

## **Chapter 4**

### **Joint Obligations**

#### **15-4-1 Definitions.**

As used in this chapter:

- (1) "Administrative agency" means the same as that term is defined in Section 81-6-101.
- (2) "Child" means the same as that term is defined in Section 81-6-101.
- (3) "Obligation" includes a liability in tort and contractual obligations.
- (4) "Obligee" includes a creditor and a person having a right based on a tort.
- (5) "Obligor" includes a debtor and a person liable for a tort.
- (6)
  - (a) "School fee" means a charge, deposit, rent, or other mandatory payment imposed by:
    - (i) a public school as defined in Section 26B-2-401; or
    - (ii) a private school that provides education to students in any grade from kindergarten through grade 12.
  - (b) "School fee" includes:
    - (i) an admission fee;
    - (ii) a transportation charge; or
    - (iii) a charge, deposit, rent, or other mandatory payment imposed by a third party in connection with an activity or function sponsored by a school described in Subsection (6)(a).
- (7) "Several obligors" means obligors severally bound for the same performance.
- (8) "Waiver" means the act of not requiring an individual to pay an amount that the individual otherwise owes.

Amended by Chapter 366, 2024 General Session

#### **15-4-2 Discharge of co-obligors by judgment.**

A judgment against one or more of several obligors, or against one or more of joint or of joint and several obligors, may not discharge a co-obligor who was not a party to the proceeding wherein the judgment was rendered.

Amended by Chapter 378, 2010 General Session

#### **15-4-3 Payments by co-obligor.**

The amount or value of any consideration received by the obligee from one or more of several obligors, or from one or more of joint or of joint and several obligors, in whole or in partial satisfaction of their obligations shall be credited to the extent of the amount received on the obligation of all co-obligors to whom the obligor or obligors giving the consideration did not stand in the relation of a surety.

No Change Since 1953

#### **15-4-4 Release of co-obligor -- Reservation of rights.**

Subject to the provisions of Section 15-4-3, the obligee's release or discharge of one or more of several obligors, or of one or more of joint or of joint and several obligors, does not discharge co-obligors against whom the obligee in writing and as part of the same transaction as the release

or discharge expressly reserves his rights; and in the absence of such a reservation of rights shall discharge co-obligors only to the extent provided in Section 15-4-5.

Amended by Chapter 378, 2010 General Session

**15-4-5 Release of co-obligor -- Effect of knowledge of obligee.**

- (1) If an obligee releasing or discharging an obligor without express reservation of rights against a co-obligor then knows or has reason to know that the obligor released or discharged did not pay as much of the claim as that obligor was bound by that obligor's contract or relation with that co-obligor to pay, the obligee's claim against that co-obligor shall be satisfied to the amount which the obligee knew or had reason to know that the released or discharged obligor was bound to such co-obligor to pay.
- (2) If an obligee so releasing or discharging an obligor has not then such knowledge or reason to know, the obligee's claim against the co-obligor shall be satisfied to the extent of the lesser of two amounts, namely:
  - (a) the amount of the fractional share of the obligor released or discharged; or
  - (b) the amount that such obligor was bound by that obligor's contract or relation with the co-obligor to pay.

Amended by Chapter 365, 2024 General Session

**15-4-6 Death of joint obligor -- Survivorship.**

On the death of a joint obligor in contract the joint obligor's executor or administrator shall be bound as such jointly and severally with the surviving obligor or obligors.

Amended by Chapter 365, 2024 General Session

**15-4-6.5 Divorce or separate maintenance of co-obligors.**

- (1) On the entering of a decree of divorce or separate maintenance of joint debtors in contract, the claim of a creditor remains unchanged unless otherwise provided by the contract or until a new contract is entered into between the creditor and the debtors individually.
- (2) In addition to the creditor's duties as a secured party under Title 70A, Chapter 9a, Uniform Commercial Code - Secured Transactions, and the creditor's duties as a trustee or beneficiary of a trust deed under Title 57, Chapter 1, Conveyances, a creditor shall provide to the debtors individually all statements, notices, and other similar correspondence required by law or by the contract if:
  - (a) the creditor has been notified by service of a copy of a court order under Section 81-4-204 or 81-4-406 that the debtors are divorced or living separately under an order for separate maintenance; and
  - (b) the creditor has been expressly advised of the separate and current addresses of the debtors by the court order or by other written notice.
- (3)
  - (a) Except as provided in Subsection (3)(b), a creditor may:
    - (i) continue to make negative credit reports of joint debtors under Section 70C-7-107; and
    - (ii) report the repayment practices or credit history of joint debtors under Title 7, Chapter 14, Credit Information Exchange.
  - (b) If a debtor who is not ordered by the court under Section 81-4-204 or 81-4-406 to make payments on a joint obligation, the creditor may not make a negative credit report under

Section 70C-7-107, or a report of the debtor's repayment practices or credit history under Title 7, Chapter 14, Credit Information Exchange, regarding the joint obligation after the creditor is served notice of the court's order as required under Subsection (2), unless the creditor has made a demand on the debtor for payment because of the failure to make payments by the other debtor who is ordered by the court to make the payments.

Amended by Chapter 366, 2024 General Session

**15-4-6.7 Medical and miscellaneous expenses of a child -- Collection and billing pursuant to court or administrative order of child support.**

- (1) When a court or an administrative agency enters an order that provides for the payment of medical and dental expenses of a child as described in Section 26B-9-224 or 81-6-202, a provider who receives a copy of the order:
  - (a) at or before the time the provider renders medical or dental services to the child, and upon request from a parent, shall separately bill each parent for the share of the medical and dental expenses that the parent is required to pay under the order; or
  - (b) within 30 days after the day on which the provider renders the medical or dental service to the child, may not:
    - (i) make a claim for unpaid medical and dental expenses against a parent who has paid in full the share of the medical and dental expenses that the parent is required to pay under the order; or
    - (ii) make a negative credit report under Section 70C-7-107, or a report of the debtor's repayment practices or credit history under Title 7, Chapter 14, Credit Information Exchange, regarding a parent who has paid in full the share of the medical and dental expenses that the parent is required to pay under the order.
- (2)
  - (a) When a court enters an order that provides for the payment of school fees of a child in a separate maintenance action under Section 81-4-204 or in a divorce action under Section 81-4-406:
    - (i) a provider, who receives a copy of the order before the day on which the provider first issues a bill for a school fee and upon request from a parent, shall separately bill each parent for the share of the school fee that the parent is required to pay under the order;
    - (ii) a provider, who receives a copy of the order, regardless of whether the provider receives the copy before, on, or after the day on which the provider first issues a bill for the school fee, may not make a negative credit report under Section 70C-7-107, or report of the debtor's repayment practices or credit history under Title 7, Chapter 14, Credit Information Exchange, regarding a parent who has paid in full the share of the school fee that the parent is required to pay under the order; and
    - (iii) each parent is liable only for the share of the school fee that the parent is required to pay under the order.
  - (b) A provider may bill a parent for the parent's share of a child's school fee under an order described in Subsection (2)(a) regardless of whether the provider grants the other parent a waiver for all or a portion of the other parent's share of the child's school fee.

Amended by Chapter 366, 2024 General Session

**15-4-7 Effective date of chapter.**

This chapter does not apply to obligations arising prior to July 1, 1929.

Amended by Chapter 378, 2010 General Session