

Senator Scott D. Sandall proposes the following substitute bill:

BUSINESS SERVICES AMENDMENTS

2023 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Ken Ivory

Senate Sponsor: Scott D. Sandall

LONG TITLE

General Description:

This bill prohibits a company from coordinating with another to intentionally destroy certain companies by eliminating the viable options for the companies to obtain a product or service.

Highlighted Provisions:

This bill:

- ▶ defines terms;
- ▶ subject to exceptions, prohibits a company from coordinating with another to intentionally destroy certain companies by eliminating the viable options for the companies to obtain a product or service;
- ▶ allows a person to bring a civil action for injunctive relief or damages for a violation of the prohibition;
- ▶ requires a court to award attorney fees and costs to the prevailing party in the civil action; and
- ▶ prohibits a court from reducing damages in the civil action to an amount less than the actual damages.

Money Appropriated in this Bill:

None



26 **Other Special Clauses:**

27 This bill provides a special effective date.

28 **Utah Code Sections Affected:**

29 ENACTS:

30 **13-63-101**, Utah Code Annotated 1953

31 **13-63-201**, Utah Code Annotated 1953



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

34 Section 1. Section **13-63-101** is enacted to read:

35 **CHAPTER 63. BUSINESS SERVICES BOYCOTT RESTRICTIONS**

36 **Part 1. General Provisions**

37 **13-63-101. Definitions.**

38 As used in this chapter:

39 (1) "Boycotted company" means a company that:

40 (a) engages in, facilitates, or supports the manufacture, import, distribution,
41 advertising, sale, or lawful use of a firearm, ammunition, or another component or accessory of
42 a firearm or ammunition; or

43 (b) does not meet or commit to meet:

44 (i) environmental, social, or governance criteria in that the company engages in the
45 exploration, production, utilization, transportation, sale, or manufacture of fossil fuel-based or
46 nuclear energy, timber, mining, or agriculture; or

47 (ii) environmental standards, including standards for eliminating, reducing, offsetting,
48 or disclosing greenhouse gas-emissions, beyond applicable state and federal law requirements.

49 (2) (a) "Company" means a corporation, partnership, limited liability company, or
50 similar entity.

51 (b) "Company" includes any wholly-owned subsidiary, majority-owned subsidiary,
52 parent company, or affiliate of an entity described in Subsection (2)(a).

53 Section 2. Section **13-63-201** is enacted to read:

54 **Part 2. Prohibitions**

55 **13-63-201. Coordinated elimination of boycotted company's options to obtain a**
56 **product or service prohibited -- Civil action -- Damages -- Exceptions.**

57 (1) Except as provided in Subsection (4), a company that offers a product or service
58 may not, with the specific intent of destroying a boycotted company and without an ordinary
59 business purpose, coordinate or conspire with another company to eliminate the viable options
60 for the boycotted company to obtain the product or service.

61 (2) (a) A person who is injured or is threatened with injury to the person's business or
62 property by a violation of Subsection (1) may bring an action for injunctive relief or damages.

63 (b) In an action for a violation of Subsection (1), the court:

64 (i) shall award attorney fees and costs to the prevailing party; and

65 (ii) may not reduce a judgment to an amount less than the amount of actual damages
66 sustained.

67 (3) A person may not recover damages under this section from:

68 (a) a political subdivision;

69 (b) an official or employee of a political subdivision acting in an official capacity; or

70 (c) another person based on an official action directed by a political subdivision or a
71 political subdivision's official or employee acting in an official capacity.

72 (4) This section does not prohibit a person from engaging in an activity to the extent
73 the activity is regulated or supervised by state government officers or agencies under the laws
74 of this state or federal government officers or agencies under the laws of the United States.

75 **Section 3. Effective date.**

76 This bill takes effect on July 1, 2023.