

House _____ Amendment NO. _____

Offered By

1 AMEND House Committee Substitute for Senate Substitute for Senate Committee Substitute for
2 Senate Bill No. 931, Pages 9-10, Section 130.029, Lines 1-31, by deleting all of said section and
3 lines and inserting in lieu thereof the following:
4

5 "130.029. 1. Nothing herein contained shall be construed to prohibit any corporation
6 organized under any general or special law of this state, or any other state or by an act of the
7 Congress of the United States or any labor organization, cooperative association or mutual
8 association from making any contributions or expenditures, provided:

9 (1) That the board of directors of any corporation by resolution has authorized contributions
10 or expenditures, or by resolution has authorized a designated officer to make such contributions or
11 expenditures; or

12 (2) That the members of any labor organization, cooperative association or mutual
13 association have authorized contributions or expenditures by a majority vote of the members present
14 at a duly called meeting of any such labor organization, cooperative association or mutual
15 association or by such vote has authorized a designated officer to make such contributions or
16 expenditures.

17 2. No provision of this section shall be construed to authorize contributions or expenditures
18 otherwise prohibited by, or to change any necessary percentage of vote otherwise required by, the
19 articles of incorporation or association or bylaws of such labor organization, corporation,
20 cooperative or mutual association.

21 3. Authority to make contributions or expenditures as authorized by this section shall be
22 adopted by general or specific resolution. This resolution shall state the total amount of
23 contributions or expenditures authorized, the purposes of such contributions or expenditures and the
24 time period within which such authority shall exist.

25 4. (1) Any limited liability company that is duly registered pursuant to chapter 347 and that
26 has not elected to be classified as a corporation under the federal tax code may make contributions
27 to any committee if the limited liability company has:

28 (a) Been in existence for at least one year prior to such contribution; and

29 (b) Electronically filed with the Missouri ethics commission indicating that the limited
30 liability company is a legitimate business with a legitimate business interest and is not created for

Action Taken _____ Date _____

1 the sole purpose of making campaign contributions.

2 (2) The Missouri ethics commission shall develop a method for limited liability companies
 3 to use for purposes of paragraph (b) of subdivision (1) of this subsection. The commission shall
 4 post all information submitted pursuant to this subdivision on its website in a searchable format.";
 5 and

6
 7 Further amend said bill, Pages 49-50, Section 620.3900, Lines 1-53, by deleting all of said section
 8 and lines and inserting in lieu thereof the following:

9
 10 "620.3900. 1. Sections 620.3900 to 620.3930 shall be known and may be cited as the
 11 "Regulatory Sandbox Act".

12 2. For the purposes of sections 620.3900 to 620.3930, the following terms shall mean:

13 (1) "Advisory committee", the general regulatory sandbox program advisory committee
 14 created in section 620.3910;

15 (2) "Applicable agency", a department or agency of the state that by law regulates a
 16 business activity and persons engaged in such business activity, including the issuance of licenses or
 17 other types of authorization, and which the regulatory relief office determines would otherwise
 18 regulate a sandbox participant. A participant may fall under multiple applicable agencies if multiple
 19 agencies regulate the business activity that is subject to the sandbox program application.

20 "Applicable agency" shall not include the division of professional registration and its boards,
 21 commissions, committees and offices;

22 (3) "Applicant" or "sandbox applicant", a person or business that applies to participate in the
 23 sandbox program;

24 (4) "Consumer", a person who purchases or otherwise enters into a transaction or agreement
 25 to receive a product or service offered through the sandbox program pursuant to a demonstration by
 26 a program participant;

27 (5) "Demonstrate" or "demonstration", to temporarily provide an offering of an innovative
 28 product or service in accordance with the provisions of the sandbox program;

29 (6) "Department", the department of economic development;

30 (7) "Innovation", the use or incorporation of a new idea, a new or emerging technology, or a
 31 new use of existing technology to address a problem, provide a benefit, or otherwise offer a product,
 32 production method, or service;

33 (8) "Innovative offering", an offering of a product or service that includes an innovation;

34 (9) "Product", a commercially distributed good that is:

35 (a) Tangible personal property; and

36 (b) The result of a production process;

37 (10) "Production", the method or process of creating or obtaining a good, which may
 38 include assembling, breeding, capturing, collecting, extracting, fabricating, farming, fishing,
 39 gathering, growing, harvesting, hunting, manufacturing, mining, processing, raising, or trapping a

1 good;

2 (11) "Regulatory relief office", the office responsible for administering the sandbox program
3 within the department;

4 (12) "Sandbox participant" or "participant", a person or business whose application to
5 participate in the sandbox program is approved in accordance with the provisions of section
6 620.3915;

7 (13) "Sandbox program", the general regulatory sandbox program created in sections
8 620.3900 to 620.3930 that allows a person to temporarily demonstrate an innovative offering of a
9 product or service under a waiver or suspension of one or more state laws or regulations;

10 (14) "Sandbox program director", the director of the regulatory relief office;

11 (15) "Service", any commercial activity, duty, or labor performed for another person or
12 business. "Service" shall not include a product or service when its use would impact rates,
13 statutorily authorized service areas, or system safety or reliability of an electrical corporation or gas
14 corporation, as defined in section 386.020, as determined by the public service commission, or of
15 any rural electric cooperative organized or operating under the provisions of chapter 394, or to any
16 corporation organized on a nonprofit or a cooperative basis as described in subsection 1 of section
17 394.200, or to any electrical corporation operating under a cooperative business plan as described in
18 subsection 2 of section 393.110."; and

19
20 Further amend said bill, Pages 50-52, Section 620.3905, Lines 1-80, by deleting all of said section
21 and lines and inserting in lieu thereof the following:

22
23 "620.3905. 1. There is hereby created within the department of economic development the
24 "Regulatory Relief Office", which shall be administered by the sandbox program director. The
25 sandbox program director shall report to the director of the department and may appoint staff,
26 subject to the approval of the director of the department.

27 2. The regulatory relief office shall:

28 (1) Administer the sandbox program pursuant to sections 620.3900 to 620.3930;

29 (2) Act as a liaison between private businesses and applicable agencies that regulate such
30 businesses to identify state laws or regulations that could potentially be waived or suspended under
31 the sandbox program;

32 (3) Consult with each applicable agency; and

33 (4) Establish a program to enable a person to obtain monitored access to the market in the
34 state along with legal protections for a product or service related to the laws or regulations that are
35 being waived as a part of participation in the sandbox program, in order to demonstrate an
36 innovative product or service without obtaining a license or other authorization that might otherwise
37 be required.

38 3. The regulatory relief office shall:

39 (1) Review state laws and regulations that may unnecessarily inhibit the creation and

1 success of new companies or industries and provide recommendations to the governor and the
2 general assembly on modifying or repealing such state laws and regulations;

3 (2) Create a framework for analyzing the risk level of the health, safety, and financial well-
4 being of consumers related to permanently removing or temporarily waiving laws and regulations
5 inhibiting the creation or success of new and existing companies or industries;

6 (3) Propose and enter into reciprocity agreements between states that use or are proposing to
7 use similar regulatory sandbox programs as described in sections 620.3900 to 620.3930, provided
8 that such reciprocity agreement is supported by a two-thirds majority vote of the advisory
9 committee and the regulatory relief office is directed by an order of the governor to pursue such
10 reciprocity agreement;

11 (4) Enter into agreements with or adopt best practices of corresponding federal regulatory
12 agencies or other states that are administering similar programs;

13 (5) Consult with businesses in the state about existing or potential proposals for the sandbox
14 program; and

15 (6) In accordance with the provisions of chapter 536 and the provisions of sections 620.3900
16 to 620.3930, make rules regarding the administration of the sandbox program, including making
17 rules regarding the application process and the reporting requirements of sandbox participants. Any
18 rule or portion of a rule, as that term is defined in section 536.010, that is created under the authority
19 delegated in this section shall become effective only if it complies with and is subject to all of the
20 provisions of chapter 536 and, if applicable, section 536.028. This section and chapter 536 are
21 nonseverable, and if any of the powers vested with the general assembly pursuant to chapter 536 to
22 review, to delay the effective date, or to disapprove and annul a rule are subsequently held
23 unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after
24 August 28, 2022, shall be invalid and void.

25 4. (1) The regulatory relief office shall create and maintain on the department's website a
26 web page that invites residents and businesses in the state to make suggestions regarding laws and
27 regulations that could be modified or eliminated to reduce the regulatory burden on residents and
28 businesses in the state.

29 (2) On at least a quarterly basis, the regulatory relief office shall compile the relevant
30 suggestions from the web page created pursuant to subdivision (1) of this subsection and provide a
31 written report to the governor and the general assembly.

32 (3) In creating the report described in subdivision (2) of this subsection, the regulatory relief
33 office:

34 (a) Shall provide the identity of residents and businesses that make suggestions on the web
35 page if those residents and businesses wish to comment publicly, and shall ensure that the private
36 information of residents and businesses that make suggestions on the web page is not made public if
37 they do not wish to comment publicly; and

38 (b) May evaluate the suggestions and provide analysis and suggestions regarding which
39 state laws and regulations could be modified or eliminated to reduce the regulatory burden on

1 residents and businesses in the state while still protecting consumers.

2 5. (1) By October first of each year, the department shall submit an annual report to the
3 governor, the general assembly, and to each state agency which shall include:

4 (a) Information regarding each participant in the sandbox program, including industries
5 represented by each participant and the anticipated or actual cost savings that each participant
6 experienced;

7 (b) The anticipated or actual benefit to consumers created by each demonstration in the
8 sandbox program;

9 (c) Recommendations regarding any laws or regulations that should be permanently
10 modified or repealed;

11 (d) Information regarding any health and safety events related to the activities of a
12 participant in the sandbox program; and

13 (e) Recommendations for changes to the sandbox program or other duties of the regulatory
14 relief office.

15 (2) The department may provide an interim report from the sandbox program director to the
16 governor and general assembly on specific, time-sensitive issues for the functioning of the sandbox
17 program, for the health and safety of consumers, for the success of participants in the program, and
18 for other issues of urgent need."; and

19
20 Further amend said bill, Pages 52-54, Section 620.3910, Lines 1-55, by deleting all of said section
21 and lines and inserting in lieu thereof the following:

22
23 "620.3910. 1. There is hereby created the "General Regulatory Sandbox Program Advisory
24 Committee", to be composed of the following members:

25 (1) The director of the department of economic development or his or her designee;

26 (2) The director of the department of commerce and insurance or his or her designee;

27 (3) The attorney general or his or her designee;

28 (4) A member of the public to be appointed by the governor;

29 (5) A member of the public or of an institution of higher education, to be appointed by the
30 governor;

31 (6) A member of an institution of higher education, to be appointed by the director of the
32 department of higher education and workforce development;

33 (7) Two members of the house of representatives, one to be appointed by the speaker of the
34 house of representatives and one to be appointed by the minority leader of the house of
35 representatives;

36 (8) Two members of the senate, one to be appointed by the president pro tempore of the
37 senate and one to be appointed by the minority leader of the senate; and

38 (9) An employee of the office of public counsel, to be appointed by the public counsel.

39 2. (1) Advisory committee members shall be appointed to a four-year term. Members who

1 cease holding elective office shall be replaced by the speaker or minority leader of the house of
 2 representatives or the president pro tempore or minority floor leader of the senate, as applicable.
 3 The sandbox program director may establish the terms of initial appointments so that approximately
 4 half of the advisory committee is appointed every two years.

5 (2) The sandbox program director shall select a chair of the advisory committee every two
 6 years in consultation with the members of the advisory committee.

7 (3) No appointee of the governor, speaker of the house of representatives, or president pro
 8 tempore of the senate may serve more than two complete terms.

9 3. A majority of the advisory committee shall constitute a quorum for the purpose of
 10 conducting business, and the action of a majority of a quorum shall constitute the action of the
 11 advisory committee, except as provided in subsection 4 of this section.

12 4. The advisory committee may, at its own discretion, meet to override a decision of the
 13 regulatory relief office on the admission or denial of an applicant to the sandbox program, provided
 14 such override is decided with a two-thirds majority vote of the members of the advisory committee,
 15 and further provided that such vote shall be taken within fifteen business days of the regulatory
 16 relief office's decision.

17 5. The advisory committee shall advise and make recommendations to the regulatory relief
 18 office on whether to approve applications to the sandbox program pursuant to section 620.3915.

19 6. The regulatory relief office shall provide administrative staff support for the advisory
 20 committee.

21 7. The members of the advisory committee shall serve without compensation, but may be
 22 reimbursed for any actual and necessary expenses incurred in the performance of the advisory
 23 committee's official duties.

24 8. Meetings of the advisory committee shall be considered public meetings for the purposes
 25 of chapter 610. However, a meeting of the committee shall be a closed meeting if the purpose of the
 26 meeting is to discuss an application for participation in the regulatory sandbox and failing to hold a
 27 closed meeting would reveal information that constitutes proprietary or confidential trade secrets.
 28 Upon approval by a majority vote by members of the advisory committee, the advisory committee
 29 shall be allowed to conduct remote meetings, and individual members shall be allowed to attend
 30 meetings remotely. The advisory committee shall provide the public the ability to view any such
 31 remote meetings."; and

32
 33 Further amend said bill, Pages 54-58, Section 620.3915, Lines 1-179, by deleting all of said section
 34 and lines and inserting in lieu thereof the following:

35
 36 "620.3915. 1. An applicant for the sandbox program shall provide to the regulatory relief
 37 office an application in a form prescribed by the regulatory relief office that:

38 (1) Confirms the applicant is subject to the jurisdiction of the state;

39 (2) Confirms the applicant has established physical residence or a virtual location in the

1 state from which the demonstration of an innovative offering will be developed and performed, and
2 where all required records, documents, and data will be maintained;

3 (3) Contains relevant personal and contact information for the applicant, including legal
4 names, addresses, telephone numbers, email addresses, website addresses, and other information
5 required by the regulatory relief office;

6 (4) Discloses criminal convictions of the applicant or other participating personnel, if any;
7 and

8 (5) Contains a description of the innovative offering to be demonstrated, including
9 statements regarding:

10 (a) How the innovative offering is subject to licensing, legal prohibition, or other
11 authorization requirements outside of the sandbox program;

12 (b) Each law or regulation that the applicant seeks to have waived or suspended while
13 participating in the sandbox program;

14 (c) How the innovative offering would benefit consumers;

15 (d) How the innovative offering is different from other innovative offerings available in the
16 state;

17 (e) The risks that might exist for consumers who use or purchase the innovative offering;

18 (f) How participating in the sandbox program would enable a successful demonstration of
19 the innovative offering of an innovative product or service;

20 (g) A description of the proposed demonstration plan, including estimated time periods for
21 beginning and ending the demonstration;

22 (h) Recognition that the applicant will be subject to all laws and regulations pertaining to
23 the applicant's innovative offering after the conclusion of the demonstration;

24 (i) How the applicant will end the demonstration and protect consumers if the demonstration
25 fails;

26 (j) A list of each applicable agency, if any, that the applicant knows regulates the applicant's
27 business; and

28 (k) Any other required information as determined by the regulatory relief office.

29 2. An applicant shall remit to the regulatory relief office an application fee of three hundred
30 dollars per application for each innovative offering. Such application fees shall be used by the
31 regulatory relief office solely for the purpose of implementing the provisions of sections 620.3900
32 to 620.3930.

33 3. An applicant shall file a separate application for each innovative offering that the
34 applicant wishes to demonstrate.

35 4. An applicant for the sandbox program may contact the regulatory relief office to request a
36 consultation regarding the sandbox program before submitting an application. The regulatory relief
37 office may provide assistance to an applicant in preparing an application for submission.

38 5. (1) After an application is filed, the regulatory relief office shall:

39 (a) Consult with each applicable agency that regulates the applicant's business regarding

1 whether more information is needed from the applicant; and

2 (b) Seek additional information from the applicant that the regulatory relief office
3 determines is necessary.

4 (2) No later than fifteen business days after the day on which a completed application is
5 received by the regulatory relief office, the regulatory relief office shall:

6 (a) Review the application and refer the application to each applicable agency that regulates
7 the applicant's business; and

8 (b) Provide to the applicant:

9 a. An acknowledgment of receipt of the application; and

10 b. The identity and contact information of each applicable agency to which the application
11 has been referred for review.

12 (3) No later than forty-five days after the day on which an applicable agency receives a
13 completed application for review, the applicable agency shall provide a written report to the sandbox
14 program director with the applicable agency's findings. Such report shall:

15 (a) Describe any identifiable, likely, and significant harm to the health, safety, or financial
16 well-being of consumers that the relevant law or regulation protects against; and

17 (b) Make a recommendation to the regulatory relief office that the applicant either be
18 admitted or denied entrance into the sandbox program.

19 (4) An applicable agency may request an additional ten business days to deliver the written
20 report required by subdivision (3) of this subsection by providing notice to the sandbox program
21 director, which request shall automatically be granted. An applicable agency may request only one
22 extension per application. The sandbox program director may also provide an additional extension
23 to the applicable agency for cause.

24 (5) If an applicable agency recommends an applicant under this section be denied entrance
25 into the sandbox program, the written report required by subdivision (3) of this subsection shall
26 include a description of the reasons for such recommendation, including the reason a temporary
27 waiver or suspension of the relevant laws or regulations would potentially significantly harm the
28 health, safety, or financial well-being of consumers or the public and the assessed likelihood of such
29 harm occurring.

30 (6) If an applicable agency determines that the consumer's or public's health, safety, or
31 financial well-being can be protected through less restrictive means than the existing relevant laws
32 or regulations, the applicable agency shall provide a recommendation of how that can be achieved.

33 (7) If an applicable agency fails to deliver the written report required by subdivision (3) of
34 this subsection, the sandbox program director shall provide a final notice to the applicable agency
35 for delivery of the written report. If the report is not delivered within five days of such final notice,
36 the sandbox program director shall assume that the applicable agency does not object to the
37 temporary waiver or suspension of the relevant laws or regulations for an applicant seeking to
38 participate in the sandbox program.

39 6. (1) Notwithstanding any provision of this section to the contrary, an applicable agency

1 may, by written notice to the regulatory relief office:

2 (a) Reject an application, provided such rejection occurs within forty-five days after the day
3 on which the applicable agency receives a complete application for review, or within fifty days if an
4 extension has been requested by the applicable agency, if the applicable agency determines, in the
5 applicable agency's sole discretion, that the applicant's offering fails to comply with standards or
6 specifications:

7 a. Required by federal rule or regulation; or

8 b. Previously approved for use by a federal agency; or

9 (b) Reject an application preliminarily approved by the regulatory relief office, if the
10 applicable agency:

11 a. Recommends rejection of the application in the applicable agency's written report
12 submitted pursuant to subdivision (3) of subsection 5 of this section; and

13 b. Provides in the written report submitted pursuant to subdivision (3) of subsection 5 of this
14 section a description of the applicable agency's reasons approval of the application would create a
15 substantial risk of harm to the health or safety of the public, or create unreasonable expenses for
16 taxpayers in the state.

17 (2) If any applicable agency rejects an application on a nonpreliminary basis pursuant to
18 subdivision (1) of this subsection, the regulatory relief office shall not approve the application.

19 7. (1) The sandbox program director shall provide all applications and associated written
20 reports to the advisory committee upon receiving a written report from an applicable agency.

21 (2) The sandbox program director may call the advisory committee to meet as needed, but
22 not less than once per quarter if applications are available for review.

23 (3) After receiving and reviewing the application and each associated written report, the
24 advisory committee shall provide to the sandbox program director the advisory committee's
25 recommendation as to whether the applicant should be admitted as a sandbox participant.

26 (4) As part of the advisory committee's review of each report, the advisory committee shall
27 use criteria used by applicable agencies to evaluate applications.

28 8. The regulatory relief office shall consult with each applicable agency and the advisory
29 committee before admitting an applicant into the sandbox program. Such consultation may include
30 seeking information about whether:

31 (1) The applicable agency has previously issued a license or other authorization to the
32 applicant; and

33 (2) The applicable agency has previously investigated, sanctioned, or pursued legal action
34 against the applicant.

35 9. In reviewing an application under this section, the regulatory relief office and applicable
36 agencies shall consider whether:

37 (1) A competitor to the applicant is or has been a sandbox participant and, if so, weigh that
38 as a factor in favor of allowing the applicant to also become a sandbox participant;

39 (2) The applicant's plan will adequately protect consumers from potential harm identified by

1 an applicable agency in the applicable agency's written report;

2 (3) The risk of harm to consumers is outweighed by the potential benefits to consumers
3 from the applicant's participation in the sandbox program; and

4 (4) Certain state laws or regulations that regulate an innovative offering should not be
5 waived or suspended even if the applicant is approved as a sandbox participant, including applicable
6 anti-fraud or disclosure provisions.

7 10. An applicant shall become a sandbox participant if the regulatory relief office approves
8 the application for the sandbox program and enters into a written agreement with the applicant
9 describing the specific laws and regulations that are waived or suspended as part of participation in
10 the sandbox program. Notwithstanding any other provision of this section to the contrary, the
11 regulatory relief office shall not enter into a written agreement with an applicant that exempts the
12 applicant from any income, property, or sales tax liability unless such applicant otherwise qualifies
13 for an exemption from such tax.

14 11. (1) The sandbox program director may deny at his or her sole discretion any application
15 submitted under this section for any reason, including if the sandbox program director determines
16 that the preponderance of evidence demonstrates that suspending or waiving enforcement of a law
17 or regulation would cause significant risk of harm to consumers or residents of the state.

18 (2) If the sandbox program director denies an application submitted under this section, the
19 regulatory relief office shall provide to the applicant a written description of the reasons for not
20 allowing the applicant to become a sandbox participant.

21 (3) The denial of an application submitted under this section shall not be subject to judicial
22 or administrative review.

23 (4) The acceptance or denial of an application submitted under this section may be
24 overridden by an affirmative vote of a two-thirds majority of the advisory committee at the
25 discretion of the advisory committee, provided such vote shall take place within fifteen business
26 days of the sandbox program director's decision. Notwithstanding any other provision of this
27 section to the contrary, the advisory committee shall not override a rejection made by an applicable
28 agency.

29 (5) The sandbox program director shall deny an application for participation in the sandbox
30 program if the applicant or any person who seeks to participate with the applicant in demonstrating
31 an innovative offering has been convicted, entered into a plea of nolo contendere, or entered a plea
32 of guilty or nolo contendere held in abeyance, for any crime involving significant theft, fraud, or
33 dishonesty if the crime bears a significant relationship to the applicant's or other participant's ability
34 to safely and competently participate in the sandbox program.

35 12. When an applicant is approved for participation in the sandbox program, the sandbox
36 program director may provide notice of the approval to competitors of the applicant and to the
37 general public.

38 13. Applications to participate in the sandbox program shall be considered public records
39 for the purposes of chapter 610, provided, however, that any information contained in such

1 applications that constitutes proprietary or confidential trade secrets shall not be subject to
2 disclosure pursuant to chapter 610."; and

3
4 Further amend said bill, Pages 59-60, Section 620.3920, Lines 1-42, by deleting all of said section
5 and lines and inserting in lieu thereof the following:

6
7 "620.3920. 1. If the regulatory relief office approves an application pursuant to section
8 620.3915, the sandbox participant shall have twenty-four months after the day on which the
9 application was approved to demonstrate the innovative offering described in the sandbox
10 participant's application.

11 2. An innovative offering that is demonstrated within the sandbox program shall only be
12 available to consumers who are residents of Missouri or of another state. No law or regulation shall
13 be waived or suspended if waiving or suspending such law or regulation would prevent a consumer
14 from seeking restitution in the event that the consumer is harmed.

15 3. Nothing in sections 620.3900 to 620.3930 shall restrict a sandbox participant that holds a
16 license or other authorization in another jurisdiction from acting in accordance with such license or
17 other authorization in that jurisdiction.

18 4. A sandbox participant shall be deemed to possess an appropriate license or other
19 authorization under the laws of this state for the purposes of any provision of federal law requiring
20 licensure or other authorization by the state.

21 5. (1) During the demonstration period, a sandbox participant shall not be subject to the
22 enforcement of state laws or regulations identified in the written agreement between the regulatory
23 relief office and the sandbox participant.

24 (2) A prosecutor shall not file or pursue charges pertaining to any action related to a law or
25 regulation identified in the written agreement between the regulatory relief office and the sandbox
26 participant that occurs during the demonstration period.

27 (3) A state agency shall not file or pursue any punitive action against a sandbox participant,
28 including a fine or license suspension or revocation, for the violation of a law or regulation that is
29 identified as being waived or suspended in the written agreement between the regulatory relief
30 office and the sandbox participant that occurs during the demonstration period.

31 6. Notwithstanding any provision of this section to the contrary, a sandbox participant shall
32 not have immunity related to any criminal offense committed during the sandbox participant's
33 participation in the sandbox program.

34 7. By written notice, the regulatory relief office may end a sandbox participant's
35 participation in the sandbox program at any time and for any reason, including if the sandbox
36 program director determines that a sandbox participant is not operating in good faith to bring an
37 innovative offering to market; provided, however, that the sandbox program director's decision may
38 be overridden by an affirmative vote of a two-thirds majority of the members of the advisory
39 committee.

8. The regulatory relief office and regulatory relief office's employees shall not be liable for any business losses or the recouping of application expenses or other expenses related to the sandbox program, including for:

(1) Denying an applicant's application to participate in the sandbox program for any reason;
or

(2) Ending a sandbox participant's participation in the sandbox program at any time and for any reason."; and

Further amend said bill, Pages 60-61, Section 620.3925, Lines 1-31, by deleting all of said section and lines and inserting in lieu thereof the following:

"620.3925. 1. Before demonstrating an innovative offering to a consumer, a sandbox participant shall disclose the following information to the consumer:

(1) The name and contact information of the sandbox participant;

(2) A statement that the innovative offering is authorized pursuant to the sandbox program and, if applicable, that the sandbox participant does not have a license or other authorization to provide an innovative offering under state laws that regulate offerings outside of the sandbox program;

(3) A statement that specific laws and regulations have been waived for the sandbox participant for the duration of its demonstration in the sandbox program, with a summary of such waived laws and regulations;

(4) A statement that the innovative offering is undergoing testing and may not function as intended and may expose the consumer to certain risks as identified by the applicable agency's written report;

(5) A statement that the provider of the innovative offering is not immune from civil liability for any losses or damages caused by the innovative offering;

(6) A statement that the provider of the innovative offering is not immune from criminal prosecution for violations of state law or regulations that are not suspended or waived as allowed within the sandbox program;

(7) A statement that the innovative offering is a temporary demonstration that may be discontinued at the end of the demonstration period;

(8) The expected end date of the demonstration period; and

(9) A statement that a consumer may contact the regulatory relief office and file a complaint regarding the innovative offering being demonstrated, providing the regulatory relief office's telephone number, email address, and website address where a complaint may be filed.

2. The disclosures required by subsection 1 of this section shall be provided to a consumer in a clear and conspicuous form and, for an internet- or application-based innovative offering, a consumer shall acknowledge receipt of the disclosure before any transaction may be completed.

3. The regulatory relief office may require that a sandbox participant make additional

1 disclosures to a consumer."; and

2
3 Further amend said bill, Pages 61-63, Section 620.3930, Lines 1-85, by deleting all of said section
4 and lines and inserting in lieu thereof the following:

5
6 "620.3930. 1. At least forty-five days before the end of the twenty-four-month
7 demonstration period, a sandbox participant shall:

8 (1) Notify the regulatory relief office that the sandbox participant will exit the sandbox
9 program and discontinue the sandbox participant's demonstration after the day on which the twenty-
10 four-month demonstration period ends; or

11 (2) Seek an extension pursuant to subsection 4 of this section.

12 2. If the regulatory relief office does not receive notification as required by subsection 1 of
13 this section, the demonstration period shall end at the end of the twenty-four-month demonstration
14 period.

15 3. If a demonstration includes an innovative offering that requires ongoing services or duties
16 beyond the twenty-four-month demonstration period, the sandbox participant may continue to
17 demonstrate the innovative offering but shall be subject to enforcement of the laws or regulations
18 that were waived or suspended as part of the sandbox program.

19 4. (1) No later than forty-five days before the end of the twenty-four-month demonstration
20 period, a sandbox participant may request an extension of the demonstration period.

21 (2) The regulatory relief office shall grant or deny a request for an extension by the end of
22 the twenty-four month demonstration period.

23 (3) The regulatory relief office may grant an extension for not more than twelve months
24 after the end of the demonstration period.

25 (4) Sandbox participants may apply for additional extensions in accordance with the criteria
26 used to assess their initial application, up to a cumulative maximum of seven years inclusive of the
27 original twenty-four-month demonstration period.

28 5. (1) A sandbox participant shall retain records, documents, and data produced in the
29 ordinary course of business regarding an innovative offering demonstrated in the sandbox program
30 for twenty-four months after exiting the sandbox program.

31 (2) The regulatory relief office may request relevant records, documents, and data from a
32 sandbox participant, and, upon the regulatory relief office's request, the sandbox participant shall
33 make such records, documents, and data available for inspection by the regulatory relief office.

34 6. If a sandbox participant ceases to provide an innovative offering before the end of a
35 demonstration period, the sandbox participant shall notify the regulatory relief office and each
36 applicable agency and report on actions taken by the sandbox participant to ensure consumers have
37 not been harmed as a result.

38 7. The regulatory relief office shall establish quarterly reporting requirements for each
39 sandbox participant, including information about any consumer complaints.

1 8. (1) The sandbox participant shall notify the regulatory relief office and each applicable
2 agency of any incidents that result in harm to the health, safety, or financial well-being of a
3 consumer. The parameters for such incidents that shall be reported shall be laid out in the written
4 agreement between the applicant and the regulatory relief office. Any incident reports shall be
5 publicly available on the regulatory sandbox webpage provided, however, that any information
6 contained in such reports that constitutes proprietary or confidential trade secrets shall not be subject
7 to disclosure pursuant to chapter 610.

8 (2) If a sandbox participant fails to notify the regulatory relief office and each applicable
9 agency of any incidents required to be reported, or the regulatory relief office or an applicable
10 agency has evidence that significant harm to a consumer has occurred, the regulatory relief office
11 may immediately remove the sandbox participant from the sandbox program.

12 9. No later than thirty days after the day on which a sandbox participant exits the sandbox
13 program, the sandbox participant shall submit a written report to the regulatory relief office and each
14 applicable agency describing an overview of the sandbox participant's demonstration. Failure to
15 submit such a report shall result in the sandbox participant and any entity that later employs a
16 member of the leadership team of the sandbox participant being prohibited from future participation
17 in the sandbox program. Such report shall include any:

18 (1) Incidents of harm to consumers;

19 (2) Legal action filed against the sandbox participant as a result of the participant's
20 demonstration; or

21 (3) Complaint filed with an applicable agency as a result of the sandbox participant's
22 demonstration.

23
24 Any incident reports of harm to consumers, legal actions filed against a sandbox participant, or
25 complaints filed with an applicable agency shall be compiled and made publicly available on the
26 regulatory sandbox webpage provided, however, that any information contained in such reports or
27 complaints that constitutes proprietary or confidential trade secrets shall not be subject to disclosure
28 pursuant to chapter 610.

29 10. No later than thirty days after the day on which an applicable agency receives the
30 quarterly report required by subsection 7 of this section or a written report from a sandbox
31 participant as required by subsection 9 of this section, the applicable agency shall provide a written
32 report to the regulatory relief office on the demonstration, which describes any statutory or
33 regulatory reform the applicable agency recommends as a result of the demonstration.

34 11. The regulatory relief office may remove a sandbox participant from the sandbox
35 program at any time if the regulatory relief office determines that a sandbox participant has engaged
36 in, is engaging in, or is about to engage in any practice or transaction that is in violation of sections
37 620.3900 to 620.3930 or that constitutes a violation of a law or regulation for which suspension or
38 waiver has not been granted pursuant to the sandbox program. Information on any removal of a
39 sandbox participant for engaging in any practice or transaction that constitutes a violation of law or

1 regulation for which suspension or waiver has not been granted pursuant to the sandbox program
2 shall be made publicly available on the regulatory sandbox webpage provided, however, that any
3 information that constitutes proprietary or confidential trade secrets shall not be subject to disclosure
4 pursuant to chapter 610."; and

5
6 Further amend said bill by amending the title, enacting clause, and intersectional references
7 accordingly.