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	ADJUSTMENT OF LIMITS ON DAMAGES
	2018 GENERAL SESSION
	STATE OF UTAH
	Chief Sponsor: Jani Iwamoto
	House Sponsor: V. Lowry Snow
L	ONG TITLE
	eneral Description:
	This bill modifies a provision relating to the adjustment of limits on damages against
go	overnmental entities.
H	lighlighted Provisions:
	This bill:
	<ul> <li>modifies the deadline for the Office of the Legislative Fiscal Analyst to</li> </ul>
cc	ommunicate biennial adjustments of limits on damages to the state risk manager.
M	Ioney Appropriated in this Bill:
	None
0	other Special Clauses:
	None
U	tah Code Sections Affected:
A	MENDS:
	63G-7-605, as enacted by Laws of Utah 2017, Chapter 151
B	e it enacted by the Legislature of the state of Utah:
	Section 1. Section 63G-7-605 is amended to read:
	63G-7-605. Adjustments to limitation of judgment amounts.
	(1) As used in this section:
	(a) "Adjusted consumer price factor" means what the consumer price index, as
pı	rovided in Sections $1(f)(4)$ and $1(f)(5)$ , Internal Revenue Code, would be without the medical
ca	are component and the medical services component.

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30	(b) "Aggregate limit" means the limit on the aggregate amount of personal injury
31	damages claims from a single occurrence, as provided in Subsection 63G-7-604(1)(d).
32	(c) "Individual limit" means the limit on the amount of a judgment for damages for
33	personal injury, as provided in Subsection 63G-7-604(1)(a).
34	(d) "Latest aggregate limit" means the aggregate limit, as last adjusted by the risk
35	manager under this section.
36	(e) "Latest individual limit" means the individual limit, as last adjusted by the risk
37	manager under this section.
38	(f) "Latest property damage limit" means the property damage limit, as last adjusted by
39	the risk manager under this section.
40	(g) "Medical care component" means the medical care sub-index of the consumer price
41	index, as provided in Sections $1(f)(4)$ and $1(f)(5)$ , Internal Revenue Code.
42	(h) "Medical services component" means the medical services sub-index of the
43	consumer price index, as provided in Sections $1(f)(4)$ and $1(f)(5)$ , Internal Revenue Code.
44	(i) "Property damage limit" means the limit on the amount of a judgment for property
45	damage, as provided in Subsection 63G-7-604(1)(c).
46	(2) (a) Each even-numbered year, the legislative fiscal analyst shall, subject to
47	Subsection (3):
48	(i) adjust the individual limit by an amount equal to the sum of:
49	(A) 66.5% of the latest individual limit, multiplied by the adjusted consumer price
50	factor;
51	(B) 16.75% of the latest individual limit, multiplied by the medical care component;
52	and
53	(C) 16.75% of the latest individual limit, multiplied by the medical services
54	component;
55	(ii) adjust the aggregate limit by an amount equal to the sum of:
56	(A) 66.5% of the latest aggregate limit, multiplied by the adjusted consumer price
57	factor;

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58	(B) 16.75% of the latest aggregate limit, multiplied by the medical care component;
59	and
60	(C) 16.75% of the latest aggregate limit, multiplied by the medical services component;
61	(iii) adjust the property damage limit as a percentage equal to the percentage increase
62	or decrease in the consumer price index as provided in Sections $1(f)(4)$ and $1(f)(5)$ , Internal
63	Revenue Code; and
64	(iv) no later than [June] May 1, communicate the adjusted limits under Subsections
65	(2)(a)(i), (ii), and (iii) to the risk manager.
66	(b) The legislative fiscal analyst shall round up to the nearest \$100 the individual limit,
67	aggregate limit, and property damage limit adjusted under Subsection (2)(a).
68	(3) The legislative fiscal analyst may not adjust an individual limit or aggregate limit
69	under Subsection (2) if the adjustment results in a decrease in the amount of the limit.
70	(4) (a) Each even-numbered year, the risk manager shall make rules, to become
71	effective no later than July 1 of that year, that establish a new individual limit, aggregate limit,
72	and property damage limit, as adjusted under Subsection (2).
73	(b) An adjustment to the individual limit, aggregate limit, or property damage limit
74	under this section has prospective effect only from the date the rules establishing the new limit
75	take effect.
76	(c) An individual limit, aggregate limit, or property damage limit, as adjusted under
77	this section, applies only to a claim for injury or loss that occurs after the effective date of the

78 rules that establish the adjusted limit.

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