

**Representative LaVar Christensen** proposes the following substitute bill:

**OFFER OF SETTLEMENT PROVISIONS**

2005 GENERAL SESSION

STATE OF UTAH

**Sponsor: LaVar Christensen**

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**LONG TITLE**

**General Description:**

This bill provides for interests on judgments after an offer to settle or dismiss a lawsuit.

**Highlighted Provisions:**

This bill:

► provides for the rate of interest on a judgment following an offer to settle or dismiss a lawsuit.

**Monies Appropriated in this Bill:**

None

**Other Special Clauses:**

None

**Utah Code Sections Affected:**

ENACTS:

**78-21-4**, Utah Code Annotated 1953

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

Section 1. Section **78-21-4** is enacted to read:

**78-21-4. Personal injury actions.**

(1) As used in this section, "person" means any individual, corporation, association, limited liability company, or partnership.



26           (2) In any action brought to recover damages for personal injury sustained by any  
27 individual resulting from or occasioned by the tort of any other person, whether by negligence  
28 or by willful intent of the other person, and whether the injury was fatal or otherwise, it is  
29 lawful for the plaintiff in the complaint to claim interest on the damages alleged as provided in  
30 this section.

31           (3) If an offer to settle or dismiss a lawsuit made by a plaintiff is not accepted and the  
32 rejecting party does not obtain a more favorable judgment, the judgment shall bear interest at  
33 the legal rate of 10% per annum calculated from the date of the offer, which is exceeded by the  
34 judgment, and interest shall accrue until the satisfaction of judgment.

35           (4) An offer made pursuant to Subsection (3) may not be made sooner than 120 days  
36 after service of the complaint. The offer shall be:

37           (a) in writing;

38           (b) made not less than ten days prior to commencement of trial; and

39           (c) open for at least ten days after it is served.

40           (5) This section does not apply to a public entity or to a public employee for an act or  
41 omission within the scope of employment, and neither the public entity nor the public  
42 employee shall be liable, directly or indirectly, to any person for any interest imposed by this  
43 section.