

# Utah HB 55 (2026)

## *EdTech Vendor Privacy Compliance Checklist for District Leadership*

Privacy Compliance for Education Technology Vendors | Amends Utah Code § 53E-9-309 | Effective July 1, 2026

### What This Law Means for Your District

Utah HB 55 (2026) amends existing student data privacy law to give districts stronger tools - and clearer obligations - when a third-party EdTech vendor violates state or federal privacy rules. Effective July 1, 2026, districts must include specific contract provisions, follow a defined notification process, and terminate non-compliant vendors within a set timeline. Vendors cannot charge districts a fee for terminations required by this law.

#### Three things every superintendent should know:

- New required contract provisions must be in place for all EdTech vendor contracts, existing contracts may need to be amended or renegotiated before July 1, 2026.
- If a vendor is found to have sold student data in violation of privacy law, your district has 30 days to notify the vendor and must terminate if they don't remedy the violation.
- Vendors are explicitly prohibited from charging districts a fee or seeking damages for a termination triggered by their own privacy violation.



## 01 | Required Contract Provisions

Every contract with a third-party EdTech vendor must include all the following provisions. Review existing contracts against this list before July 1, 2026.

- ❑ **Data use restrictions** requirements limiting how the vendor may collect, use, store, or share student data, sufficient to ensure compliance with state law and state board rules
- ❑ **Authorized sharing list** a description of who (including any vendor affiliates) may receive student data
- ❑ **Deletion provisions** terms governing deletion of student data at the district's request
- ❑ **Secondary use prohibition** if required by your district, provisions prohibiting the vendor from using student data for purposes beyond the contract
- ❑ **Audit rights** the district's right to audit the vendor to verify contract compliance
- ❑ **Termination clause** explicit provisions describing the district's statutory duty to terminate for privacy violations, and prohibiting the vendor from imposing any fee or financial liability for such termination

### Important: the termination clause is new.

HB 55 adds a requirement that contracts must now explicitly describe the district's duty to terminate and prohibit vendor fees for that termination. This provision did not exist before. Any contract template that predates this law is missing it.



## 02 | Notification + Termination Process

When your district discovers that a vendor has sold student data or information in violation of state or federal privacy law, a specific, time-bound process applies.

- ❑ **Step 1 - Notify the vendor within 30 days** of discovering the unauthorized sale or privacy violation. The notice must identify the specific violation and inform the vendor of the district's duty to terminate.
- ❑ **Step 2 - Allow a remedy period** the vendor has at least 30 days after receiving notice to remedy the violation and establish processes to prevent recurrence.
- ❑ **Step 3 - Terminate if not remedied.** If the vendor has not remedied the violation to the district's satisfaction and established preventive processes, the district must terminate the contract. Termination may not occur sooner than 30 days after notice.
- ❑ **Document everything** log the date of discovery, date of notice, vendor response, and termination decision with supporting rationale.

### What counts as "remedied"?

The statute gives the district - not the vendor - the authority to determine whether a violation has been remedied "to the greatest extent practicable." The district also evaluates whether the vendor's new processes are sufficient to prevent recurrence. This is a district judgment call, and that determination should be documented.

## 03 | What Vendors Cannot Do

These vendor prohibitions already exist in Utah law and are unchanged by HB 55 - but districts should confirm contract language reflects all of them.

- ❑ **No selling student data** except as part of a lawful acquisition or merger where the vendor remains compliant
- ❑ **No use or sharing of student data** inconsistent with the contract terms
- ❑ **No targeted advertising** using student data
- ❑ **No fee for privacy-violation terminations** a vendor may not charge the district or seek damages when the district terminates due to the vendor's unauthorized data sale



## 04 | Permitted Vendor Activities

The law does not prohibit all vendor use of student data. These uses remain permitted and districts should be aware of them when evaluating vendor practices.

- Adaptive learning or customized student learning purposes
- Marketing an educational product to a parent - if the vendor did not use district-shared student data to do so
- Recommending learning or employment content or services within the vendor's own app, if not paid for by a third party
- Improving operability and functionality of the vendor's application
- Identifying nonprofit colleges or scholarship providers for students meeting certain criteria - with written parent or adult student authorization

**Note: one prior permission was repealed.**

HB 55 removes the previous allowance for vendors to respond to a student's request for information or feedback if the response was not commercially motivated. That exception no longer exists. Review any vendor agreements that relied on it.



## 05 | Contract Audit Checklist

Use this section to audit each active vendor contract before July 1, 2026.

- ☐ **Contract includes all six required provisions** (see Section 1)
- ☐ **Termination-for-privacy-violation clause is present** and explicitly prohibits vendor fees for that termination
- ☐ **Data sharing list is current and accurate** including any vendor affiliates
- ☐ **Deletion provisions are operational** district has tested or confirmed the vendor can execute data deletion on request
- ☐ **Audit rights are clearly defined and exercisable** not vague or subject to vendor approval
- ☐ **Contract does not include a student feedback/response provision** that old exception has been repealed
- ☐ **Secondary use prohibition is included** if your district requires it
- ☐ **Any waiver of student data provisions** is documented in writing from a parent or adult student, not assumed

## Suggested Ownership by Role

| Role                             | Primary Responsibility                                                        |
|----------------------------------|-------------------------------------------------------------------------------|
| Superintendent / Cabinet         | Authorize contract review process; set July 1 compliance deadline internally  |
| IT Director / EdTech Coordinator | Inventory all active vendor contracts; flag missing provisions                |
| Legal Counsel                    | Review and revise contract language; confirm termination clauses meet statute |
| Procurement                      | Ensure new contracts and renewals use updated templates from July 1 forward   |
| Privacy Officer / Data Steward   | Own the notification and termination process; maintain documentation log      |
| Principals / Curriculum Leads    | Flag any classroom-level vendor tools not captured in district inventory      |



## Fast Implementation Order

1. Build a complete inventory of all active third-party EdTech vendor contracts.
2. Audit each contract against the six required provisions in Section 1.
3. Flag contracts missing the termination clause - this is the new requirement most likely to be absent.
4. Work with legal counsel to update or renegotiate non-compliant contracts before July 1, 2026.
5. Update your standard contract template so all future agreements are compliant from the start.
6. Establish an internal process for discovery, notification, and termination decisions - and assign a clear owner.
7. Document the audit: contracts reviewed, gaps found, and remediation completed.

### **A note from Loop + Ledger**

Vendor contract audits sound straightforward until you realize most districts don't have a complete inventory of the tools their classrooms are using. That's where compliance gaps hide. If you're not sure where to start, an EdTech audit is the right first move - it surfaces the tools, the contracts, and the risk all at once.

Need help? We work alongside district teams on EdTech audits, vendor vetting, and privacy policy. Reach out at [hello@loopandledger.co](mailto:hello@loopandledger.co).

*This resource is provided for informational purposes only and does not constitute legal advice.*