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ARTIFICIAL INTELLIGENCE AMENDMENTS
2024 GENERAL SESSION
STATE OF UTAH
Chief Sponsor: Kirk A. Cullimore
House Sponsor: Jefferson Moss

LONG TITLE

General Description:

This bill creates the Artificial Intelligence Policy Act.

Highlighted Provisions:

This bill:

- defines terms;
- establishes liability for use of artificial intelligence (AI) that violates consumer protection laws if not properly disclosed;
- creates the Office of Artificial Intelligence Policy (office) and a regulatory AI analysis program;
- enables temporary mitigation of regulatory impacts during AI pilot testing;
- establishes the Artificial Intelligence Learning Laboratory Program to assess technologies, risks, and policy;
- requires disclosure when an individual interacts with AI in a regulated occupation; and
- grants the office rulemaking authority over AI programs and regulatory exemptions.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

13-11-4, as last amended by Laws of Utah 2021, Chapters 138, 154

13-61-101, as last amended by Laws of Utah 2023, Chapter 327

63I-2-213, as last amended by Laws of Utah 2023, Chapter 33

ENACTS:

28 **13-2-12**, as Utah Code Annotated 1953
 29 **13-70-101**, as Utah Code Annotated 1953
 30 **13-70-201**, as Utah Code Annotated 1953
 31 **13-70-301**, as Utah Code Annotated 1953
 32 **13-70-302**, as Utah Code Annotated 1953
 33 **13-70-303**, as Utah Code Annotated 1953
 34 **13-70-304**, as Utah Code Annotated 1953
 35 **13-70-305**, as Utah Code Annotated 1953
 36 **76-2-107**, as Utah Code Annotated 1953

37

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

39 Section 1. Section **13-2-12** is enacted to read:

40 **13-2-12 . Generative artificial intelligence -- Impact on liability for violation of**
 41 **consumer protection law.**

42 (1) As used in this section:

43 (a) "Generative artificial intelligence" means an artificial system that:

44 (i) is trained on data;

45 (ii) interacts with a person using text, audio, or visual communication; and

46 (iii) generates non-scripted outputs similar to outputs created by a human, with
 47 limited or no human oversight.

48 (b) "License" means a state-granted authorization for a person to engage in a specified
 49 occupation:

50 (i) based on the person meeting personal qualifications established under state law;
 51 and

52 (ii) where state law requires the authorization before the person may lawfully engage
 53 in the occupation for compensation.

54 (c) "Regulated occupation" means an occupation regulated by the Department of
 55 Commerce that requires a person to obtain a license or state certification to practice
 56 the occupation.

57 (d) "State certification" means a state-granted authorization given to a person to use the
 58 term "state certified" as part of a designated title related to engaging in a specified
 59 occupation:

60 (i) based on the person meeting personal qualifications established under state law;
 61 and

- 62 (ii) where state law prohibits a noncertified person from using the term "state
63 certified" as part of a designated title but does not otherwise prohibit a
64 noncertified person from engaging in the occupation for compensation.
- 65 (2) It is not a defense to the violation of any statute administered and enforced by the
66 division, as described in Section 13-2-1, that generative artificial intelligence:
- 67 (a) made the violative statement;
68 (b) undertook the violative act; or
69 (c) was used in furtherance of the violation.
- 70 (3) A person who uses, prompts, or otherwise causes generative artificial intelligence to
71 interact with a person in connection with any act administered and enforced by the
72 division, as described in Section 13-2-1, shall clearly and conspicuously disclose to the
73 person with whom the generative artificial intelligence interacts, if asked or prompted by
74 the person, that the person is interacting with generative artificial intelligence and not a
75 human.
- 76 (4) (a) A person who provides the services of a regulated occupation shall prominently
77 disclose when a person is interacting with a generative artificial intelligence in the
78 provision of regulated services.
- 79 (b) Nothing in this section permits a person to provide the services of a regulated
80 occupation through generative artificial intelligence without meeting the
81 requirements of the regulated occupation.
- 82 (5) A disclosure described Subsection (4)(a) shall be provided:
- 83 (a) verbally at the start of an oral exchange or conversation; and
84 (b) through electronic messaging before a written exchange.
- 85 (6) The division shall administer and enforce the provisions of this section in accordance
86 with Chapter 2, Division of Consumer Protection.
- 87 (7) In addition to the division's enforcement powers described by Chapter 2, Division of
88 Consumer Protection:
- 89 (a) the division director may impose an administrative fine for up to \$2,500 for each
90 violation of this section; and
- 91 (b) the division may bring an action in court to enforce a provision of this section.
- 92 (8) In a court action by the division to enforce a provision of this section, the court may:
- 93 (a) declare that an act or practice violates a provision of this section;
94 (b) issue an injunction for a violation of this section;
95 (c) order disgorgement of any money received in violation of this section;

- 96 (d) order payment of disgorged money to a person injured by a violation of this section;
 97 (e) impose a fine of up to \$2,500 for each violation of this section; or
 98 (f) award any other relief that the court deems reasonable and necessary.

99 (9) If a court of competent jurisdiction grants judgment or injunctive relief to the division,
 100 the court shall award the division:

- 101 (a) reasonable attorney fees;
 102 (b) court costs; and
 103 (c) investigative fees.

104 (10) (a) A person who violates an administrative or court order issued for a violation of
 105 this chapter is subject to a civil penalty of no more than \$5,000 for each violation.

106 (b) A civil penalty authorized under this section may be imposed in any civil action
 107 brought by the attorney general on behalf of the division.

108 Section 2. Section **13-11-4** is amended to read:

109 **13-11-4 . Deceptive act or practice by supplier.**

- 110 (1) A deceptive act or practice by a supplier in connection with a consumer transaction
 111 violates this chapter whether it occurs before, during, or after the transaction.
- 112 (2) Without limiting the scope of Subsection (1), a supplier commits a deceptive act or
 113 practice if the supplier knowingly or intentionally:
- 114 (a) indicates that the subject of a consumer transaction has sponsorship, approval,
 115 performance characteristics, accessories, uses, or benefits, if it has not;
- 116 (b) indicates that the subject of a consumer transaction is of a particular standard,
 117 quality, grade, style, or model, if it is not;
- 118 (c) indicates that the subject of a consumer transaction is new, or unused, if it is not, or
 119 has been used to an extent that is materially different from the fact;
- 120 (d) indicates that the subject of a consumer transaction is available to the consumer for a
 121 reason that does not exist, including any of the following reasons falsely used in an
 122 advertisement:
- 123 (i) "going out of business";
- 124 (ii) "bankruptcy sale";
- 125 (iii) "lost our lease";
- 126 (iv) "building coming down";
- 127 (v) "forced out of business";
- 128 (vi) "final days";
- 129 (vii) "liquidation sale";

- 130 (viii) "fire sale";
- 131 (ix) "quitting business"; or
- 132 (x) an expression similar to any of the expressions in Subsections (2)(d)(i) through
- 133 (ix);
- 134 (e) indicates that the subject of a consumer transaction has been supplied in accordance
- 135 with a previous representation, if it has not;
- 136 (f) indicates that the subject of a consumer transaction will be supplied in greater
- 137 quantity than the supplier intends;
- 138 (g) indicates that replacement or repair is needed, if it is not;
- 139 (h) indicates that a specific price advantage exists, if it does not;
- 140 (i) indicates that the supplier has a sponsorship, approval, license, certification, or
- 141 affiliation the supplier does not have;
- 142 (j) (i) indicates that a consumer transaction involves or does not involve a warranty, a
- 143 disclaimer of warranties, particular warranty terms, or other rights, remedies, or
- 144 obligations, if the representation is false; or
- 145 (ii) fails to honor a warranty or a particular warranty term;
- 146 (k) indicates that the consumer will receive a rebate, discount, or other benefit as an
- 147 inducement for entering into a consumer transaction in return for giving the supplier
- 148 the names of prospective consumers or otherwise helping the supplier to enter into
- 149 other consumer transactions, if receipt of the benefit is contingent on an event
- 150 occurring after the consumer enters into the transaction;
- 151 (l) after receipt of payment for goods or services, fails to ship the goods or furnish the
- 152 services within the time advertised or otherwise represented or, if no specific time is
- 153 advertised or represented, fails to ship the goods or furnish the services within 30
- 154 days, unless within the applicable time period the supplier provides the buyer with
- 155 the option to:
- 156 (i) cancel the sales agreement and receive a refund of all previous payments to the
- 157 supplier if the refund is mailed or delivered to the buyer within 10 business days
- 158 after the day on which the seller receives written notification from the buyer of the
- 159 buyer's intent to cancel the sales agreement and receive the refund; or
- 160 (ii) extend the shipping date to a specific date proposed by the supplier;
- 161 (m) except as provided in Subsection (3)(b), fails to furnish a notice meeting the
- 162 requirements of Subsection (3)(a) of the purchaser's right to cancel a direct
- 163 solicitation sale within three business days of the time of purchase if:

- 164 (i) the sale is made other than at the supplier's established place of business pursuant
165 to the supplier's personal contact, whether through mail, electronic mail, facsimile
166 transmission, telephone, or any other form of direct solicitation; and
- 167 (ii) the sale price exceeds \$25;
- 168 (n) promotes, offers, or grants participation in a pyramid scheme as defined under Title
169 76, Chapter 6a, Pyramid Scheme Act;
- 170 (o) represents that the funds or property conveyed in response to a charitable solicitation
171 will be donated or used for a particular purpose or will be donated to or used by a
172 particular organization, if the representation is false;
- 173 (p) if a consumer indicates the consumer's intention of making a claim for a motor
174 vehicle repair against the consumer's motor vehicle insurance policy:
- 175 (i) commences the repair without first giving the consumer oral and written notice of:
- 176 (A) the total estimated cost of the repair; and
- 177 (B) the total dollar amount the consumer is responsible to pay for the repair,
178 which dollar amount may not exceed the applicable deductible or other copay
179 arrangement in the consumer's insurance policy; or
- 180 (ii) requests or collects from a consumer an amount that exceeds the dollar amount a
181 consumer was initially told the consumer was responsible to pay as an insurance
182 deductible or other copay arrangement for a motor vehicle repair under Subsection
183 (2)(p)(i), even if that amount is less than the full amount the motor vehicle
184 insurance policy requires the insured to pay as a deductible or other copay
185 arrangement, unless:
- 186 (A) the consumer's insurance company denies that coverage exists for the repair,
187 in which case, the full amount of the repair may be charged and collected from
188 the consumer; or
- 189 (B) the consumer misstates, before the repair is commenced, the amount of money
190 the insurance policy requires the consumer to pay as a deductible or other
191 copay arrangement, in which case, the supplier may charge and collect from
192 the consumer an amount that does not exceed the amount the insurance policy
193 requires the consumer to pay as a deductible or other copay arrangement;
- 194 (q) includes in any contract, receipt, or other written documentation of a consumer
195 transaction, or any addendum to any contract, receipt, or other written documentation
196 of a consumer transaction, any confession of judgment or any waiver of any of the
197 rights to which a consumer is entitled under this chapter;

- 198 (r) charges a consumer for a consumer transaction or a portion of a consumer transaction
199 that has not previously been agreed to by the consumer;
- 200 (s) solicits or enters into a consumer transaction with a person who lacks the mental
201 ability to comprehend the nature and consequences of:
202 (i) the consumer transaction; or
203 (ii) the person's ability to benefit from the consumer transaction;
- 204 (t) solicits for the sale of a product or service by providing a consumer with an
205 unsolicited check or negotiable instrument the presentment or negotiation of which
206 obligates the consumer to purchase a product or service, unless the supplier is:
207 (i) a depository institution under Section 7-1-103;
208 (ii) an affiliate of a depository institution; or
209 (iii) an entity regulated under Title 7, Financial Institutions Act;
- 210 (u) sends an unsolicited mailing to a person that appears to be a billing, statement, or
211 request for payment for a product or service the person has not ordered or used, or
212 that implies that the mailing requests payment for an ongoing product or service the
213 person has not received or requested;
- 214 (v) issues a gift certificate, instrument, or other record in exchange for payment to
215 provide the bearer, upon presentation, goods or services in a specified amount
216 without printing in a readable manner on the gift certificate, instrument, packaging,
217 or record any expiration date or information concerning a fee to be charged and
218 deducted from the balance of the gift certificate, instrument, or other record;
- 219 (w) misrepresents the geographical origin or location of the supplier's business;
- 220 (x) fails to comply with the restrictions of Section 15-10-201 on automatic renewal
221 provisions;
- 222 (y) violates Section 13-59-201; or
- 223 (z) fails to comply with the restrictions of Subsection 13-54-202(2).
- 224 (3) (a) The notice required by Subsection (2)(m) shall:
225 (i) be a conspicuous statement written in dark bold with at least 12-point type on the
226 first page of the purchase documentation; and
227 (ii) read as follows: "YOU, THE BUYER, MAY CANCEL THIS CONTRACT AT
228 ANY TIME PRIOR TO MIDNIGHT OF THE THIRD BUSINESS DAY (or time
229 period reflecting the supplier's cancellation policy but not less than three business
230 days) AFTER THE DATE OF THE TRANSACTION OR RECEIPT OF THE
231 PRODUCT, WHICHEVER IS LATER."

- 232 (b) A supplier is exempt from the requirements of Subsection (2)(m) if the supplier's
233 cancellation policy:
- 234 (i) is communicated to the buyer; and
235 (ii) offers greater rights to the buyer than Subsection (2)(m).
- 236 (4) (a) A gift certificate, instrument, or other record that does not print an expiration date
237 in accordance with Subsection (2)(v) does not expire.
- 238 (b) A gift certificate, instrument, or other record that does not include printed
239 information concerning a fee to be charged and deducted from the balance of the gift
240 certificate, instrument, or other record is not subject to the charging and deduction of
241 the fee.
- 242 (c) Subsections (2)(v) and (4)(b) do not apply to a gift certificate, instrument, or other
243 record useable at multiple, unaffiliated sellers of goods or services if an expiration
244 date is printed on the gift certificate, instrument, or other record.
- 245 Section 3. Section **13-61-101** is amended to read:
- 246 **13-61-101 . Definitions.**
- 247 As used in this chapter:
- 248 (1) "Account" means the Consumer Privacy Restricted Account established in Section
249 13-61-403.
- 250 (2) "Affiliate" means an entity that:
- 251 (a) controls, is controlled by, or is under common control with another entity; or
252 (b) shares common branding with another entity.
- 253 (3) "Aggregated data" means information that relates to a group or category of consumers:
- 254 (a) from which individual consumer identities have been removed; and
255 (b) that is not linked or reasonably linkable to any consumer.
- 256 (4) "Air carrier" means the same as that term is defined in 49 U.S.C. Sec. 40102.
- 257 (5) "Authenticate" means to use reasonable means to determine that a consumer's request to
258 exercise the rights described in Section 13-61-201 is made by the consumer who is
259 entitled to exercise those rights.
- 260 (6) (a) "Biometric data" means data generated by automatic measurements of an
261 individual's unique biological characteristics.
- 262 (b) "Biometric data" includes data described in Subsection (6)(a) that are generated by
263 automatic measurements of an individual's fingerprint, voiceprint, eye retinas, irises,
264 or any other unique biological pattern or characteristic that is used to identify a
265 specific individual.

- 266 (c) "Biometric data" does not include:
- 267 (i) a physical or digital photograph;
- 268 (ii) a video or audio recording;
- 269 (iii) data generated from an item described in Subsection (6)(c)(i) or (ii);
- 270 (iv) information captured from a patient in a health care setting; or
- 271 (v) information collected, used, or stored for treatment, payment, or health care
- 272 operations as those terms are defined in 45 C.F.R. Parts 160, 162, and 164.
- 273 (7) "Business associate" means the same as that term is defined in 45 C.F.R. Sec. 160.103.
- 274 (8) "Child" means an individual younger than 13 years old.
- 275 (9) "Consent" means an affirmative act by a consumer that unambiguously indicates the
- 276 consumer's voluntary and informed agreement to allow a person to process personal data
- 277 related to the consumer.
- 278 (10) (a) "Consumer" means an individual who is a resident of the state acting in an
- 279 individual or household context.
- 280 (b) "Consumer" does not include an individual acting in an employment or commercial
- 281 context.
- 282 (11) "Control" or "controlled" as used in Subsection (2) means:
- 283 (a) ownership of, or the power to vote, more than 50% of the outstanding shares of any
- 284 class of voting securities of an entity;
- 285 (b) control in any manner over the election of a majority of the directors or of the
- 286 individuals exercising similar functions; or
- 287 (c) the power to exercise controlling influence of the management of an entity.
- 288 (12) "Controller" means a person doing business in the state who determines the purposes
- 289 for which and the means by which personal data are processed, regardless of whether the
- 290 person makes the determination alone or with others.
- 291 (13) "Covered entity" means the same as that term is defined in 45 C.F.R. Sec. 160.103.
- 292 (14) (a) "Deidentified data" means data that:
- 293 ~~[(a)]~~ (i) cannot reasonably be linked to an identified individual or an identifiable
- 294 individual; and
- 295 ~~[(b)]~~ (ii) are possessed by a controller who:
- 296 ~~[(i)]~~ (A) takes reasonable measures to ensure that a person cannot associate the
- 297 data with an individual;
- 298 ~~[(ii)]~~ (B) publicly commits to maintain and use the data only in deidentified form
- 299 and not attempt to reidentify the data; and

- 300 [(iii)] (C) contractually obligates any recipients of the data to comply with the
301 requirements described in Subsections (14)(b)(i) and (ii).
- 302 (b) "Deidentified data" includes synthetic data.
- 303 (15) "Director" means the director of the Division of Consumer Protection.
- 304 (16) "Division" means the Division of Consumer Protection created in Section 13-2-1.
- 305 (17) "Governmental entity" means the same as that term is defined in Section 63G-2-103.
- 306 (18) "Health care facility" means the same as that term is defined in Section 26B-2-201.
- 307 (19) "Health care provider" means the same as that term is defined in Section 78B-3-403.
- 308 (20) "Identifiable individual" means an individual who can be readily identified, directly or
309 indirectly.
- 310 (21) "Institution of higher education" means a public or private institution of higher
311 education.
- 312 (22) "Local political subdivision" means the same as that term is defined in Section
313 11-14-102.
- 314 (23) "Nonprofit corporation" means:
- 315 (a) the same as that term is defined in Section 16-6a-102; or
- 316 (b) a foreign nonprofit corporation as defined in Section 16-6a-102.
- 317 (24) (a) "Personal data" means information that is linked or reasonably linkable to an
318 identified individual or an identifiable individual.
- 319 (b) "Personal data" does not include deidentified data, aggregated data, or publicly
320 available information.
- 321 (25) "Process" means an operation or set of operations performed on personal data,
322 including collection, use, storage, disclosure, analysis, deletion, or modification of
323 personal data.
- 324 (26) "Processor" means a person who processes personal data on behalf of a controller.
- 325 (27) "Protected health information" means the same as that term is defined in 45 C.F.R.
326 Sec. 160.103.
- 327 (28) "Pseudonymous data" means personal data that cannot be attributed to a specific
328 individual without the use of additional information, if the additional information is:
- 329 (a) kept separate from the consumer's personal data; and
- 330 (b) subject to appropriate technical and organizational measures to ensure that the
331 personal data are not attributable to an identified individual or an identifiable
332 individual.
- 333 (29) "Publicly available information" means information that a person:

- 334 (a) lawfully obtains from a record of a governmental entity;
- 335 (b) reasonably believes a consumer or widely distributed media has lawfully made
- 336 available to the general public; or
- 337 (c) if the consumer has not restricted the information to a specific audience, obtains from
- 338 a person to whom the consumer disclosed the information.
- 339 (30) "Right" means a consumer right described in Section 13-61-201.
- 340 (31) (a) "Sale," "sell," or "sold" means the exchange of personal data for monetary
- 341 consideration by a controller to a third party.
- 342 (b) "Sale," "sell," or "sold" does not include:
- 343 (i) a controller's disclosure of personal data to a processor who processes the personal
- 344 data on behalf of the controller;
- 345 (ii) a controller's disclosure of personal data to an affiliate of the controller;
- 346 (iii) considering the context in which the consumer provided the personal data to the
- 347 controller, a controller's disclosure of personal data to a third party if the purpose
- 348 is consistent with a consumer's reasonable expectations;
- 349 (iv) the disclosure or transfer of personal data when a consumer directs a controller to:
- 350 (A) disclose the personal data; or
- 351 (B) interact with one or more third parties;
- 352 (v) a consumer's disclosure of personal data to a third party for the purpose of
- 353 providing a product or service requested by the consumer or a parent or legal
- 354 guardian of a child;
- 355 (vi) the disclosure of information that the consumer:
- 356 (A) intentionally makes available to the general public via a channel of mass
- 357 media; and
- 358 (B) does not restrict to a specific audience; or
- 359 (vii) a controller's transfer of personal data to a third party as an asset that is part of a
- 360 proposed or actual merger, an acquisition, or a bankruptcy in which the third party
- 361 assumes control of all or part of the controller's assets.
- 362 (32) (a) "Sensitive data" means:
- 363 (i) personal data that reveals:
- 364 (A) an individual's racial or ethnic origin;
- 365 (B) an individual's religious beliefs;
- 366 (C) an individual's sexual orientation;
- 367 (D) an individual's citizenship or immigration status; or

- 368 (E) information regarding an individual's medical history, mental or physical
369 health condition, or medical treatment or diagnosis by a health care
370 professional;
- 371 (ii) the processing of genetic personal data or biometric data, if the processing is for
372 the purpose of identifying a specific individual; or
- 373 (iii) specific geolocation data.
- 374 (b) "Sensitive data" does not include personal data that reveals an individual's:
- 375 (i) racial or ethnic origin, if the personal data are processed by a video
376 communication service; or
- 377 (ii) if the personal data are processed by a person licensed to provide health care
378 under Title 26B, Chapter 2, Part 2, Health Care Facility Licensing and Inspection,
379 or Title 58, Occupations and Professions, information regarding an individual's
380 medical history, mental or physical health condition, or medical treatment or
381 diagnosis by a health care professional.
- 382 (33) (a) "Specific geolocation data" means information derived from technology,
383 including global position system level latitude and longitude coordinates, that directly
384 identifies an individual's specific location, accurate within a radius of 1,750 feet or
385 less.
- 386 (b) "Specific geolocation data" does not include:
- 387 (i) the content of a communication; or
- 388 (ii) any data generated by or connected to advanced utility metering infrastructure
389 systems or equipment for use by a utility.
- 390 (34) "Synthetic data" means data that has been generated by computer algorithms or
391 statistical models and does not contain personal data.
- 392 [(34)] (35) (a) "Targeted advertising" means displaying an advertisement to a consumer
393 where the advertisement is selected based on personal data obtained from the
394 consumer's activities over time and across nonaffiliated websites or online
395 applications to predict the consumer's preferences or interests.
- 396 (b) "Targeted advertising" does not include advertising:
- 397 (i) based on a consumer's activities within a controller's website or online application
398 or any affiliated website or online application;
- 399 (ii) based on the context of a consumer's current search query or visit to a website or
400 online application;
- 401 (iii) directed to a consumer in response to the consumer's request for information,

- 402 product, a service, or feedback; or
- 403 (iv) processing personal data solely to measure or report advertising:
- 404 (A) performance;
- 405 (B) reach; or
- 406 (C) frequency.

407 [~~(35)~~] (36) "Third party" means a person other than:

- 408 (a) the consumer, controller, or processor; or
- 409 (b) an affiliate or contractor of the controller or the processor.

410 [~~(36)~~] (37) "Trade secret" means information, including a formula, pattern, compilation,
411 program, device, method, technique, or process, that:

- 412 (a) derives independent economic value, actual or potential, from not being generally
413 known to, and not being readily ascertainable by proper means by, other persons who
414 can obtain economic value from the information's disclosure or use; and
- 415 (b) is the subject of efforts that are reasonable under the circumstances to maintain the
416 information's secrecy.

417 Section 4. Section **13-70-101** is enacted to read:

418 **CHAPTER 70. ARTIFICIAL INTELLIGENCE POLICY ACT**

419 **Part 1. General Provisions**

420 **13-70-101 . Definitions.**

421 As used in this chapter:

- 422 (1) "Applicant" means a person that applies for participation in the regulatory learning
423 laboratory.
- 424 (2) "Artificial intelligence" means a machine-based system that makes predictions,
425 recommendations, or decisions influencing real or virtual environments.
- 426 (3) "Artificial intelligence technology" means a computer system, application, or other
427 product that uses or incorporates one or more forms of artificial intelligence.
- 428 (4) "Department" means the Department of Commerce.
- 429 (5) "Director" means the director of the office.
- 430 (6) "Executive director" means the executive director of the Department of Commerce.
- 431 (7) "Learning agenda" means the areas of artificial intelligence applications, risks, and
432 policy considerations selected by the office for focus by the learning laboratory.
- 433 (8) "Learning laboratory" means the artificial intelligence analysis and research program
434 created in Section 13-70-301.

- 435 (9) "Office" means the Office of Artificial Intelligence Policy created in Section 13-70-201.
 436 (10) "Participant" means a person that is accepted to participate in the learning laboratory.
 437 (11) "Regulatory mitigation agreement" means an agreement between a participant, the
 438 office, and relevant state agencies described in Section 13-70-302.
 439 (12) "Regulatory mitigation" means:
 440 (a) when restitution to users may be required;
 441 (b) terms and conditions related to any cure period before penalties may be assessed;
 442 (c) any reduced civil fines during the participation term; and
 443 (d) other terms tailored to identified issues of the artificial intelligence technology.
 444 Section 5. Section **13-70-201** is enacted to read:

Part 2. Office of Artificial Intelligence Policy

446 **13-70-201 . Creation of Office of Artificial Intelligence Policy -- Director** 447 **appointed -- Duties and authority.**

- 448 (1) There is created in the department the Office of Artificial Intelligence Policy.
 449 (2) The executive director of the department shall appoint a director to oversee the
 450 management and operations of the office.
 451 (3) The office shall:
 452 (a) create and administer an artificial intelligence learning laboratory program;
 453 (b) consult with businesses and other stakeholders in the state about potential regulatory
 454 proposals;
 455 (c) make rules in accordance with Title 63G, Chapter 3, Utah Administrative
 456 Rulemaking Act, establishing:
 457 (i) procedures, requirements, and fees to apply to participate in the learning
 458 laboratory program;
 459 (ii) criteria for invitation, acceptance, denial, or removal of participants;
 460 (iii) data usage limitations and cybersecurity criteria for participants;
 461 (iv) required participant disclosures to consumers;
 462 (v) reporting requirements for participants to the office;
 463 (vi) criteria for limited extension of the participation period; and
 464 (vii) other requirements necessary to administer the learning laboratory; and
 465 (d) report annually, before November 30, to the Business and Labor Interim Committee
 466 regarding:
 467 (i) the proposed learning agenda for the learning laboratory;

- 468 (ii) the findings, participation, and outcomes of the learning laboratory; and
469 (iii) recommended legislation from findings from the learning laboratory.

470 Section 6. Section **13-70-301** is enacted to read:

471 **Part 3. Artificial Intelligence Learning Laboratory Program**

472 **13-70-301 . Artificial Intelligence Learning Laboratory Program.**

- 473 (1) There is established the Artificial Intelligence Learning Laboratory Program, to be
474 administered by the office.
- 475 (2) The purpose of the learning laboratory is to:
- 476 (a) analyze and research the risks, benefits, impacts, and policy implications of artificial
477 intelligence technologies to inform the state regulatory framework;
- 478 (b) encourage development of artificial intelligence technologies in the state;
- 479 (c) evaluate the effectiveness and viability of current, potential, or proposed regulation
480 on artificial intelligence technologies with artificial intelligence companies; and
- 481 (d) produce findings and recommendations for legislation and regulation of artificial
482 intelligence.
- 483 (3) (a) The office shall periodically set a learning agenda for the learning laboratory that
484 establishes the specific areas of artificial intelligence policy the office intends to
485 study.
- 486 (b) In establishing the learning agenda, the office may consult with:
- 487 (i) relevant agencies;
- 488 (ii) industry leaders;
- 489 (iii) academic institutions in the state; and
- 490 (iv) key stakeholders with relevant knowledge, experience, or expertise in the area.
- 491 (4) The office may invite and receive an application from a person to participate in the
492 learning laboratory.
- 493 (5) The office shall establish the procedures and requirements for sending an invitation and
494 receiving requests to participate in the learning laboratory in accordance with the
495 purposes of the learning laboratory.
- 496 (6) In selecting participants for the learning laboratory, the office shall consider:
- 497 (a) the relevance and utility of an invitee or applicant's artificial intelligence technology
498 to the learning agenda;
- 499 (b) the invitee or applicant's expertise and knowledge specific to the learning agenda; and
- 500 (c) other factors identified by the office as relevant to participation in the learning

501 laboratory.

502 (7) The office shall work with participants to establish benchmarks and assess outcomes of
503 participation in the learning laboratory.

504 Section 7. Section **13-70-302** is enacted to read:

505 **13-70-302 . Regulatory mitigation agreements.**

506 (1) A participant who uses or wants to utilize an artificial intelligence technology in the
507 state may apply for regulatory mitigation according to criteria and procedures outlined
508 by the office by rule made under Section 13-70-201.

509 (2) The office may grant, on a temporary basis, regulatory mitigation to a participant by
510 entering into a regulatory mitigation agreement with the office and relevant agencies.

511 (3) To receive regulatory mitigation, a participant must demonstrate that the applicant
512 meets eligibility criteria established in Section 13-70-303.

513 (4) A regulatory mitigation agreement between a participant and the office and relevant
514 agencies shall specify:

515 (a) limitations on scope of the use of the participant's artificial intelligence technology,
516 including:

517 (i) the number and types of users;

518 (ii) geographic limitations; and

519 (iii) other limitations to implementation;

520 (b) safeguards to be implemented; and

521 (c) any regulatory mitigation granted to the applicant.

522 (5) The office shall consult with relevant agencies regarding appropriate terms in a
523 regulatory mitigation agreement.

524 (6) A participant remains subject to all legal and regulatory requirements not expressly
525 waived or modified by the terms of the regulatory mitigation agreement.

526 (7) (a) The office may remove a participant at any time and for any reason, and the
527 participant does not have an expectation of a property right or license to participate in
528 the learning laboratory.

529 (b) A participant demonstrating an artificial intelligence technology that violates legal or
530 regulatory requirements or the terms of the participation agreement may be
531 immediately removed from further participation and subject to all applicable civil and
532 criminal penalties.

533 (8) Participation in the learning laboratory does not constitute an endorsement or approval
534 from the state.

535 (9) The state shall not be responsible for any claims, liabilities, damages, losses, or
536 expenses arising out of a participant's involvement in the learning laboratory.

537 Section 8. Section **13-70-303** is enacted to read:

538 **13-70-303 . Regulatory mitigation eligibility requirements -- Application**
539 **evaluation and admission.**

540 (1) To be eligible for regulatory mitigation, a participant shall demonstrate to the office that:

541 (a) the participant has the technical expertise and capability to responsibly develop and
542 test the proposed artificial intelligence technology;

543 (b) the participant has sufficient financial resources to meet obligations during testing;

544 (c) the artificial intelligence technology provides potential substantial consumer benefits
545 that may outweigh identified risks from mitigated enforcement of regulations;

546 (d) the participant has an effective plan to monitor and minimize identified risks from
547 testing; and

548 (e) the scale, scope, and duration of proposed testing is appropriately limited based on
549 risk assessments.

550 (2) To evaluate whether an applicant meets eligibility criteria to receive regulatory
551 mitigation, the office may consult with relevant agencies and outside experts regarding
552 the application.

553 Section 9. Section **13-70-304** is enacted to read:

554 **13-70-304 . Participation in Artificial Intelligence Learning Laboratory.**

555 (1) (a) The office may approve an applicant to participate in the program.

556 (b) An approved applicant becomes a participant by entering into a participation
557 agreement with the office and relevant state agencies.

558 (2) A participant shall:

559 (a) provide required information to state agencies in accordance with the terms of the
560 participation agreement; and

561 (b) report to the office as required in the participation agreement.

562 (3) The office may establish additional cybersecurity auditing procedures applicable to
563 participants demonstrating artificial intelligence technologies that the office considers
564 higher risk.

565 (4) A participant shall retain records as required by office rule or the participation
566 agreement.

567 (5) A participant shall immediately report to the office any incidents resulting in consumer
568 harm, privacy breach, or unauthorized data usage, which may result in removal of the

569 participant from the learning laboratory.

570 Section 10. Section **13-70-305** is enacted to read:

571 **13-70-305 . Program extension.**

572 (1) An initial regulatory mitigation agreement shall be in force for no longer than 12
573 months.

574 (2) A participant may request a single 12-month extension for participation in the learning
575 laboratory period no later than 30 days before the end of the initial 12-month period.

576 (3) The office shall grant or deny an extension request before expiration of the initial
577 demonstration period.

578 Section 11. Section **63I-2-213** is amended to read:

579 **63I-2-213 . Repeal dates: Title 13.**

580 (1) Section 13-1-16 is repealed on July 1, 2024.

581 (2) Title 13, Chapter 47, Private Employer Verification Act, is repealed on the program
582 start date, as defined in Section 63G-12-102.

583 (3) Title 13, Chapter 70, Artificial Intelligence Act, is repealed on May 1, 2025.

584 Section 12. Section **76-2-107** is enacted to read:

585 **76-2-107 . Commission of offense with aid of generative artificial intelligence.**

586 (1) As used in this section, "generative artificial intelligence" means the same as that term is
587 defined in Section 13-2-12.

588 (2) An actor may be found guilty of an offense if:

589 (a) the actor commits the offense with the aid of a generative artificial intelligence; or

590 (b) the actor intentionally prompts or otherwise causes a generative artificial intelligence
591 to commit the offense.

592 Section 13. **Effective date.**

593 This bill takes effect on May 1, 2024.