief office and appointment of director
30	Responsibilities of the regulatory relief office.
31	(1) There is created within the Governor's Office of Economic Opportunity the Utah Office
32	of Regulatory Relief.
33	(2) (a) The regulatory relief office shall be administered by a director.
34	(b) The director shall report to the executive director and may appoint staff subject to the
35	approval of the executive director.
36	(3) The regulatory relief office shall:
37	(a) administer the provisions of this chapter;
38	(b) administer the regulatory sandbox program; and
39	(c) act as a liaison between private businesses and applicable agencies to identify state
40	laws or regulations that could potentially be waived or suspended under the
41	regulatory sandbox program.
42	(4) The regulatory relief office may:
43	[(a) review state laws and regulations that may unnecessarily inhibit the creation and
44	success of new companies or industries and provide recommendations to the
45	governor and the Legislature on modifying such state laws and regulations;]
46	[(b) ereate a framework for analyzing the risk level to the health, safety, and financial
47	well-being of consumers related to permanently removing or temporarily waiving
48	laws and regulations inhibiting the creation or success of new and existing companies
49	or industries;]
50	[(e)] (a) propose potential reciprocity agreements between states that use or are proposin
51	to use similar programs to the regulatory sandbox[programs as described in this
52	ehapter]; and
53	[(d)] (b) in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,
54	and the provisions of this chapter, make rules regarding:
55	(i) administering the regulatory sandbox, including making rules regarding the
56	application process and the reporting requirements of sandbox participants; and
57	(ii) cooperating and consulting with other agencies in the state that administer
58	sandbox programs.
59	Section 2. Section 63N-16-104 is amended to read:
60	63N-16-104. Creation and duties of advisory committee.
61	(1) There is created the General Regulatory Sandbox Program Advisory Committee.
62	(2) The advisory committee shall have 11 members as follows:

Enrolled Copy H.B. 282

- 63 (a) six members appointed by the director who represent businesses interests and are 64 selected from a variety of industry clusters;
- (b) three members appointed by the director who represent state agencies that regulate businesses;
- 67 (c) one member of the Senate, appointed by the president of the Senate; and
- (d) one member of the House of Representatives, appointed by the speaker of the Houseof Representatives.
- 70 (3) (a) Subject to Subsection (3)(b), members of the advisory committee who are not legislators shall be appointed to a four-year term.
- 72 (b) Notwithstanding the requirements of Subsection (3)(a), the director may adjust the 73 length of terms of appointments and reappointments to the advisory committee so 74 that approximately half of the advisory committee is appointed every two years.
- 75 (4) The director shall select a chair of the advisory committee on an annual basis.
- 76 (5) A majority of the advisory committee constitutes a quorum for the purpose of 77 conducting advisory committee business, and the action of the majority of a quorum 78 constitutes the action of the advisory committee.
- 79 (6) The advisory committee shall[-]:
- 80 (a) advise and make recommendations to the regulatory relief office as described in this chapter; and
- 82 (b) designate the laws and regulations of an industry for potential study by the regulatory
 83 relief office as described in Section 63N-16-105.
- 84 (7) The regulatory relief office shall provide administrative staff support for the advisory committee.
- 86 (8) (a) A member may not receive compensation or benefits for the member's service, 87 but a member appointed under Subsection (2)(a) may receive per diem and travel
- 88 expenses in accordance with:
- (i) Sections 63A-3-106 and 63A-3-107; and
- 90 (ii) rules made by the Division of Finance pursuant to Sections 63A-3-106 and 63A-3-107.
- 92 (b) Compensation and expenses of a member who is a legislator are governed by Section 93 36-2-2 and Legislative Joint Rules, Title 5, Legislative Compensation and Expenses.
- 94 Section 3. Section **63N-16-105** is amended to read:
- 95 **63N-16-105** . Annual report.

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(1) [The executive director shall include in the annual report described in Section

H.B. 282 Enrolled Copy

97	63N-1a-306 a written report from the director on the activities of the regulatory relief
98	office, which report shall include:] On or before October 1 of each year, the regulatory
99	relief office shall prepare and submit an annual written report to the governor, the
100	Business and Labor Interim Committee, and the Economic Development and Workforce
101	Services Interim Committee for the preceding fiscal year.
102	(2) The annual report described in Subsection (1) shall include:
103	(a) information regarding each participant in the regulatory sandbox created in Section
104	63N-16-201, including which industries each participant represents and the
105	anticipated or actual cost savings that each participant experienced;
106	(b) recommendations regarding any laws or regulations that should be permanently
107	modified;
108	(c) information regarding outcomes for consumers; [and]
109	(d) recommendations for changes to the regulatory sandbox program or other duties of
110	the regulatory relief office[-] ; and
111	(e) the information described in Subsection 63N-16-302(5).
112	[(2) By October 1 of each year, the executive director shall provide the written report
113	from the director on the activities of the regulatory relief office described in
114	Subsection (1) to the Business and Labor Interim Committee.]
115	Section 4. Section 63N-16-302 is enacted to read:
116	Part 3. Regulatory Relief
117	63N-16-302. Proactive regulatory relief efforts.
118	(1) As used in this section:
119	(a) "Regulatory framework" means a framework for determining the risk level to the
120	public if a law or regulation that inhibits the creation or success of new and existing
121	companies or industries were to be permanently removed or temporarily waived.
122	(b) "Risk level" means a level of risk categorized from low, medium, and high.
123	(2) The regulatory relief office may:
124	(a) review, at any time, any existing state laws or regulations that may unnecessarily
125	inhibit the creation or success of companies or industries other than the occupational
126	regulations of individuals reviewed by the Office of Professional Licensure Review
127	under Title 13, Chapter 1b, Office of Professional Licensure Review; and
128	(b) provide recommendations to the governor and the Legislature on modifying those
129	state laws and regulations described in Subsection (2)(a).

Enrolled Copy H.B. 282

130	(3) The regulatory relief office shall:
131	(a) create a regulatory framework; and
132	(b) annually study the laws and regulations of at least two industries selected from:
133	(i) an industry targeted for economic development by the Unified Economic
134	Opportunity Commission as described in Section 63N-1a-202; or
135	(ii) an industry designated by the General Regulatory Sandbox Program Advisory
136	Committee for study by the regulatory relief office.
137	(4) In undertaking the review described in Subsection (3), the regulatory relief office shall:
138	(a) identify any law or regulation that the regulatory relief office determines inhibits the
139	creation or success of new and existing companies or industries;
140	(b) apply the regulatory framework to the identified law or regulation; and
141	(c) consider:
142	(i) the history of the identified regulation or law, including the reasons why the
143	regulation or law was originally enacted;
144	(ii) whether the identified regulation or law:
145	(A) creates an unnecessary barrier to industry for businesses; or
146	(B) imposes an unnecessary cost to businesses or consumers;
147	(iii) whether the penalty for violation of the regulation or law, if any, is proportional
148	to the potential harm; and
149	(iv) if there are potentially less burdensome alternatives to the existing regulation or
150	law and apply the regulatory framework to that alternative.
151	(5) The regulatory relief office shall submit as part of the report described in Section
152	63N-16-105:
153	(a) a detailed overview of the regulatory relief office's study of the laws and regulations
154	as described in this section, including the reasons why the laws and regulations of a
155	particular industry were selected for study and the strategy the office implemented to
156	study the laws and regulations of that industry; and
157	(b) recommended changes to a law or regulation identified by the regulatory relief office
158	in Subsection (4) that the regulatory relief office determines:
159	(i) is inhibiting the success of businesses, companies, or industries; and
160	(ii) would not present a high risk level to the public if the law or regulation were
161	permanently removed or temporarily waived.
162	Section 5. Repealer.
163	This bill repeals:

H.B. 282 Enrolled Copy

164	Section	63N-16	-101,	Title.

- Section 6. Effective date.
- 166 This bill takes effect on May 1, 2024.