

Senator Wayne A. Harper proposes the following substitute bill:

VEHICLE VALUE PROTECTION AGREEMENTS

2023 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Wayne A. Harper

House Sponsor: _____

LONG TITLE

General Description:

This bill addresses vehicle value protection agreements.

Highlighted Provisions:

This bill:

- ▶ defines terms;
- ▶ allows a person to enter into a vehicle value protection agreement under certain circumstances;
- ▶ details requirements for cancellation of a vehicle value protection agreement;
- ▶ requires the provider of a benefit under a vehicle value protection agreement to:
 - obtain contract liability insurance for the vehicle value protection agreement;
 - provide other security for payment under the vehicle value protection agreement; or
 - maintain a certain net worth;
- ▶ authorizes the Division of Consumer Protection to enforce vehicle value protection agreement requirements;
- ▶ authorizes the insurance commissioner to enforce, and provide civil penalties for a violation of, contract liability insurance and security requirements for a vehicle value protection agreement;



- 26 ▶ requires the insurer under a contract liability insurance policy for a vehicle value
- 27 protection agreement and a provider of a vehicle value protection agreement to
- 28 provide certain information to the insurance commissioner;
- 29 ▶ provides administrative rulemaking authority; and
- 30 ▶ makes technical and conforming changes.

31 **Money Appropriated in this Bill:**

32 None

33 **Other Special Clauses:**

34 This bill provides a special effective date.

35 **Utah Code Sections Affected:**

36 AMENDS:

- 37 **13-2-1 (Superseded 12/31/23)**, as last amended by Laws of Utah 2022, Chapter 201
- 38 **13-2-1 (Effective 12/31/23)**, as last amended by Laws of Utah 2022, Chapters 201, 462
- 39 **31A-1-103**, as last amended by Laws of Utah 2021, Chapter 252

40 ENACTS:

- 41 **13-63-101**, Utah Code Annotated 1953
- 42 **13-63-201**, Utah Code Annotated 1953
- 43 **13-63-202**, Utah Code Annotated 1953
- 44 **13-63-301**, Utah Code Annotated 1953
- 45 **31A-6c-101**, Utah Code Annotated 1953
- 46 **31A-6c-201**, Utah Code Annotated 1953
- 47 **31A-6c-301**, Utah Code Annotated 1953



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

50 Section 1. Section **13-2-1 (Superseded 12/31/23)** is amended to read:

51 **13-2-1 (Superseded 12/31/23). Consumer protection division established --**

52 **Functions.**

- 53 (1) There is established within the Department of Commerce the Division of Consumer
- 54 Protection.
- 55 (2) The division shall administer and enforce the following:
- 56 (a) Chapter 5, Unfair Practices Act;

- 57 (b) Chapter 10a, Music Licensing Practices Act;
- 58 (c) Chapter 11, Utah Consumer Sales Practices Act;
- 59 (d) Chapter 15, Business Opportunity Disclosure Act;
- 60 (e) Chapter 20, New Motor Vehicle Warranties Act;
- 61 (f) Chapter 21, Credit Services Organizations Act;
- 62 (g) Chapter 22, Charitable Solicitations Act;
- 63 (h) Chapter 23, Health Spa Services Protection Act;
- 64 (i) Chapter 25a, Telephone and Facsimile Solicitation Act;
- 65 (j) Chapter 26, Telephone Fraud Prevention Act;
- 66 (k) Chapter 28, Prize Notices Regulation Act;
- 67 (l) Chapter 32a, Pawnshop, Secondhand Merchandise, and Catalytic Converter
- 68 Transaction Information Act;
- 69 (m) Chapter 34, Utah Postsecondary Proprietary School Act;
- 70 (n) Chapter 34a, Utah Postsecondary School State Authorization Act;
- 71 (o) Chapter 41, Price Controls During Emergencies Act;
- 72 (p) Chapter 42, Uniform Debt-Management Services Act;
- 73 (q) Chapter 49, Immigration Consultants Registration Act;
- 74 (r) Chapter 51, Transportation Network Company Registration Act;
- 75 (s) Chapter 52, Residential Solar Energy Disclosure Act;
- 76 (t) Chapter 53, Residential, Vocational and Life Skills Program Act;
- 77 (u) Chapter 54, Ticket Website Sales Act;
- 78 (v) Chapter 56, Ticket Transferability Act; [~~and~~]
- 79 (w) Chapter 57, Maintenance Funding Practices Act[~~;~~]; and
- 80 (x) Chapter 63, Vehicle Value Protection Agreement Act.

81 Section 2. Section 13-2-1 (Effective 12/31/23) is amended to read:

82 **13-2-1 (Effective 12/31/23). Consumer protection division established --**

83 **Functions.**

84 (1) There is established within the Department of Commerce the Division of Consumer
85 Protection.

86 (2) The division shall administer and enforce the following:

- 87 (a) Chapter 5, Unfair Practices Act;

- 88 (b) Chapter 10a, Music Licensing Practices Act;
- 89 (c) Chapter 11, Utah Consumer Sales Practices Act;
- 90 (d) Chapter 15, Business Opportunity Disclosure Act;
- 91 (e) Chapter 20, New Motor Vehicle Warranties Act;
- 92 (f) Chapter 21, Credit Services Organizations Act;
- 93 (g) Chapter 22, Charitable Solicitations Act;
- 94 (h) Chapter 23, Health Spa Services Protection Act;
- 95 (i) Chapter 25a, Telephone and Facsimile Solicitation Act;
- 96 (j) Chapter 26, Telephone Fraud Prevention Act;
- 97 (k) Chapter 28, Prize Notices Regulation Act;
- 98 (l) Chapter 32a, Pawnshop, Secondhand Merchandise, and Catalytic Converter
- 99 Transaction Information Act;
- 100 (m) Chapter 34, Utah Postsecondary Proprietary School Act;
- 101 (n) Chapter 34a, Utah Postsecondary School State Authorization Act;
- 102 (o) Chapter 41, Price Controls During Emergencies Act;
- 103 (p) Chapter 42, Uniform Debt-Management Services Act;
- 104 (q) Chapter 49, Immigration Consultants Registration Act;
- 105 (r) Chapter 51, Transportation Network Company Registration Act;
- 106 (s) Chapter 52, Residential Solar Energy Disclosure Act;
- 107 (t) Chapter 53, Residential, Vocational and Life Skills Program Act;
- 108 (u) Chapter 54, Ticket Website Sales Act;
- 109 (v) Chapter 56, Ticket Transferability Act;
- 110 (w) Chapter 57, Maintenance Funding Practices Act; [~~and~~]
- 111 (x) Chapter 61, Utah Consumer Privacy Act[-:]; and
- 112 (y) Chapter 63, Vehicle Value Protection Agreement Act.

113 Section 3. Section 13-63-101 is enacted to read:

114 **CHAPTER 63. VEHICLE VALUE PROTECTION AGREEMENT ACT**

115 **Part 1. General Provisions**

116 **13-63-101. Definitions.**

117 As used in this chapter:

118 (1) "Administrative functions" means the same as that term is defined in Section

119 [31A-6b-102.](#)

120 (2) "Agreement administrator" means a person who provides administrative functions
121 related to a vehicle value protection agreement.

122 (3) "Covered vehicle" means a vehicle that is covered under a vehicle value protection
123 agreement.

124 (4) "Division" means the Division of Consumer Protection established in Section
125 13-2-1.

126 (5) "Finance agreement" means the same as that term is defined in Section
127 31A-6b-102.

128 (6) "Preliminary period" means a time period that:

129 (a) begins the day on which the vehicle value protection agreement becomes effective;
130 and

131 (b) ends the last day on which the purchaser may cancel the vehicle value protection
132 agreement with a full refund.

133 (7) "Provider" means a person who is obligated to provide a benefit to another person
134 under a vehicle value protection agreement.

135 (8) "Purchaser" means a person who purchases a benefit from another person under a
136 vehicle value protection agreement.

137 (9) "Vehicle" means the same as that term is defined in Section [31A-6b-102.](#)

138 (10) (a) "Vehicle value protection agreement" means an agreement for a separate
139 charge between a provider and purchaser under which the provider agrees to, upon damage,
140 total loss, or unrecovered theft of the purchaser's covered vehicle, provide a benefit to the
141 purchaser that may be applied to:

142 (i) the cash value of the covered vehicle when traded in for a replacement vehicle;

143 (ii) the finance agreement for a replacement vehicle; or

144 (iii) the purchase or lease price of a replacement vehicle.

145 (b) "Vehicle value protection agreement" includes:

146 (i) a vehicle trade-in agreement;

147 (ii) a vehicle diminished value agreement;

148 (iii) a vehicle cash down payment protection agreement; and

149 (iv) a vehicle depreciation benefit agreement.

- 150 (c) "Vehicle value protection agreement" does not include:
- 151 (i) an insurance contract;
- 152 (ii) a guaranteed asset protection waiver, as defined in Section [31A-6b-102](#);
- 153 (iii) a debt cancellation agreement, as defined in Section [31A-21-108](#); or
- 154 (iv) a debt suspension contract, as defined in Section [31A-21-108](#).

155 Section 4. Section **13-63-201** is enacted to read:

156 **Part 2. Vehicle Value Protection Agreements**

157 **13-63-201. Vehicle value protection agreement -- Required disclosures -- Finance**
158 **agreement conditions.**

159 (1) A person may not issue, sell, offer to sell, or otherwise provide a vehicle value
160 protection agreement that does not comply with this chapter.

161 (2) A vehicle value protection agreement shall conspicuously disclose:

162 (a) the name, address, and contact information of:

163 (i) the provider;

164 (ii) the agreement administrator, if any; and

165 (iii) the purchaser;

166 (b) the terms of the vehicle value protection agreement, including:

167 (i) the charges under the vehicle value protection agreement;

168 (ii) the benefit eligibility requirements;

169 (iii) the conditions imposed by the vehicle value protection agreement; and

170 (iv) the procedure a purchaser is required to follow to obtain the benefit;

171 (c) the terms or restrictions governing cancellation of the vehicle value protection
172 agreement, including:

173 (i) that the purchaser may cancel the vehicle value protection agreement during the
174 preliminary period in accordance with Section [13-63-202](#);

175 (ii) the purchaser's right to a refund for cancellation under Section [13-63-202](#); and

176 (iii) the methodology for calculating any refund to the purchaser for cancellation.

177 (3) The provider shall provide the purchaser a copy of the vehicle value protection
178 agreement at the time the provider and purchaser enter into the vehicle value protection
179 agreement.

180 (4) A finance agreement may not be conditioned on a purchaser entering into a vehicle

181 value protection agreement.

182 Section 5. Section **13-63-202** is enacted to read:

183 **13-63-202. Preliminary period -- Cancellation -- Refund.**

184 (1) (a) A vehicle value protection agreement shall provide for a preliminary period of
185 at least 30 days.

186 (b) If a purchaser cancels a vehicle value protection agreement within the preliminary
187 period, the purchaser is entitled to a refund of the charges under the vehicle value protection
188 agreement as follows:

189 (i) if benefits have not been provided, a full refund; or

190 (ii) if benefits have been provided, a refund to the extent provided for in the vehicle
191 value protection agreement.

192 (2) (a) Except as provided in Subsection (2)(b), if a provider cancels a vehicle value
193 protection agreement, the provider shall mail a written notice to the purchaser at least five days
194 before the day on which the vehicle value protection agreement is canceled.

195 (b) A provider may immediately cancel a vehicle value protection agreement upon
196 sending a notice of cancellation to the purchaser if the reason for the cancellation is:

197 (i) the purchaser's failure to pay the provider's fee under the vehicle value protection
198 agreement; or

199 (ii) the purchaser's breach of the purchaser's duties relating to the covered vehicle.

200 (3) A notice described in Subsection (2) shall include:

201 (a) the effective date of the cancellation; and

202 (b) the reason for the cancellation.

203 (4) If a provider cancels a vehicle value protection agreement for a reason other than
204 the purchaser's failure to pay the provider's fee under the vehicle value protection agreement,
205 the provider:

206 (a) shall refund the purchaser any unearned provider fee under the vehicle value
207 protection agreement;

208 (b) may charge the purchaser an administrative fee of up to \$75; and

209 (c) may deduct the amount of a benefit paid under the vehicle value protection
210 agreement from the refund.

211 Section 6. Section **13-63-301** is enacted to read:

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Part 3. Enforcement

13-63-301. Enforcement -- Rulemaking.

(1) The division shall administer and enforce this chapter in accordance with Chapter 2, Division of Consumer Protection.

(2) The division may, in coordination with the Insurance Department, make rules in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, to administer and enforce this chapter.

Section 7. Section **31A-1-103** is amended to read:

31A-1-103. Scope and applicability of title.

(1) This title does not apply to:

(a) a retainer contract made by an attorney-at-law:

(i) with an individual client; and

(ii) under which fees are based on estimates of the nature and amount of services to be provided to the specific client;

(b) a contract similar to a contract described in Subsection (1)(a) made with a group of clients involved in the same or closely related legal matters;

(c) an arrangement for providing benefits that do not exceed a limited amount of consultations, advice on simple legal matters, either alone or in combination with referral services, or the promise of fee discounts for handling other legal matters;

(d) limited legal assistance on an informal basis involving neither an express contractual obligation nor reasonable expectations, in the context of an employment, membership, educational, or similar relationship;

(e) legal assistance by employee organizations to their members in matters relating to employment;

(f) death, accident, health, or disability benefits provided to a person by an organization or its affiliate if:

(i) the organization is tax exempt under Section 501(c)(3) of the Internal Revenue Code and has had its principal place of business in Utah for at least five years;

(ii) the person is not an employee of the organization; and

(iii) (A) substantially all the person's time in the organization is spent providing voluntary services:

- 243 (I) in furtherance of the organization's purposes;
- 244 (II) for a designated period of time; and
- 245 (III) for which no compensation, other than expenses, is paid; or
- 246 (B) the time since the service under Subsection (1)(f)(iii)(A) was completed is no more
- 247 than 18 months; [~~or~~]
- 248 (g) a prepaid contract of limited duration that provides for scheduled maintenance
- 249 only[-]; or
- 250 (h) a vehicle value protection agreement, as defined in Section 13-63-101.
- 251 (2) (a) This title restricts otherwise legitimate business activity.
- 252 (b) What this title does not prohibit is permitted unless contrary to other provisions of
- 253 Utah law.
- 254 (3) Except as otherwise expressly provided, this title does not apply to:
- 255 (a) those activities of an insurer where state jurisdiction is preempted by Section 514 of
- 256 the federal Employee Retirement Income Security Act of 1974, as amended;
- 257 (b) ocean marine insurance;
- 258 (c) death, accident, health, or disability benefits provided by an organization if the
- 259 organization:
- 260 (i) has as the organization's principal purpose to achieve charitable, educational, social,
- 261 or religious objectives rather than to provide death, accident, health, or disability benefits;
- 262 (ii) does not incur a legal obligation to pay a specified amount; and
- 263 (iii) does not create reasonable expectations of receiving a specified amount on the part
- 264 of an insured person;
- 265 (d) other business specified in rules adopted by the commissioner on a finding that:
- 266 (i) the transaction of the business in this state does not require regulation for the
- 267 protection of the interests of the residents of this state; or
- 268 (ii) it would be impracticable to require compliance with this title;
- 269 (e) except as provided in Subsection (4), a transaction independently procured through
- 270 negotiations under Section 31A-15-104;
- 271 (f) self-insurance;
- 272 (g) reinsurance;
- 273 (h) subject to Subsection (5), an employee or labor union group insurance policy

274 covering risks in this state or an employee or labor union blanket insurance policy covering
275 risks in this state, if:

- 276 (i) the policyholder exists primarily for purposes other than to procure insurance;
- 277 (ii) the policyholder:
 - 278 (A) is not a resident of this state;
 - 279 (B) is not a domestic corporation; or
 - 280 (C) does not have the policyholder's principal office in this state;
- 281 (iii) no more than 25% of the certificate holders or insureds are residents of this state;
- 282 (iv) on request of the commissioner, the insurer files with the department a copy of the
283 policy and a copy of each form or certificate; and
- 284 (v) (A) the insurer agrees to pay premium taxes on the Utah portion of the insurer's
285 business, as if the insurer were authorized to do business in this state; and
- 286 (B) the insurer provides the commissioner with the security the commissioner
287 considers necessary for the payment of premium taxes under Title 59, Chapter 9, Taxation of
288 Admitted Insurers;
 - 289 (i) to the extent provided in Subsection (6):
 - 290 (i) a manufacturer's or seller's warranty; and
 - 291 (ii) a manufacturer's or seller's service contract;
 - 292 (j) except to the extent provided in Subsection (7), a public agency insurance mutual;
- 293 or
- 294 (k) except as provided in Chapter 6b, Guaranteed Asset Protection Waiver Act, a
295 guaranteed asset protection waiver.

296 (4) A transaction described in Subsection (3)(e) is subject to taxation under Section
297 [31A-3-301](#).

298 (5) (a) After a hearing, the commissioner may order an insurer of certain group
299 insurance policies or blanket insurance policies to transfer the Utah portion of the business
300 otherwise exempted under Subsection (3)(h) to an authorized insurer if the contracts have been
301 written by an unauthorized insurer.

302 (b) If the commissioner finds that the conditions required for the exemption of a group
303 or blanket insurer are not satisfied or that adequate protection to residents of this state is not
304 provided, the commissioner may require:

- 305 (i) the insurer to be authorized to do business in this state; or
- 306 (ii) that any of the insurer's transactions be subject to this title.
- 307 (c) Subsection (3)(h) does not apply to a blanket insurance policy offering accident and
- 308 health insurance.
- 309 (6) (a) As used in Subsection (3)(i) and this Subsection (6):
- 310 (i) "manufacturer's or seller's service contract" means a service contract:
- 311 (A) made available by:
- 312 (I) a manufacturer of a product;
- 313 (II) a seller of a product; or
- 314 (III) an affiliate of a manufacturer or seller of a product;
- 315 (B) made available:
- 316 (I) on one or more specific products; or
- 317 (II) on products that are components of a system; and
- 318 (C) under which the person described in Subsection (6)(a)(i)(A) is liable for services to
- 319 be provided under the service contract including, if the manufacturer's or seller's service
- 320 contract designates, providing parts and labor;
- 321 (ii) "manufacturer's or seller's warranty" means the guaranty of:
- 322 (A) (I) the manufacturer of a product;
- 323 (II) a seller of a product; or
- 324 (III) an affiliate of a manufacturer or seller of a product;
- 325 (B) (I) on one or more specific products; or
- 326 (II) on products that are components of a system; and
- 327 (C) under which the person described in Subsection (6)(a)(ii)(A) is liable for services
- 328 to be provided under the warranty, including, if the manufacturer's or seller's warranty
- 329 designates, providing parts and labor; and
- 330 (iii) "service contract" means the same as that term is defined in Section [31A-6a-101](#).
- 331 (b) A manufacturer's or seller's warranty may be designated as:
- 332 (i) a warranty;
- 333 (ii) a guaranty; or
- 334 (iii) a term similar to a term described in Subsection (6)(b)(i) or (ii).
- 335 (c) This title does not apply to:

- 336 (i) a manufacturer's or seller's warranty;
- 337 (ii) a manufacturer's or seller's service contract paid for with consideration that is in
338 addition to the consideration paid for the product itself; and
- 339 (iii) a service contract that is not a manufacturer's or seller's warranty or manufacturer's
340 or seller's service contract if:
 - 341 (A) the service contract is paid for with consideration that is in addition to the
342 consideration paid for the product itself;
 - 343 (B) the service contract is for the repair or maintenance of goods;
 - 344 (C) the purchase price of the product is \$3,700 or less;
 - 345 (D) the product is not a motor vehicle; and
 - 346 (E) the product is not the subject of a home warranty service contract.
- 347 (d) This title does not apply to a manufacturer's or seller's warranty or service contract
348 paid for with consideration that is in addition to the consideration paid for the product itself
349 regardless of whether the manufacturer's or seller's warranty or service contract is sold:
 - 350 (i) at the time of the purchase of the product; or
 - 351 (ii) at a time other than the time of the purchase of the product.
- 352 (7) (a) For purposes of this Subsection (7), "public agency insurance mutual" means an
353 entity formed by two or more political subdivisions or public agencies of the state:
 - 354 (i) under Title 11, Chapter 13, Interlocal Cooperation Act; and
 - 355 (ii) for the purpose of providing for the political subdivisions or public agencies:
 - 356 (A) subject to Subsection (7)(b), insurance coverage; or
 - 357 (B) risk management.
 - 358 (b) Notwithstanding Subsection (7)(a)(ii)(A), a public agency insurance mutual may
359 not provide health insurance unless the public agency insurance mutual provides the health
360 insurance using:
 - 361 (i) a third party administrator licensed under Chapter 25, Third Party Administrators;
 - 362 (ii) an admitted insurer; or
 - 363 (iii) a program authorized by Title 49, Chapter 20, Public Employees' Benefit and
364 Insurance Program Act.
 - 365 (c) Except for this Subsection (7), a public agency insurance mutual is exempt from
366 this title.

367 (d) A public agency insurance mutual is considered to be a governmental entity and
368 political subdivision of the state with all of the rights, privileges, and immunities of a
369 governmental entity or political subdivision of the state including all the rights and benefits of
370 Title 63G, Chapter 7, Governmental Immunity Act of Utah.

371 Section 8. Section 31A-6c-101 is enacted to read:

372 **CHAPTER 6c. VEHICLE VALUE PROTECTION AGREEMENT LIABILITY**

373 **Part 1. General Provisions**

374 **31A-6c-101. Definitions.**

375 As used in this chapter:

376 (1) "Provider" means the same as that term is defined in Section 13-63-101.

377 (2) "Purchaser" means the same as that term is defined in Section 13-63-101.

378 (3) "Vehicle value protection agreement" means the same as that term is defined in
379 Section 13-63-101.

380 (4) "Violation of a similar nature" means a violation of this chapter that consists of the
381 same or similar action, course of conduct, or practice that is determined to violate this chapter.

382 Section 9. Section 31A-6c-201 is enacted to read:

383 **Part 2. Vehicle Value Protection Agreement Liability Requirements**

384 **31A-6c-201. Liability insurance -- Security for payment -- Provider net worth**
385 **value.**

386 (1) A provider under a vehicle value protection agreement shall:

387 (a) insure all vehicle value protection agreements the provider enters into under a
388 contractual liability insurance policy that:

389 (i) is issued by an insurer licensed under this title that:

390 (A) has a surplus as to policyholders and paid-in capital of at least \$15,000,000 and not
391 less than \$10,000,000; and

392 (B) provides evidence to the commissioner that the company maintains a ratio of net
393 written premiums to surplus as to policyholders and paid-in capital of not greater than three to
394 one; and

395 (ii) (A) requires the insurer to reimburse the purchaser if the provider fails to perform
396 the provider's obligations under a vehicle value protection agreement;

397 (B) covers any amount the provider is required to pay for failure to perform under a

398 vehicle value protection agreement; and

399 (C) allows a purchaser to file with the insurer a claim for reimbursement under the
400 vehicle value protection agreement if the provider does not pay the purchaser within 60 days
401 after the day on which proof of damage, total loss, or unrecovered theft of the covered vehicle
402 is provided to the provider in accordance with the terms of the vehicle value protection
403 agreement;

404 (b) (i) maintain a funded reserve account to cover the provider's obligations under all
405 vehicle value protection agreements the provider enters into that is equal to or greater than 40%
406 of money received by, less claims paid to, the provider for the vehicle value protection
407 agreements; and

408 (ii) place in trust with the commissioner a security that is equal to at least 5% of money
409 received by, less claims paid to, the provider for all vehicle value protection agreements the
410 provider enters into and not less than \$25,000; or

411 (c) maintain, or together with the provider's parent company maintain, a net worth or
412 stockholders' equity of \$100,000,000.

413 (2) (a) An insurer described in Subsection (1)(a) shall annually file with the
414 commissioner:

415 (i) a copy of the insurer's audited financial statements;

416 (ii) the insurer's NAIC annual statement; and

417 (iii) the actuarial certification filed in the insurer's state of domicile.

418 (b) The commissioner may examine a reserve account described in Subsection (1)(b).

419 (c) A provider shall, upon request, provide the commissioner a copy of:

420 (i) the provider's or the provider's parent company's most recent Form 10-K or Form
421 20-F filed with the Securities and Exchange Commission; or

422 (ii) if the provider does not file with the Securities and Exchange Commission, a copy
423 of the provider's audited financial statements that shows the net worth of the provider or the
424 provider's parent company.

425 Section 10. Section **31A-6c-301** is enacted to read:

426 **Part 3. Enforcement**

427 **31A-6c-301. Enforcement -- Rulemaking.**

428 (1) In accordance with Title 63G, Chapter 4, Administrative Procedures Act, the

429 commissioner may:

430 (a) order a person who violates this chapter to cease and desist from an act that violates

431 this chapter; or

432 (b) impose a penalty:

433 (i) up to \$500 per violation; and

434 (ii) not to exceed the aggregate of \$10,000 for the violations of a similar nature.

435 (2) The commissioner may, in coordination with the Division of Consumer Protection,

436 make rules in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, to

437 enforce this chapter.

438 Section 11. **Effective date.**

439 This bill takes effect on May 3, 2023, except that the amendments to Section [13-2-1](#)

440 (Effective 12/31/23) take effect on December 31, 2023.