

HB0394S01 compared with HB0394

{Omitted text} shows text that was in HB0394 but was omitted in HB0394S01

inserted text shows text that was not in HB0394 but was inserted into HB0394S01

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1

Statutory Intent Amendments

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2025 GENERAL SESSION

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STATE OF UTAH

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Chief Sponsor: Jordan D. Teuscher

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Senate Sponsor:

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LONG TITLE

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General Description:

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This bill modifies or removes provisions relating to legislative intent and statutory

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interpretation.

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Highlighted Provisions:

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This bill:

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▸ removes certain statements of legislative intent and statutory interpretation;

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▸ restates, modifies, replaces, or recharacterizes certain provisions that are stated in the form of legislative intent; and

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▸ makes technical and conforming changes.

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Money Appropriated in this Bill:

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None

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None

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AMENDS:

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7-17-1, as enacted by Laws of Utah 1979, Chapter 124, as enacted by Laws of Utah 1979, Chapter

124

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- 20 **17-19a-206** , as last amended by Laws of Utah 2023, Chapter 178 , as last amended by Laws of
Utah 2023, Chapter 178
- 21 **17B-2a-1002** , as enacted by Laws of Utah 2007, Chapter 329 , as enacted by Laws of Utah 2007,
Chapter 329
- 22 **19-3-302** , as last amended by Laws of Utah 2011, Chapter 297 , as last amended by Laws of Utah
2011, Chapter 297
- 23 **19-3-318** , as enacted by Laws of Utah 1999, Chapter 190 , as enacted by Laws of Utah 1999,
Chapter 190
- 24 **26B-9-202** , as last amended by Laws of Utah 2024, Chapter 366 , as last amended by Laws of Utah
2024, Chapter 366
- 25 **31A-22-305** , as last amended by Laws of Utah 2024, Chapter 158 , as last amended by Laws of
Utah 2024, Chapter 158
- 26 **31A-22-305.3** , as last amended by Laws of Utah 2024, Chapter 158 , as last amended by Laws of
Utah 2024, Chapter 158
- 27 **32B-14-101** , as enacted by Laws of Utah 2010, Chapter 276 , as enacted by Laws of Utah 2010,
Chapter 276
- 28 **35A-8-301** , as last amended by Laws of Utah 2021, Chapter 339 , as last amended by Laws of Utah
2021, Chapter 339
- 29 **35A-8-310** , as enacted by Laws of Utah 2021, Chapter 339 and further amended by Revisor
Instructions, Laws of Utah 2021, Chapter 339 , as enacted by Laws of Utah 2021, Chapter 339 and
further amended by Revisor Instructions, Laws of Utah 2021, Chapter 339
- 31 **35A-8-1602** , as last amended by Laws of Utah 2013, Chapter 400 , as last amended by Laws of
Utah 2013, Chapter 400
- 32 **35A-8-1703** , as last amended by Laws of Utah 2019, Chapter 136 , as last amended by Laws of
Utah 2019, Chapter 136
- 33 **35A-8-1704** , as last amended by Laws of Utah 2019, Chapter 136 , as last amended by Laws of
Utah 2019, Chapter 136
- 34 **53B-9-101** , as last amended by Laws of Utah 2021, Chapter 203 , as last amended by Laws of Utah
2021, Chapter 203
- 35 **53E-4-301.5** , as last amended by Laws of Utah 2019, Chapter 186 , as last amended by Laws of
Utah 2019, Chapter 186

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- 36 **54-5-1.5** , as last amended by Laws of Utah 2023, Chapter 23 , as last amended by Laws of Utah
2023, Chapter 23
- 37 **59-12-202** , as last amended by Laws of Utah 1994, Chapter 259 , as last amended by Laws of Utah
1994, Chapter 259
- 38 **59-12-701** , as last amended by Laws of Utah 2020, Chapter 419 , as last amended by Laws of Utah
2020, Chapter 419
- 39 **59-12-1401** , as last amended by Laws of Utah 2004, Chapter 317 , as last amended by Laws of
Utah 2004, Chapter 317
- 40 **63A-3-104** , as last amended by Laws of Utah 2016, Chapter 298 , as last amended by Laws of Utah
2016, Chapter 298
- 41 **63N-1a-305** , as renumbered and amended by Laws of Utah 2021, Chapter 282 , as renumbered and
amended by Laws of Utah 2021, Chapter 282
- 42 **64-9b-5** , as last amended by Laws of Utah 1997, Chapter 158 , as last amended by Laws of Utah
1997, Chapter 158
- 43 **64-13a-2** , as enacted by Laws of Utah 1985, Chapter 201 , as enacted by Laws of Utah 1985,
Chapter 201
- 44 **72-5-201** , as renumbered and amended by Laws of Utah 1998, Chapter 270 , as renumbered and
amended by Laws of Utah 1998, Chapter 270
- 45 **73-10-1** , as last amended by Laws of Utah 2020, Chapter 354 , as last amended by Laws of Utah
2020, Chapter 354
- 46 **77-37-1** , as enacted by Laws of Utah 1987, Chapter 194 , as enacted by Laws of Utah 1987,
Chapter 194
- 47 **78B-6-102** , as last amended by Laws of Utah 2019, Chapter 335 , as last amended by Laws of Utah
2019, Chapter 335
- 48 REPEALS:
- 49 **10-1-101** , as enacted by Laws of Utah 1977, Chapter 48 , as enacted by Laws of Utah 1977,
Chapter 48
- 50 **10-6-102** , as enacted by Laws of Utah 1979, Chapter 26 , as enacted by Laws of Utah 1979,
Chapter 26
- 51 **26B-5-502** , as renumbered and amended by Laws of Utah 2023, Chapter 308 , as renumbered and
amended by Laws of Utah 2023, Chapter 308

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52 **26B-9-102** , as renumbered and amended by Laws of Utah 2023, Chapter 305 , as renumbered and
amended by Laws of Utah 2023, Chapter 305

53 **34A-6-102** , as renumbered and amended by Laws of Utah 1997, Chapter 375 , as renumbered and
amended by Laws of Utah 1997, Chapter 375

54 **35A-8-1701 , as last amended by Laws of Utah 2019, Chapter 136 , as last amended by Laws
of Utah 2019, Chapter 136**

55 **53B-8a-114** , as enacted by Laws of Utah 1996, Second Special Session, Chapters 4, 4 , as enacted
by Laws of Utah 1996, Second Special Session, Chapters 4, 4

56 **63G-2-102** , as renumbered and amended by Laws of Utah 2008, Chapter 382 , as renumbered and
amended by Laws of Utah 2008, Chapter 382

57 **67-16-2** , as last amended by Laws of Utah 1989, Chapter 147 , as last amended by Laws of Utah
1989, Chapter 147

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

60 Section 1. Section **7-17-1** is amended to read:

61 **7-17-1. Effect of act.**

[It is the intent of the Legislature that the] The provisions of this act govern the rights,
duties and liabilities of borrowers and lenders with respect to reserve accounts established
before and after the effective date of this act.

65 Section 2. Section **17-19a-206** is amended to read:

66 **17-19a-206. Performance audit services.**

66 (1) In a county of the first class, the county auditor shall conduct a performance audit:

67 (a) as the county auditor deems appropriate, taking into account:

68 (i) the standards of the profession;

69 (ii) the county auditor's professional judgment; and

70 (iii) the county auditor's assessment of risk and materiality; or

71 (b) as requested and engaged by the county legislative body or county executive, in accordance with the
following:

73 (i) the county legislative body or county executive shall establish the goals and nature of the
performance audit;

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- (ii) the county auditor shall conduct the audit in a manner consistent with the county auditor's professional judgment and statutory duties; and
- 77 (iii) the county legislative body or county executive and the county auditor shall agree upon the prioritization and timing of the performance audit, with terms that are consistent with the county auditor's statutory duties and available resources.
- 80 (2)
- . (a) In a county of the second through sixth class, the county auditor shall conduct a performance audit under the direction and supervision of the county legislative body or county executive.
- 83 (b) The county legislative body or county executive shall establish the goals and nature of a performance audit conducted under Subsection (2)(a).
- 85 (3) A performance audit conducted under this section may include an assessment of the following:
- 87 (a) the honesty and integrity of financial and other affairs;
- 88 (b) the accuracy and reliability of financial and management reports;
- 89 (c) the adequacy of financial controls to safeguard public funds;
- 90 (d) the management and staff adherence to statute, ordinance, and policies~~[, and legislative intent]~~;
- 92 (e) the economy, efficiency, and effectiveness of operational performance;
- 93 (f) the accomplishment of intended objectives; and
- 94 (g) whether management, financial, and information systems are adequate and effective.
- 96 Section 3. Section **17B-2a-1002** is amended to read:
- 97 **17B-2a-1002. Purpose of water conservancy districts.**
- 97 (1) It is the ~~[intent of the Legislature and the]~~ policy of the state to:
- 98 (a) provide for the conservation and development of the water and land resources of the state;
- 100 (b) provide for the greatest beneficial use of water within the state;
- 101 (c) control and make use of all unappropriated waters in the state and to apply those waters to direct and supplemental beneficial uses including domestic, manufacturing, irrigation, and power;
- 104 (d) obtain from water in the state the highest duty for domestic uses and irrigation of lands in the state within the terms of applicable interstate compacts and other law;
- 106 (e) cooperate with the United States and its agencies under federal reclamation or other laws and to construct, finance, operate, and maintain works in the state; and
- 108 (f) promote the greater prosperity and general welfare of the people of the state by encouraging the organization of water conservancy districts.

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- 110 (2) The creation and operation of water conservancy districts are a public use to help accomplish the
[intent and]policy stated in Subsection (1) and will:
- 112 (a) be essentially for the benefit and advantage of the people of the state;
- 113 (b) indirectly benefit all industries of the state;
- 114 (c) indirectly benefit the state by increasing the value of taxable property in the state;
- 115 (d) directly benefit municipalities by providing adequate supplies of water for domestic use;
- 117 (e) directly benefit lands to be irrigated or drained;
- 118 (f) directly benefit lands now under irrigation by stabilizing the flow of water in streams and by
increasing flow and return flow of water to those streams; and
- 120 (g) promote the comfort, safety, and welfare of the people of the state.
- 122 Section 4. Section **19-3-302** is amended to read:
- 123 **19-3-302. Legislative assertions and findings.**
- 123 (1)
- . (a) The state~~[enacts this part to prevent]~~ :
- 124 (i) asserts a right and interest to prevent the placement of any high-level nuclear waste or greater
than class C radioactive waste in Utah~~[. The state also-]~~ ; and
- 126 (ii) recognizes that high-level nuclear waste or greater than class C radioactive waste may be placed
within the exterior boundaries of the state, pursuant to a license from the federal government, or
by the federal government itself, in violation of this state law.
- 130 (b) Due to this possibility, the state also ~~[enacts provisions in this part to regulate]~~ asserts an interest
in regulating transportation, transfer, storage, decay in storage, treatment, and disposal of any
high-level nuclear waste and greater than class C radioactive waste in Utah, thereby asserting and
protecting the state's interests in environmental and economic resources consistent with 42 U.S.C.A.
Sec. 2011 et seq., Atomic Energy Act and 42 U.S.C.A. Sec. 10101 et seq., Nuclear Waste Policy
Act, should the federal government decide to authorize any entity to operate, or operate itself, in
violation of this state law.
- 138 (2) ~~[Neither]~~ The state finds that the Atomic Energy Act nor the Nuclear Waste Policy Act provides
for siting a large privately owned high-level nuclear waste transfer, storage, decay in storage, or
treatment facility away from the vicinity of the reactors. The Atomic Energy Act and the Nuclear
Waste Policy Act specifically define authorized storage and disposal programs and activities. The
state in enacting this part is not preempted by federal law, since any proposed facilities that would

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be sited in Utah are not contemplated or authorized by federal law and, in any circumstance, this part is not contrary to or inconsistent with federal law or congressional intent.

- 146 (3) The state has environmental and economic interests which do not involve nuclear safety regulation, and which shall be considered and complied with in siting a high-level nuclear waste or greater than class C radioactive waste transfer, storage, decay in storage, treatment, or disposal facility and in transporting these wastes in the state.
- 150 (4) ~~[An additional primary purpose of this part is to ensure protection of]~~ The state also asserts an interest in protecting the state from nonradiological hazards associated with any waste transportation, transfer, storage, decay in storage, treatment, or disposal.
- 153 (5) The state recognizes the sovereign rights of Indian tribes within the state. However, any proposed transfer, storage, decay in storage, treatment, or disposal facility located on a reservation which directly affects and impacts state interests by creating off-reservation effects such as potential or actual degradation of soils and groundwater, potential or actual contamination of surface water, pollution of the ambient air, emergency planning costs, impacts on development, agriculture, and ranching, and increased transportation activity, is subject to state jurisdiction.
- 160 (6) There is no tradition of regulation by the Indian tribes in Utah of high-level nuclear waste or higher than class C radioactive waste. The state does have a long history of regulation of radioactive sources and natural resources and in the transfer, storage, treatment, and transportation of materials and wastes throughout the state. The state finds that its interests are even greater when nonmembers of an Indian tribe propose to locate a facility on tribal trust lands primarily to avoid state regulation and state authorities under federal law.
- 167 (7)
- . (a) This part ~~[is not intended to]~~ does not modify existing state requirements for obtaining environmental approvals, permits, and licenses, including surface and groundwater permits and air quality permits, when the permits are necessary under state and federal law to construct and operate a high-level nuclear waste or greater than class C radioactive waste transfer, storage, decay in storage, treatment, or disposal facility.
- 173 (b) Any source of air pollution proposed to be located within the state, including sources located within the boundaries of an Indian reservation, which will potentially or actually have a direct and significant impact on ambient air within the state, is required to obtain an approval order and permit from the state under Section 19-2-108.

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177 (c) Any facility which will potentially or actually have a significant impact on the state's surface or
groundwater resources is required to obtain a permit under Section 19-5-107 even if located within
the boundaries of an Indian reservation.

180 (8) The state finds that the transportation, transfer, storage, decay in storage, treatment, and disposal
of high-level nuclear waste and greater than class C radioactive waste within the state is an ultra-
hazardous activity which carries with it the risk that any release of waste may result in enormous
economic and human injury.

185 Section 5. Section **19-3-318** is amended to read:

186 **19-3-318. No limitation of liability regarding businesses involved in high level radioactive
waste.**

187 (1) As used in this section:

188 (a) "Controlling interest" means:

189 (i) the direct or indirect possession of the power to direct or cause the direction of the management
and policies of an organization, whether through the ownership of voting interests, by contract, or
otherwise; or

192 (ii) the direct or indirect possession of a 10% or greater equity interest in an organization.

194 (b) "Equity interest holder" means a shareholder, member, partner, limited partner, trust beneficiary, or
other person whose interest in an organization:

196 (i) is in the nature of an ownership interest;

197 (ii) entitles the person to participate in the profits and losses of the organization; or

198 (iii) is otherwise of a type generally considered to be an equity interest.

199 (c) "Organization" means a corporation, limited liability company, partnership, limited partnership,
limited liability partnership, joint venture, consortium, association, trust, or other entity formed to
undertake an enterprise or activity, whether or not for profit.

202 (d) "Parent organization" means an organization with a controlling interest in another organization.

204 (e)

. (i) "Subject activity" means:

205 (A) to arrange for or engage in the transportation or transfer of high level nuclear waste or greater
than class C radioactive waste to or from a storage facility in the state; or

208 (B) to arrange for or engage in the operation or maintenance of a storage facility or a transfer
facility for that waste.

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- 210 (ii) "Subject activity" does not include the transportation of high level nuclear waste or greater than
class C radioactive waste by a class I railroad that was doing business in the state as a common or
contract carrier by rail prior to January 1, 1999.
- 214 (f) "Subsidiary organization" means an organization in which a parent organization has a controlling
interest.
- 216 (2)
- . (a) The Legislature enacts this section because of the state's compelling interest in the transportation,
transfer, and storage of high level nuclear waste and greater than class C radioactive waste in this
state.~~[-]~~ Legislative ~~[intent]~~ findings and assertions supporting this section ~~[is]~~ are further described
in Section 19-3-302.
- 220 (b) ~~[Limited-]~~ The state finds that:
- 221 (i) liability for equity interest holders is a privilege, not a right, under the law and is meant to benefit the
state and its citizens~~[-An-]~~ ;
- 223 (ii) an organization engaging in subject activities has significant potential to affect the health, welfare,
or best interests of the state and should not have limited liability for its equity interest holders~~[-To~~
~~shield]~~ ; and
- 226 (iii) shielding equity interest holders from the debts and obligations of an organization engaged in
subject activities would have the effect of attracting capital to enterprises whose goals are contrary
to the state's interests.
- 229 (c) This section ~~[has the intent of revoking-]~~ revokes any and all statutory and common law grants of
limited liability for an equity interest holder of an organization that chooses to engage in a subject
activity in this state.
- 232 ~~[(d) This section shall be interpreted liberally to allow the greatest possible lawful recourse against an~~
~~equity interest holder of an organization engaged in a subject activity in this state for the debts and~~
~~liabilities of that organization.]~~
- 235 ~~[(e)]~~ (d) This section does not reduce or affect any liability limitation otherwise granted to an
organization by Utah law if that organization is not engaged in a subject activity in this state.
- 238 (3) Notwithstanding any law to the contrary, if a domestic or foreign organization engages in a subject
activity in this state, no equity interest holder of that organization enjoys any shield or limitation
of liability for the acts, omissions, debts, and obligations of the organization incurred in this state.

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Each equity interest holder of the organization is strictly and jointly and severally liable for all these obligations.

- 243 (4) Notwithstanding any law to the contrary, each officer and director of an organization engaged in a
subject activity in this state is individually liable for the acts, omissions, debts, and obligations of
the organization incurred in this state.
- 246 (5)
- . (a) Notwithstanding any law to the contrary, if a subsidiary organization is engaged in a subject activity
in this state, [~~then~~]each parent organization of the subsidiary is also considered to be engaged in
a subject activity in this state. Each parent organization's equity interest holders and officers and
directors are subject to this section to the same degree as the subsidiary's equity interest holders and
officers and directors.
- 251 (b) Subsection (5)(a) applies regardless of the number of parent organizations through which the
controlling interest passes in the relationship between the subsidiary and the ultimate parent
organization that controls the subsidiary.
- 254 (6) This section does not excuse or modify the requirements imposed upon an applicant for a license by
Subsection 19-3-306(9).

257 Section 6. Section **26B-9-202** is amended to read:

258 **26B-9-202. Common-law and statutory remedies augmented by act.**

- 258 (1) The state of Utah, exercising its police and sovereign power, declares that the common-law and
statutory remedies pertaining to family desertion and nonsupport of children shall be augmented by
this part, which is directed to the real and personal property resources of the responsible parents.
- 262 (2) [~~In order to render resources more immediately available to meet the needs of children, it is the
legislative intent that the~~] The remedies provided in this part are in addition to, and not in lieu of,
existing law.

265 [~~(3) It is declared to be the public policy of this state that this part be liberally construed and
administered to the end that children shall be maintained from the resources of responsible parents,
thereby relieving or avoiding, at least in part, the burden often borne by the general citizenry
through public assistance programs.]~~

270 Section 7. Section **31A-22-305** is amended to read:

271 **31A-22-305. Uninsured motorist coverage.**

- 271 (1) As used in this section, "covered persons" includes:

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- 272 (a) the named insured;
- 273 (b) for a claim arising on or after May 13, 2014, the named insured's dependent minor children;
- 275 (c) persons related to the named insured by blood, marriage, adoption, or guardianship, who are residents of the named insured's household, including those who usually make their home in the same household but temporarily live elsewhere;
- 278 (d) any person occupying or using a motor vehicle:
- 279 (i) referred to in the policy; or
- 280 (ii) owned by a self-insured; and
- 281 (e) any person who is entitled to recover damages against the owner or operator of the uninsured or underinsured motor vehicle because of bodily injury to or death of persons under Subsection (1)(a), (b), (c), or (d).
- 284 (2) As used in this section, "uninsured motor vehicle" includes:
- 285 (a)
- . (i) a motor vehicle, the operation, maintenance, or use of which is not covered under a liability policy at the time of an injury-causing occurrence; or
- 287 (ii)
- . (A) a motor vehicle covered with lower liability limits than required by Section 31A-22-304; and
- 289 (B) the motor vehicle described in Subsection (2)(a)(ii)(A) is uninsured to the extent of the deficiency;
- 291 (b) an unidentified motor vehicle that left the scene of an accident proximately caused by the motor vehicle operator;
- 293 (c) a motor vehicle covered by a liability policy, but coverage for an accident is disputed by the liability insurer for more than 60 days or continues to be disputed for more than 60 days; or
- 296 (d)
- . (i) an insured motor vehicle if, before or after the accident, the liability insurer of the motor vehicle is declared insolvent by a court of competent jurisdiction; and
- 298 (ii) the motor vehicle described in Subsection (2)(d)(i) is uninsured only to the extent that the claim against the insolvent insurer is not paid by a guaranty association or fund.
- 301 (3) Uninsured motorist coverage under Subsection 31A-22-302(1)(b) provides coverage for covered persons who are legally entitled to recover damages from owners or operators of uninsured motor vehicles because of bodily injury, sickness, disease, or death.
- 304 (4)

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- . (a) For new policies written on or after January 1, 2001, the limits of uninsured motorist coverage shall be equal to the lesser of the limits of the named insured's motor vehicle liability coverage or the maximum uninsured motorist coverage limits available by the insurer under the named insured's motor vehicle policy, unless a named insured rejects or purchases coverage in a lesser amount by signing an acknowledgment form that:
- 310 (i) is filed with the department;
- 311 (ii) is provided by the insurer;
- 312 (iii) waives the higher coverage;
- 313 (iv) need only state in this or similar language that uninsured motorist coverage provides benefits or protection to you and other covered persons for bodily injury resulting from an accident caused by the fault of another party where the other party has no liability insurance; and
- 317 (v) discloses the additional premiums required to purchase uninsured motorist coverage with limits equal to the lesser of the limits of the named insured's motor vehicle liability coverage or the maximum uninsured motorist coverage limits available by the insurer under the named insured's motor vehicle policy.
- 321 (b) Any selection or rejection under this Subsection (4) continues for that issuer of the liability coverage until the insured requests, in writing, a change of uninsured motorist coverage from that liability insurer.
- 324 (c)
- . (i) Subsections (4)(a) and (b) apply retroactively to any claim arising on or after January 1, 2001, for which, as of May 14, 2013, an insured has not made a written demand for arbitration or filed a complaint in a court of competent jurisdiction.
- 327 (ii) The Legislature finds that the retroactive application of Subsections (4)(a) and (b) clarifies [~~legislative intent~~] the application of law and does not enlarge, eliminate, or destroy vested rights.
- 330 (d) For purposes of this Subsection (4), "new policy" means:
- 331 (i) any policy that is issued which does not include a renewal or reinstatement of an existing policy; or
- 333 (ii) a change to an existing policy that results in:
- 334 (A) a named insured being added to or deleted from the policy; or
- 335 (B) a change in the limits of the named insured's motor vehicle liability coverage.
- 336 (e)
- .

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- (i) As used in this Subsection (4)(e), "additional motor vehicle" means a change that increases the total number of vehicles insured by the policy, and does not include replacement, substitute, or temporary vehicles.
- 339 (ii) The adding of an additional motor vehicle to an existing personal lines or commercial lines policy does not constitute a new policy for purposes of Subsection (4)(d).
- 342 (iii) If an additional motor vehicle is added to a personal lines policy where uninsured motorist coverage has been rejected, or where uninsured motorist limits are lower than the named insured's motor vehicle liability limits, the insurer shall provide a notice to a named insured within 30 days that:
- 346 (A) in the same manner as described in Subsection (4)(a)(iv), explains the purpose of uninsured motorist coverage; and
- 348 (B) encourages the named insured to contact the insurance company or insurance producer for quotes as to the additional premiums required to purchase uninsured motorist coverage with limits equal to the lesser of the limits of the named insured's motor vehicle liability coverage or the maximum uninsured motorist coverage limits available by the insurer under the named insured's motor vehicle policy.
- 354 (f) A change in policy number resulting from any policy change not identified under Subsection (4)(d) (ii) does not constitute a new policy.
- 356 (g)
- . (i) Subsection (4)(d) applies retroactively to any claim arising on or after January 1, 2001, for which, as of May 1, 2012, an insured has not made a written demand for arbitration or filed a complaint in a court of competent jurisdiction.
- 359 (ii) The Legislature finds that the retroactive application of Subsection (4):
- 360 (A) does not enlarge, eliminate, or destroy vested rights; and
- 361 (B) clarifies [~~legislative intent~~] the application of law.
- 362 (h) A self-insured, including a governmental entity, may elect to provide uninsured motorist coverage in an amount that is less than its maximum self-insured retention under Subsections (4)(a) and (5)(a) by issuing a declaratory memorandum or policy statement from the chief financial officer or chief risk officer that declares the:
- 366 (i) self-insured entity's coverage level; and
- 367 (ii) process for filing an uninsured motorist claim.

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- 368 (i) Uninsured motorist coverage may not be sold with limits that are less than the minimum bodily
injury limits for motor vehicle liability policies under Section 31A-22-304.
- 371 (j) The acknowledgment under Subsection (4)(a) continues for that issuer of the uninsured motorist
coverage until the named insured requests, in writing, different uninsured motorist coverage from
the insurer.
- 374 (k)
- . (i) In conjunction with the first two renewal notices sent after January 1, 2001, for policies existing
on that date, the insurer shall disclose in the same medium as the premium renewal notice, an
explanation of:
- 377 (A) the purpose of uninsured motorist coverage in the same manner as described in Subsection (4)
(a)(iv); and
- 379 (B) a disclosure of the additional premiums required to purchase uninsured motorist coverage with
limits equal to the lesser of the limits of the named insured's motor vehicle liability coverage
or the maximum uninsured motorist coverage limits available by the insurer under the named
insured's motor vehicle policy.
- 384 (ii) The disclosure required under Subsection (4)(k)(i) shall be sent to all named insureds that carry
uninsured motorist coverage limits in an amount less than the named insured's motor vehicle
liability policy limits or the maximum uninsured motorist coverage limits available by the insurer
under the named insured's motor vehicle policy.
- 389 (l) For purposes of this Subsection (4), a notice or disclosure sent to a named insured in a household
constitutes notice or disclosure to all insureds within the household.
- 391 (5)
- . (a)
- . (i) Except as provided in Subsection (5)(b), the named insured may reject uninsured motorist
coverage by an express writing to the insurer that provides liability coverage under Subsection
31A-22-302(1)(a).
- 394 (ii) This rejection shall be on a form provided by the insurer that includes a reasonable explanation
of the purpose of uninsured motorist coverage.
- 396 (iii) This rejection continues for that issuer of the liability coverage until the insured in writing
requests uninsured motorist coverage from that liability insurer.
- 398 (b)

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- (i) All persons, including governmental entities, that are engaged in the business of, or that accept payment for, transporting natural persons by motor vehicle, and all school districts that provide transportation services for their students, shall provide coverage for all motor vehicles used for that purpose, by purchase of a policy of insurance or by self-insurance, uninsured motorist coverage of at least \$25,000 per person and \$500,000 per accident.
- 404 (ii) This coverage is secondary to any other insurance covering an injured covered person.
- 406 (c) Uninsured motorist coverage:
- 407 (i) in order to avoid double recovery, does not cover any benefit under Title 34A, Chapter 2, Workers' Compensation Act, or Title 34A, Chapter 3, Utah Occupational Disease Act, provided by the workers' compensation insurance carrier, uninsured employer, the Uninsured Employers' Fund created in Section 34A-2-704, or the Employers' Reinsurance Fund created in Section 34A-2-702, except that:
- 413 (A) the covered person is credited an amount described in Subsection 34A-2-106(5); and
- 415 (B) the benefits described in this Subsection (5)(c)(i) do not need to be paid before an uninsured motorist claim may be pursued and resolved;
- 417 (ii) may not be subrogated by the workers' compensation insurance carrier, uninsured employer, the Uninsured Employers' Fund created in Section 34A-2-704, or the Employers' Reinsurance Fund created in Section 34A-2-702;
- 420 (iii) may not be reduced by any benefits provided by the workers' compensation insurance carrier, uninsured employer, the Uninsured Employers' Fund created in Section 34A-2-704, or the Employers' Reinsurance Fund created in Section 34A-2-702;
- 424 (iv) notwithstanding Subsection 31A-1-103(3)(f), may be reduced by health insurance subrogation only after the covered person has been made whole;
- 426 (v) may not be collected for bodily injury or death sustained by a person:
- 427 (A) while committing a violation of Section 41-1a-1314;
- 428 (B) who, as a passenger in a vehicle, has knowledge that the vehicle is being operated in violation of Section 41-1a-1314; or
- 430 (C) while committing a felony; and
- 431 (vi) notwithstanding Subsection (5)(c)(v), may be recovered:
- 432 (A) for a person under 18 years old who is injured within the scope of Subsection (5)(c)(v) but limited to medical and funeral expenses; or

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- 434 (B) by a law enforcement officer as defined in Section 53-13-103, who is injured within the course and
scope of the law enforcement officer's duties.
- 436 (d) As used in this Subsection (5), "motor vehicle" means the same as that term is defined in Section
41-1a-102.
- 438 (6) When a covered person alleges that an uninsured motor vehicle under Subsection (2)(b) proximately
caused an accident without touching the covered person or the motor vehicle occupied by the
covered person, the covered person shall show the existence of the uninsured motor vehicle by clear
and convincing evidence consisting of more than the covered person's testimony.
- 443 (7)
- . (a) The limit of liability for uninsured motorist coverage for two or more motor vehicles may not be
added together, combined, or stacked to determine the limit of insurance coverage available to an
injured person for any one accident.
- 446 (b)
- . (i) Subsection (7)(a) applies to all persons except a covered person as defined under Subsection (8)(b).
- 448 (ii) A covered person as defined under Subsection (8)(b)(ii) is entitled to the highest limits of uninsured
motorist coverage afforded for any one motor vehicle that the covered person is the named insured
or an insured family member.
- 451 (iii) This coverage shall be in addition to the coverage on the motor vehicle the covered person is
occupying.
- 453 (iv) Neither the primary nor the secondary coverage may be set off against the other.
- 454 (c) Coverage on a motor vehicle occupied at the time of an accident shall be primary coverage, and
the coverage elected by a person described under Subsections (1)(a) through (c) shall be secondary
coverage.
- 457 (8)
- . (a) Uninsured motorist coverage under this section applies to bodily injury, sickness, disease, or
death of covered persons while occupying or using a motor vehicle only if the motor vehicle is
described in the policy under which a claim is made, or if the motor vehicle is a newly acquired or
replacement motor vehicle covered under the terms of the policy. Except as provided in Subsection
(7) or this Subsection (8), a covered person injured in a motor vehicle described in a policy that
includes uninsured motorist benefits may not elect to collect uninsured motorist coverage benefits
from any other motor vehicle insurance policy under which the person is a covered person.

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- 466 (b) Each of the following persons may also recover uninsured motorist benefits under any one other
policy in which they are described as a "covered person" as defined in Subsection (1):
- 469 (i) a covered person injured as a pedestrian by an uninsured motor vehicle; and
- 470 (ii) except as provided in Subsection (8)(c), a covered person injured while occupying or using a motor
vehicle that is not owned, leased, or furnished:
- 472 (A) to the covered person;
- 473 (B) to the covered person's spouse; or
- 474 (C) to the covered person's resident parent or resident sibling.
- 475 (c)
- . (i) A covered person may recover benefits from no more than two additional policies, one additional
policy from each parent's household if the covered person is:
- 478 (A) a dependent minor of parents who reside in separate households; and
- 479 (B) injured while occupying or using a motor vehicle that is not owned, leased, or furnished:
- 481 (I) to the covered person;
- 482 (II) to the covered person's resident parent; or
- 483 (III) to the covered person's resident sibling.
- 484 (ii) Each parent's policy under this Subsection (8)(c) is liable only for the percentage of the damages
that the limit of liability of each parent's policy of uninsured motorist coverage bears to the total of
both parents' uninsured coverage applicable to the accident.
- 488 (d) A covered person's recovery under any available policies may not exceed the full amount of
damages.
- 490 (e) A covered person in Subsection (8)(b) is not barred against making subsequent elections if recovery
is unavailable under previous elections.
- 492 (f)
- . (i) As used in this section, "interpolicy stacking" means recovering benefits for a single incident of loss
under more than one insurance policy.
- 494 (ii) Except to the extent permitted by Subsection (7) and this Subsection (8), interpolicy stacking is
prohibited for uninsured motorist coverage.
- 496 (9)
- . (a) When a claim is brought by a named insured or a person described in Subsection (1) and is asserted
against the covered person's uninsured motorist carrier, the claimant may elect to resolve the claim:

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- 499 (i) by submitting the claim to binding arbitration; or
500 (ii) through litigation.
- 501 (b) Unless otherwise provided in the policy under which uninsured benefits are claimed, the election provided in Subsection (9)(a) is available to the claimant only, except that if the policy under which insured benefits are claimed provides that either an insured or the insurer may elect arbitration, the insured or the insurer may elect arbitration and that election to arbitrate shall stay the litigation of the claim under Subsection (9)(a)(ii).
- 507 (c) Once the claimant has elected to commence litigation under Subsection (9)(a)(ii), the claimant may not elect to resolve the claim through binding arbitration under this section without the written consent of the uninsured motorist carrier.
- 510 (d) For purposes of the statute of limitations applicable to a claim described in Subsection (9)(a), if the claimant does not elect to resolve the claim through litigation, the claim is considered filed when the claimant submits the claim to binding arbitration in accordance with this Subsection (9).
- 514 (e)
- . (i) Unless otherwise agreed to in writing by the parties, a claim that is submitted to binding arbitration under Subsection (9)(a)(i) shall be resolved by a single arbitrator.
- 517 (ii) All parties shall agree on the single arbitrator selected under Subsection (9)(e)(i).
- 518 (iii) If the parties are unable to agree on a single arbitrator as required under Subsection (9)(e)(ii), the parties shall select a panel of three arbitrators.
- 520 (f) If the parties select a panel of three arbitrators under Subsection (9)(e)(iii):
- 521 (i) each side shall select one arbitrator; and
- 522 (ii) the arbitrators appointed under Subsection (9)(f)(i) shall select one additional arbitrator to be included in the panel.
- 524 (g) Unless otherwise agreed to in writing:
- 525 (i) each party shall pay an equal share of the fees and costs of the arbitrator selected under Subsection (9)(e)(i); or
- 527 (ii) if an arbitration panel is selected under Subsection (9)(e)(iii):
- 528 (A) each party shall pay the fees and costs of the arbitrator selected by that party; and
- 530 (B) each party shall pay an equal share of the fees and costs of the arbitrator selected under Subsection (9)(f)(ii).
- 532

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- (h) Except as otherwise provided in this section or unless otherwise agreed to in writing by the parties, an arbitration proceeding conducted under this section shall be governed by Title 78B, Chapter 11, Utah Uniform Arbitration Act.
- 535 (i)
- . (i) The arbitration shall be conducted in accordance with Rules 26(a)(4) through (f), 27 through 37, 54, and 68 of the Utah Rules of Civil Procedure, once the requirements of Subsections (10)(a) through (c) are satisfied.
- 538 (ii) The specified tier as defined by Rule 26(c)(3) of the Utah Rules of Civil Procedure shall be determined based on the claimant's specific monetary amount in the written demand for payment of uninsured motorist coverage benefits as required in Subsection (10)(a)(i)(A).
- 542 (iii) Rules 26.1 and 26.2 of the Utah Rules of Civil Procedure do not apply to arbitration claims under this part.
- 544 (j) All issues of discovery shall be resolved by the arbitrator or the arbitration panel.
- 545 (k) A written decision by a single arbitrator or by a majority of the arbitration panel shall constitute a final decision.
- 547 (l)
- . (i) Except as provided in Subsection (10), the amount of an arbitration award may not exceed the uninsured motorist policy limits of all applicable uninsured motorist policies, including applicable uninsured motorist umbrella policies.
- 550 (ii) If the initial arbitration award exceeds the uninsured motorist policy limits of all applicable uninsured motorist policies, the arbitration award shall be reduced to an amount equal to the combined uninsured motorist policy limits of all applicable uninsured motorist policies.
- 554 (m) The arbitrator or arbitration panel may not decide the issues of coverage or extra-contractual damages, including:
- 556 (i) whether the claimant is a covered person;
- 557 (ii) whether the policy extends coverage to the loss; or
- 558 (iii) any allegations or claims asserting consequential damages or bad faith liability.
- 559 (n) The arbitrator or arbitration panel may not conduct arbitration on a class-wide or class-representative basis.

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- (o) If the arbitrator or arbitration panel finds that the action was not brought, pursued, or defended in good faith, the arbitrator or arbitration panel may award reasonable attorney fees and costs against the party that failed to bring, pursue, or defend the claim in good faith.
- 565 (p) An arbitration award issued under this section shall be the final resolution of all claims not excluded by Subsection (9)(m) between the parties unless:
- 567 (i) the award was procured by corruption, fraud, or other undue means; and
- 568 (ii) within 20 days after service of the arbitration award, a party:
- 569 (A) files a complaint requesting a trial de novo in a court with jurisdiction under Title 78A, Judiciary and Judicial Administration; and
- 571 (B) serves the nonmoving party with a copy of the complaint requesting a trial de novo under Subsection (9)(p)(ii)(A).
- 573 (q)
- . (i) Upon filing a complaint for a trial de novo under Subsection (9)(p), the claim shall proceed through litigation in accordance with the Utah Rules of Civil Procedure and Utah Rules of Evidence.
- 576 (ii) In accordance with Rule 38, Utah Rules of Civil Procedure, a party may request a jury trial with a complaint requesting a trial de novo under Subsection (9)(p)(ii)(A).
- 579 (r)
- . (i) If the claimant, as the moving party in a trial de novo requested under Subsection (9)(p), does not obtain a verdict that is at least \$5,000 and is at least 20% greater than the arbitration award, the claimant is responsible for all of the nonmoving party's costs.
- 583 (ii) If the uninsured motorist carrier, as the moving party in a trial de novo requested under Subsection (9)(p), does not obtain a verdict that is at least 20% less than the arbitration award, the uninsured motorist carrier is responsible for all of the nonmoving party's costs.
- 587 (iii) Except as provided in Subsection (9)(r)(iv), the costs under this Subsection (9)(r) shall include:
- 589 (A) any costs set forth in Rule 54(d), Utah Rules of Civil Procedure; and
- 590 (B) the costs of expert witnesses and depositions.
- 591 (iv) An award of costs under this Subsection (9)(r) may not exceed \$2,500 unless Subsection (10)(h)(iii) applies.
- 593 (s) For purposes of determining whether a party's verdict is greater or less than the arbitration award under Subsection (9)(r), a court may not consider any recovery or other relief granted on a claim for damages if the claim for damages:

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- 596 (i) was not fully disclosed in writing prior to the arbitration proceeding; or
597 (ii) was not disclosed in response to discovery contrary to the Utah Rules of Civil Procedure.
- 599 (t) If a court determines, upon a motion of the nonmoving party, that the moving party's use of the trial
de novo process was filed in bad faith in accordance with Section 78B-5-825, the court may award
reasonable attorney fees to the nonmoving party.
- 602 (u) Nothing in this section is intended to limit any claim under any other portion of an applicable
insurance policy.
- 604 (v) If there are multiple uninsured motorist policies, as set forth in Subsection (8), the claimant may
elect to arbitrate in one hearing the claims against all the uninsured motorist carriers.
- 607 (10)
- . (a) Within 30 days after a covered person elects to submit a claim for uninsured motorist benefits to
binding arbitration or files litigation, the covered person shall provide to the uninsured motorist
carrier:
- 610 (i) a written demand for payment of uninsured motorist coverage benefits, setting forth:
612 (A) subject to Subsection (10)(l), the specific monetary amount of the demand, including a computation
of the covered person's claimed past medical expenses, claimed past lost wages, and the other
claimed past economic damages; and
616 (B) the factual and legal basis and any supporting documentation for the demand;
- 617 (ii) a written statement under oath disclosing:
618 (A)
- . (I) the names and last known addresses of all health care providers who have rendered health care
services to the covered person that are material to the claims for which uninsured motorist benefits
are sought for a period of five years preceding the date of the event giving rise to the claim
for uninsured motorist benefits up to the time the election for arbitration or litigation has been
exercised; and
624 (II) the names and last known addresses of the health care providers who have rendered health care
services to the covered person, which the covered person claims are immaterial to the claims for
which uninsured motorist benefits are sought, for a period of five years preceding the date of
the event giving rise to the claim for uninsured motorist benefits up to the time the election for
arbitration or litigation has been exercised that have not been disclosed under Subsection (10)(a)(ii)
(A)(I);

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- 631 (B)
- . (I) the names and last known addresses of all health insurers or other entities to whom the covered person has submitted claims for health care services or benefits material to the claims for which uninsured motorist benefits are sought, for a period of five years preceding the date of the event giving rise to the claim for uninsured motorist benefits up to the time the election for arbitration or litigation has been exercised; and
 - 637 (II) the names and last known addresses of the health insurers or other entities to whom the covered person has submitted claims for health care services or benefits, which the covered person claims are immaterial to the claims for which uninsured motorist benefits are sought, for a period of five years preceding the date of the event giving rise to the claim for uninsured motorist benefits up to the time the election for arbitration or litigation have not been disclosed;
 - 644 (C) if lost wages, diminished earning capacity, or similar damages are claimed, all employers of the covered person for a period of five years preceding the date of the event giving rise to the claim for uninsured motorist benefits up to the time the election for arbitration or litigation has been exercised;
 - 648 (D) other documents to reasonably support the claims being asserted; and
 - 649 (E) all state and federal statutory lienholders including a statement as to whether the covered person is a recipient of Medicare or Medicaid benefits or Utah Children's Health Insurance Program benefits under Title 26B, Chapter 3, Part 9, Utah Children's Health Insurance Program, or if the claim is subject to any other state or federal statutory liens; and
 - 654 (iii) signed authorizations to allow the uninsured motorist carrier to only obtain records and billings from the individuals or entities disclosed under Subsections (10)(a)(ii)(A)(I), (B)(I), and (C).
- 657 (b)
- . (i) If the uninsured motorist carrier determines that the disclosure of undisclosed health care providers or health care insurers under Subsection (10)(a)(ii) is reasonably necessary, the uninsured motorist carrier may:
 - 660 (A) make a request for the disclosure of the identity of the health care providers or health care insurers; and
 - 662 (B) make a request for authorizations to allow the uninsured motorist carrier to only obtain records and billings from the individuals or entities not disclosed.
 - 664 (ii) If the covered person does not provide the requested information within 10 days:

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- 665 (A) the covered person shall disclose, in writing, the legal or factual basis for the failure to disclose the
health care providers or health care insurers; and
- 667 (B) either the covered person or the uninsured motorist carrier may request the arbitrator or arbitration
panel to resolve the issue of whether the identities or records are to be provided if the covered
person has elected arbitration.
- 670 (iii) The time periods imposed by Subsection (10)(c)(i) are tolled pending resolution of the dispute
concerning the disclosure and production of records of the health care providers or health care
insurers.
- 673 (c)
- . (i) An uninsured motorist carrier that receives an election for arbitration or a notice of filing litigation
and the demand for payment of uninsured motorist benefits under Subsection (10)(a)(i) shall have
a reasonable time, not to exceed 60 days from the date of the demand and receipt of the items
specified in Subsections (10)(a)(i) through (iii), to:
- 678 (A) provide a written response to the written demand for payment provided for in Subsection (10)
(a)(i);
- 680 (B) except as provided in Subsection (10)(c)(i)(C), tender the amount, if any, of the uninsured
motorist carrier's determination of the amount owed to the covered person; and
- 683 (C) if the covered person is a recipient of Medicare or Medicaid benefits or Utah Children's
Health Insurance Program benefits under Title 26B, Chapter 3, Part 9, Utah Children's Health
Insurance Program, or if the claim is subject to any other state or federal statutory liens, tender
the amount, if any, of the uninsured motorist carrier's determination of the amount owed to the
covered person less:
- 688 (I) if the amount of the state or federal statutory lien is established, the amount of the lien; or
- 690 (II) if the amount of the state or federal statutory lien is not established, two times the amount of the
medical expenses subject to the state or federal statutory lien until such time as the amount of the
state or federal statutory lien is established.
- 694 (ii) If the amount tendered by the uninsured motorist carrier under Subsection (10)(c)(i) is the total
amount of the uninsured motorist policy limits, the tendered amount shall be accepted by the
covered person.
- 697 (d) A covered person who receives a written response from an uninsured motorist carrier as provided
for in Subsection (10)(c)(i), may:

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- 699 (i) elect to accept the amount tendered in Subsection (10)(c)(i) as payment in full of all uninsured
motorist claims; or
- 701 (ii) elect to:
- 702 (A) accept the amount tendered in Subsection (10)(c)(i) as partial payment of all uninsured motorist
claims; and
- 704 (B) continue to litigate or arbitrate the remaining claim in accordance with the election made under
Subsections (9)(a) through (c).
- 706 (e) If a covered person elects to accept the amount tendered under Subsection (10)(c)(i) as partial
payment of all uninsured motorist claims, the final award obtained through arbitration, litigation,
or later settlement shall be reduced by any payment made by the uninsured motorist carrier under
Subsection (10)(c)(i).
- 710 (f) In an arbitration proceeding on the remaining uninsured claims:
- 711 (i) the parties may not disclose to the arbitrator or arbitration panel the amount paid under Subsection
(10)(c)(i) until after the arbitration award has been rendered; and
- 713 (ii) the parties may not disclose the amount of the limits of uninsured motorist benefits provided by the
policy.
- 715 (g) If the final award obtained through arbitration or litigation is greater than the average of the covered
person's initial written demand for payment provided for in Subsection (10)(a)(i) and the uninsured
motorist carrier's initial written response provided for in Subsection (10)(c)(i), the uninsured
motorist carrier shall pay:
- 719 (i) the final award obtained through arbitration or litigation, except that if the award exceeds the policy
limits of the subject uninsured motorist policy by more than \$15,000, the amount shall be reduced to
an amount equal to the policy limits plus \$15,000; and
- 723 (ii) any of the following applicable costs:
- 724 (A) any costs as set forth in Rule 54(d), Utah Rules of Civil Procedure;
- 725 (B) the arbitrator or arbitration panel's fee; and
- 726 (C) the reasonable costs of expert witnesses and depositions used in the presentation of evidence during
arbitration or litigation.
- 728 (h)
- . (i) The covered person shall provide an affidavit of costs within five days of an arbitration award.
- 730 (ii)

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- . (A) Objection to the affidavit of costs shall specify with particularity the costs to which the uninsured motorist carrier objects.
- 732 (B) The objection shall be resolved by the arbitrator or arbitration panel.
- 733 (iii) The award of costs by the arbitrator or arbitration panel under Subsection (10)(g)(ii) may not exceed \$5,000.
- 735 (i)
- . (i) A covered person shall disclose all material information, other than rebuttal evidence, within 30 days after a covered person elects to submit a claim for uninsured motorist coverage benefits to binding arbitration or files litigation as specified in Subsection (10)(a).
- 739 (ii) If the information under Subsection (10)(i)(i) is not disclosed, the covered person may not recover costs or any amounts in excess of the policy under Subsection (10)(g).
- 742 (j) This Subsection (10) does not limit any other cause of action that arose or may arise against the uninsured motorist carrier from the same dispute.
- 744 (k) The provisions of this Subsection (10) only apply to motor vehicle accidents that occur on or after March 30, 2010.
- 746 (l)
- . (i)
- . (A) The written demand requirement in Subsection (10)(a)(i)(A) does not affect the covered person's requirement to provide a computation of any other economic damages claimed, and the one or more respondents shall have a reasonable time after the receipt of the computation of any other economic damages claimed to conduct fact and expert discovery as to any additional damages claimed.
- 752 (B) The changes made by Laws of Utah 2014, Chapter 290, Section 10, and
- 753 Chapter 300, Section 10, to this Subsection (10)(l) and Subsection (10)(a)(i)(A) apply to a claim submitted to binding arbitration or through litigation on or after May 13, 2014.
- 755 (ii) The changes made by Laws of Utah 2014, Chapter 290, Section 10, and Chapter
- 756 300, Section 10, to Subsections (10)(a)(ii)(A)(II) and (B)(II) apply to any claim submitted to binding arbitration or through litigation on or after May 13, 2014.
- 758 (11)
- . (a) A person shall commence an action on a written policy or contract for uninsured motorist coverage within four years after the inception of loss.

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- 760 (b) Subsection (11)(a) shall apply to all claims that have not been time barred by Subsection
31A-21-313(1)(a) as of May 14, 2019.
- 763 Section 8. Section **31A-22-305.3** is amended to read:
- 764 **31A-22-305.3. Underinsured motorist coverage.**
- 764 (1) As used in this section:
- 765 (a) "Covered person" means the same as that term is defined in Section 31A-22-305.
- 766 (b)
- . (i) "Underinsured motor vehicle" includes a motor vehicle, the operation, maintenance, or use of
which is covered under a liability policy at the time of an injury-causing occurrence, but which
has insufficient liability coverage to compensate fully the injured party for all special and general
damages.
- 770 (ii) The term "underinsured motor vehicle" does not include:
- 771 (A) a motor vehicle that is covered under the liability coverage of the same policy that also contains the
underinsured motorist coverage;
- 773 (B) an uninsured motor vehicle as defined in Subsection 31A-22-305(2); or
- 774 (C) a motor vehicle owned or leased by:
- 775 (I) a named insured;
- 776 (II) a named insured's spouse; or
- 777 (III) a dependent of a named insured.
- 778 (2)
- . (a) Underinsured motorist coverage under Subsection 31A-22-302(1)(c) provides coverage for
a covered person who is legally entitled to recover damages from an owner or operator of an
underinsured motor vehicle because of bodily injury, sickness, disease, or death.
- 782 (b) A covered person occupying or using a motor vehicle owned, leased, or furnished to the covered
person, the covered person's spouse, or covered person's resident relative may recover underinsured
benefits only if the motor vehicle is:
- 785 (i) described in the policy under which a claim is made; or
- 786 (ii) a newly acquired or replacement motor vehicle covered under the terms of the policy.
- 788 (3)
- . (a) For purposes of this Subsection (3), "new policy" means:
- 789 (i) any policy that is issued that does not include a renewal or reinstatement of an existing policy; or

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- 791 (ii) a change to an existing policy that results in:
- 792 (A) a named insured being added to or deleted from the policy; or
- 793 (B) a change in the limits of the named insured's motor vehicle liability coverage.
- 794 (b) For new policies written on or after January 1, 2001, the limits of underinsured motorist coverage shall be equal to the lesser of the limits of the named insured's motor vehicle liability coverage or the maximum underinsured motorist coverage limits available by the insurer under the named insured's motor vehicle policy, unless a named insured rejects or purchases coverage in a lesser amount by signing an acknowledgment form that:
- 800 (i) is filed with the department;
- 801 (ii) is provided by the insurer;
- 802 (iii) waives the higher coverage;
- 803 (iv) need only state in this or similar language that "underinsured motorist coverage provides benefits or protection to you and other covered persons for bodily injury resulting from an accident caused by the fault of another party where the other party has insufficient liability insurance"; and
- 807 (v) discloses the additional premiums required to purchase underinsured motorist coverage with limits equal to the lesser of the limits of the named insured's motor vehicle liability coverage or the maximum underinsured motorist coverage limits available by the insurer under the named insured's motor vehicle policy.
- 811 (c) Any selection or rejection under Subsection (3)(b) continues for that issuer of the liability coverage until the insured requests, in writing, a change of underinsured motorist coverage from that liability insurer.
- 814 (d)
- . (i) Subsections (3)(b) and (c) apply retroactively to any claim arising on or after January 1, 2001, for which, as of May 14, 2013, an insured has not made a written demand for arbitration or filed a complaint in a court of competent jurisdiction.
- 817 (ii) The Legislature finds that the retroactive application of Subsections (3)(b) and (c) clarifies [~~legislative intent~~] the application of law and does not enlarge, eliminate, or destroy vested rights.
- 820 (e)
- . (i) As used in this Subsection (3)(e), "additional motor vehicle" means a change that increases the total number of vehicles insured by the policy, and does not include replacement, substitute, or temporary vehicles.

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- 823 (ii) The adding of an additional motor vehicle to an existing personal lines or commercial lines policy does not constitute a new policy for purposes of Subsection (3)(a).
- 826 (iii) If an additional motor vehicle is added to a personal lines policy where underinsured motorist coverage has been rejected, or where underinsured motorist limits are lower than the named insured's motor vehicle liability limits, the insurer shall provide a notice to a named insured within 30 days that:
- 830 (A) in the same manner described in Subsection (3)(b)(iv), explains the purpose of underinsured motorist coverage; and
- 832 (B) encourages the named insured to contact the insurance company or insurance producer for quotes as to the additional premiums required to purchase underinsured motorist coverage with limits equal to the lesser of the limits of the named insured's motor vehicle liability coverage or the maximum underinsured motorist coverage limits available by the insurer under the named insured's motor vehicle policy.
- 838 (f) A change in policy number resulting from any policy change not identified under Subsection (3)(a) (ii) does not constitute a new policy.
- 840 (g)
- . (i) Subsection (3)(a) applies retroactively to any claim arising on or after January 1, 2001 for which, as of May 1, 2012, an insured has not made a written demand for arbitration or filed a complaint in a court of competent jurisdiction.
- 843 (ii) The Legislature finds that the retroactive application of Subsection (3)(a):
- 844 (A) does not enlarge, eliminate, or destroy vested rights; and
- 845 (B) clarifies legislative intent.
- 846 (h) A self-insured, including a governmental entity, may elect to provide underinsured motorist coverage in an amount that is less than its maximum self-insured retention under Subsections (3)(b) and (l) by issuing a declaratory memorandum or policy statement from the chief financial officer or chief risk officer that declares the:
- 850 (i) self-insured entity's coverage level; and
- 851 (ii) process for filing an underinsured motorist claim.
- 852 (i) Underinsured motorist coverage may not be sold with limits that are less than:
- 853 (i) \$10,000 for one person in any one accident; and
- 854 (ii) at least \$20,000 for two or more persons in any one accident.

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- 855 (j) An acknowledgment under Subsection (3)(b) continues for that issuer of the underinsured motorist coverage until the named insured, in writing, requests different underinsured motorist coverage from the insurer.
- 858 (k)
- . (i) The named insured's underinsured motorist coverage, as described in Subsection (2), is secondary to the liability coverage of an owner or operator of an underinsured motor vehicle, as described in Subsection (1).
- 861 (ii) Underinsured motorist coverage may not be set off against the liability coverage of the owner or operator of an underinsured motor vehicle, but shall be added to, combined with, or stacked upon the liability coverage of the owner or operator of the underinsured motor vehicle to determine the limit of coverage available to the injured person.
- 866 (l)
- . (i) In conjunction with the first two renewal notices sent after January 1, 2001, for policies existing on that date, the insurer shall disclose in the same medium as the premium renewal notice, an explanation of:
- 869 (A) the purpose of underinsured motorist coverage in the same manner as described in Subsection (3)(b)(iv); and
- 871 (B) a disclosure of the additional premiums required to purchase underinsured motorist coverage with limits equal to the lesser of the limits of the named insured's motor vehicle liability coverage or the maximum underinsured motorist coverage limits available by the insurer under the named insured's motor vehicle policy.
- 876 (ii) The disclosure required under this Subsection (3)(l) shall be sent to all named insureds that carry underinsured motorist coverage limits in an amount less than the named insured's motor vehicle liability policy limits or the maximum underinsured motorist coverage limits available by the insurer under the named insured's motor vehicle policy.
- 881 (m) For purposes of this Subsection (3), a notice or disclosure sent to a named insured in a household constitutes notice or disclosure to all insureds within the household.
- 883 (4)
- . (a)
- .

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- (i) Except as provided in this Subsection (4), a covered person injured in a motor vehicle described in a policy that includes underinsured motorist benefits may not elect to collect underinsured motorist coverage benefits from another motor vehicle insurance policy.
- 887 (ii) The limit of liability for underinsured motorist coverage for two or more motor vehicles may not be added together, combined, or stacked to determine the limit of insurance coverage available to an injured person for any one accident.
- 890 (iii) Subsection (4)(a)(ii) applies to all persons except a covered person described under Subsections (4)(b)(i) and (ii).
- 892 (b)
- . (i) A covered person injured as a pedestrian by an underinsured motor vehicle may recover underinsured motorist benefits under any one other policy in which they are described as a covered person.
- 895 (ii) Except as provided in Subsection (4)(b)(iii), a covered person injured while occupying, using, or maintaining a motor vehicle that is not owned, leased, or furnished to the covered person, the covered person's spouse, or the covered person's resident parent or resident sibling, may also recover benefits under any one other policy under which the covered person is also a covered person.
- 900 (iii)
- . (A) A covered person may recover benefits from no more than two additional policies, one additional policy from each parent's household if the covered person is:
- 903 (I) a dependent minor of parents who reside in separate households; and
- 904 (II) injured while occupying or using a motor vehicle that is not owned, leased, or furnished to the covered person, the covered person's resident parent, or the covered person's resident sibling.
- 907 (B) Each parent's policy under this Subsection (4)(b)(iii) is liable only for the percentage of the damages that the limit of liability of each parent's policy of underinsured motorist coverage bears to the total of both parents' underinsured coverage applicable to the accident.
- 911 (iv) A covered person's recovery under any available policies may not exceed the full amount of damages.
- 913 (v) Underinsured coverage on a motor vehicle occupied at the time of an accident is primary coverage, and the coverage elected by a person described under Subsections 31A-22-305(1)(a), (b), and (c) is secondary coverage.
- 916 (vi) The primary and the secondary coverage may not be set off against the other.

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- 917 (vii) A covered person as described under Subsection (4)(b)(i) or is entitled to the highest limits of
underinsured motorist coverage under only one additional policy per household applicable to that
covered person as a named insured, spouse, or relative.
- 921 (viii) A covered injured person is not barred against making subsequent elections if recovery is
unavailable under previous elections.
- 923 (ix)
- . (A) As used in this section, "interpolicy stacking" means recovering benefits for a single incident of loss
under more than one insurance policy.
- 925 (B) Except to the extent permitted by this Subsection (4), interpolicy stacking is prohibited for
underinsured motorist coverage.
- 927 (c) Underinsured motorist coverage:
- 928 (i) in order to avoid double recovery, does not cover any benefit under Title 34A, Chapter 2, Workers'
Compensation Act, or Title 34A, Chapter 3, Utah Occupational Disease Act, provided by the
workers' compensation insurance carrier, uninsured employer, the Uninsured Employers' Fund
created in Section 34A-2-704, or the Employers' Reinsurance Fund created in Section 34A-2-702,
except that:
- 934 (A) the covered person is credited an amount described in Subsection 34A-2-106(5); and
- 936 (B) the benefits described in this Subsection (4)(c)(i) do not need to be paid before an underinsured
motorist claim may be pursued and resolved.
- 938 (ii) may not be subrogated by a workers' compensation insurance carrier, uninsured employer, the
Uninsured Employers' Fund created in Section 34A-2-704, or the Employers' Reinsurance Fund
created in Section 34A-2-702;
- 941 (iii) may not be reduced by benefits provided by the workers' compensation insurance carrier, uninsured
employer, the Uninsured Employers' Fund created in Section 34A-2-704, or the Employers'
Reinsurance Fund created in Section 34A-2-702;
- 944 (iv) notwithstanding Subsection 31A-1-103(3)(f), may be reduced by health insurance subrogation only
after the covered person is made whole;
- 946 (v) may not be collected for bodily injury or death sustained by a person:
- 947 (A) while committing a violation of Section 41-1a-1314;
- 948 (B) who, as a passenger in a vehicle, has knowledge that the vehicle is being operated in violation of
Section 41-1a-1314; or

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- 950 (C) while committing a felony; and
951 (vi) notwithstanding Subsection (4)(c)(v), may be recovered:
952 (A) for a person younger than 18 years old who is injured within the scope of Subsection (4)(c)(v), but
is limited to medical and funeral expenses; or
954 (B) by a law enforcement officer as defined in Section 53-13-103, who is injured within the course and
scope of the law enforcement officer's duties.
- 956 (5)
. (a) Notwithstanding Section 31A-21-313, an action on a written policy or contract for underinsured
motorist coverage shall be commenced within four years after the inception of loss.
959 (b) The inception of the loss under Subsection 31A-21-313(1) for underinsured motorist claims occurs
upon the date of the settlement check representing the last liability policy payment.
962 (6) An underinsured motorist insurer does not have a right of reimbursement against a person liable for
the damages resulting from an injury-causing occurrence if the person's liability insurer has tendered
the policy limit and the limits have been accepted by the claimant.
966 (7) Except as otherwise provided in this section, a covered person may seek, subject to the terms and
conditions of the policy, additional coverage under any policy:
968 (a) that provides coverage for damages resulting from motor vehicle accidents; and
969 (b) that is not required to conform to Section 31A-22-302.
970 (8)
. (a) When a claim is brought by a named insured or a person described in Subsection 31A-22-305(1)
and is asserted against the covered person's underinsured motorist carrier, the claimant may elect to
resolve the claim:
973 (i) by submitting the claim to binding arbitration; or
974 (ii) through litigation.
975 (b) Unless otherwise provided in the policy under which underinsured benefits are claimed, the election
provided in Subsection (8)(a) is available to the claimant only, except that if the policy under which
insured benefits are claimed provides that either an insured or the insurer may elect arbitration, the
insured or the insurer may elect arbitration and that election to arbitrate shall stay the litigation of
the claim under Subsection (8)(a)(ii).

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- (c) Once a claimant elects to commence litigation under Subsection (8)(a)(ii), the claimant may not elect to resolve the claim through binding arbitration under this section without the written consent of the underinsured motorist coverage carrier.
- 984 (d) For purposes of the statute of limitations applicable to a claim described in Subsection (8)(a), if the claimant does not elect to resolve the claim through litigation, the claim is considered filed when the claimant submits the claim to binding arbitration in accordance with this Subsection (8).
- 988 (e)
- . (i) Unless otherwise agreed to in writing by the parties, a claim that is submitted to binding arbitration under Subsection (8)(a)(i) shall be resolved by a single arbitrator.
- 991 (ii) All parties shall agree on the single arbitrator selected under Subsection (8)(e)(i).
- 992 (iii) If the parties are unable to agree on a single arbitrator as required under Subsection (8)(e)(ii), the parties shall select a panel of three arbitrators.
- 994 (f) If the parties select a panel of three arbitrators under Subsection (8)(e)(iii):
- 995 (i) each side shall select one arbitrator; and
- 996 (ii) the arbitrators appointed under Subsection (8)(f)(i) shall select one additional arbitrator to be included in the panel.
- 998 (g) Unless otherwise agreed to in writing:
- 999 (i) each party shall pay an equal share of the fees and costs of the arbitrator selected under Subsection (8)(e)(i); or
- 1001 (ii) if an arbitration panel is selected under Subsection (8)(e)(iii):
- 1002 (A) each party shall pay the fees and costs of the arbitrator selected by that party; and
- 1004 (B) each party shall pay an equal share of the fees and costs of the arbitrator selected under Subsection (8)(f)(ii).
- 1006 (h) Except as otherwise provided in this section or unless otherwise agreed to in writing by the parties, an arbitration proceeding conducted under this section is governed by Title 78B, Chapter 11, Utah Uniform Arbitration Act.
- 1009 (i)
- . (i) The arbitration shall be conducted in accordance with Rules 26(a)(4) through (f), 27 through 37, 54, and 68 of the Utah Rules of Civil Procedure, once the requirements of Subsections (9)(a) through (c) are satisfied.
- 1012

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- (ii) The specified tier as defined by Rule 26(c)(3) of the Utah Rules of Civil Procedure shall be determined based on the claimant's specific monetary amount in the written demand for payment of uninsured motorist coverage benefits as required in Subsection (9)(a)(i)(A).
- 1016 (iii) Rules 26.1 and 26.2 of the Utah Rules of Civil Procedure do not apply to arbitration claims under this part.
- 1018 (j) An issue of discovery shall be resolved by the arbitrator or the arbitration panel.
- 1019 (k) A written decision by a single arbitrator or by a majority of the arbitration panel constitutes a final decision.
- 1021 (l)
 - . (i) Except as provided in Subsection (9), the amount of an arbitration award may not exceed the underinsured motorist policy limits of all applicable underinsured motorist policies, including applicable underinsured motorist umbrella policies.
- 1024 (ii) If the initial arbitration award exceeds the underinsured motorist policy limits of all applicable underinsured motorist policies, the arbitration award shall be reduced to an amount equal to the combined underinsured motorist policy limits of all applicable underinsured motorist policies.
- 1028 (m) The arbitrator or arbitration panel may not decide an issue of coverage or extra-contractual damages, including:
 - 1030 (i) whether the claimant is a covered person;
 - 1031 (ii) whether the policy extends coverage to the loss; or
 - 1032 (iii) an allegation or claim asserting consequential damages or bad faith liability.
- 1033 (n) The arbitrator or arbitration panel may not conduct arbitration on a class-wide or class-representative basis.
- 1035 (o) If the arbitrator or arbitration panel finds that the arbitration is not brought, pursued, or defended in good faith, the arbitrator or arbitration panel may award reasonable attorney fees and costs against the party that failed to bring, pursue, or defend the arbitration in good faith.
- 1039 (p) An arbitration award issued under this section shall be the final resolution of all claims not excluded by Subsection (8)(m) between the parties unless:
 - 1041 (i) the award is procured by corruption, fraud, or other undue means; or
 - 1042 (ii) either party, within 20 days after service of the arbitration award:
 - 1043 (A) files a complaint requesting a trial de novo in the a court with jurisdiction under Title 78A, Judiciary and Judicial Administration; and

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- 1045 (B) serves the nonmoving party with a copy of the complaint requesting a trial de novo under
Subsection (8)(p)(ii)(A).
- 1047 (q)
- . (i) Upon filing a complaint for a trial de novo under Subsection (8)(p), a claim shall proceed through
litigation in accordance with the Utah Rules of Civil Procedure and Utah Rules of Evidence.
- 1050 (ii) In accordance with Rule 38, Utah Rules of Civil Procedure, either party may request a jury trial with
a complaint requesting a trial de novo under Subsection (8)(p)(ii)(A).
- 1053 (r)
- . (i) If the claimant, as the moving party in a trial de novo requested under Subsection (8)(p), does not
obtain a verdict that is at least \$5,000 and is at least 20% greater than the arbitration award, the
claimant is responsible for all of the nonmoving party's costs.
- 1057 (ii) If the underinsured motorist carrier, as the moving party in a trial de novo requested under
Subsection (8)(p), does not obtain a verdict that is at least 20% less than the arbitration award, the
underinsured motorist carrier is responsible for all of the nonmoving party's costs.
- 1061 (iii) Except as provided in Subsection (8)(r)(iv), the costs under this Subsection (8)(r) shall include:
- 1063 (A) any costs set forth in Rule 54(d), Utah Rules of Civil Procedure; and
- 1064 (B) the costs of expert witnesses and depositions.
- 1065 (iv) An award of costs under this Subsection (8)(r) may not exceed \$2,500 unless Subsection (9)(h)(iii)
applies.
- 1067 (s) For purposes of determining whether a party's verdict is greater or less than the arbitration award
under Subsection (8)(r), a court may not consider any recovery or other relief granted on a claim for
damages if the claim for damages:
- 1070 (i) was not fully disclosed in writing prior to the arbitration proceeding; or
- 1071 (ii) was not disclosed in response to discovery contrary to the Utah Rules of Civil Procedure.
- 1073 (t) If a court determines, upon a motion of the nonmoving party, that a moving party's use of the trial
de novo process is filed in bad faith in accordance with Section 78B-5-825, the court may award
reasonable attorney fees to the nonmoving party.
- 1076 (u) Nothing in this section is intended to limit a claim under another portion of an applicable insurance
policy.
- 1078 (v) If there are multiple underinsured motorist policies, as set forth in Subsection (4), the claimant may
elect to arbitrate in one hearing the claims against all the underinsured motorist carriers.

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- 1081 (9)
- . (a) Within 30 days after a covered person elects to submit a claim for underinsured motorist benefits to binding arbitration or files litigation, the covered person shall provide to the underinsured motorist carrier:
- 1084 (i) a written demand for payment of underinsured motorist coverage benefits, setting forth:
- 1086 (A) subject to Subsection (9)(I), the specific monetary amount of the demand, including a computation of the covered person's claimed past medical expenses, claimed past lost wages, and all other claimed past economic damages; and
- 1090 (B) the factual and legal basis and any supporting documentation for the demand;
- 1091 (ii) a written statement under oath disclosing:
- 1092 (A)
- . (I) the names and last known addresses of all health care providers who have rendered health care services to the covered person that are material to the claims for which the underinsured motorist benefits are sought for a period of five years preceding the date of the event giving rise to the claim for underinsured motorist benefits up to the time the election for arbitration or litigation has been exercised; and
- 1098 (II) the names and last known addresses of the health care providers who have rendered health care services to the covered person, which the covered person claims are immaterial to the claims for which underinsured motorist benefits are sought, for a period of five years preceding the date of the event giving rise to the claim for underinsured motorist benefits up to the time the election for arbitration or litigation has been exercised that have not been disclosed under Subsection (9)(a)(ii) (A)(I);
- 1105 (B)
- . (I) the names and last known addresses of all health insurers or other entities to whom the covered person has submitted claims for health care services or benefits material to the claims for which underinsured motorist benefits are sought, for a period of five years preceding the date of the event giving rise to the claim for underinsured motorist benefits up to the time the election for arbitration or litigation has been exercised; and
- 1111 (II) the names and last known addresses of the health insurers or other entities to whom the covered person has submitted claims for health care services or benefits, which the covered person claims are immaterial to the claims for which underinsured motorist benefits are sought, for a period of five

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years preceding the date of the event giving rise to the claim for underinsured motorist benefits up to the time the election for arbitration or litigation have not been disclosed;

- 1118 (C) if lost wages, diminished earning capacity, or similar damages are claimed, all employers of the covered person for a period of five years preceding the date of the event giving rise to the claim for underinsured motorist benefits up to the time the election for arbitration or litigation has been exercised;
- 1122 (D) other documents to reasonably support the claims being asserted; and
- 1123 (E) all state and federal statutory lienholders including a statement as to whether the covered person is a recipient of Medicare or Medicaid benefits or Utah Children's Health Insurance Program benefits under Title 26B, Chapter 3, Part 9, Utah Children's Health Insurance Program, or if the claim is subject to any other state or federal statutory liens; and
- 1128 (iii) signed authorizations to allow the underinsured motorist carrier to only obtain records and billings from the individuals or entities disclosed under Subsections (9)(a)(ii)(A)(I), (B)(I), and (C).
- 1131 (b)
- . (i) If the underinsured motorist carrier determines that the disclosure of undisclosed health care providers or health care insurers under Subsection (9)(a)(ii) is reasonably necessary, the underinsured motorist carrier may:
- 1134 (A) make a request for the disclosure of the identity of the health care providers or health care insurers; and
- 1136 (B) make a request for authorizations to allow the underinsured motorist carrier to only obtain records and billings from the individuals or entities not disclosed.
- 1138 (ii) If the covered person does not provide the requested information within 10 days:
- 1139 (A) the covered person shall disclose, in writing, the legal or factual basis for the failure to disclose the health care providers or health care insurers; and
- 1141 (B) either the covered person or the underinsured motorist carrier may request the arbitrator or arbitration panel to resolve the issue of whether the identities or records are to be provided if the covered person has elected arbitration.
- 1144 (iii) The time periods imposed by Subsection (9)(c)(i) are tolled pending resolution of the dispute concerning the disclosure and production of records of the health care providers or health care insurers.

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- 1147 (c)
- . (i) An underinsured motorist carrier that receives an election for arbitration or a notice of filing litigation and the demand for payment of underinsured motorist benefits under Subsection (9)(a)(i) shall have a reasonable time, not to exceed 60 days from the date of the demand and receipt of the items specified in Subsections (9)(a)(i) through (iii), to:
- 1152 (A) provide a written response to the written demand for payment provided for in Subsection (9)(a)(i);
- 1154 (B) except as provided in Subsection (9)(c)(i)(C), tender the amount, if any, of the underinsured motorist carrier's determination of the amount owed to the covered person; and
- 1157 (C) if the covered person is a recipient of Medicare or Medicaid benefits or Utah Children's Health Insurance Program benefits under Title 26B, Chapter 3, Part 9, Utah Children's Health Insurance Program, or if the claim is subject to any other state or federal statutory liens, tender the amount, if any, of the underinsured motorist carrier's determination of the amount owed to the covered person less:
- 1163 (I) if the amount of the state or federal statutory lien is established, the amount of the lien; or
- 1165 (II) if the amount of the state or federal statutory lien is not established, two times the amount of the medical expenses subject to the state or federal statutory lien until such time as the amount of the state or federal statutory lien is established.
- 1169 (ii) If the amount tendered by the underinsured motorist carrier under Subsection (9)(c)(i) is the total amount of the underinsured motorist policy limits, the tendered amount shall be accepted by the covered person.
- 1172 (d) A covered person who receives a written response from an underinsured motorist carrier as provided for in Subsection (9)(c)(i), may:
- 1174 (i) elect to accept the amount tendered in Subsection (9)(c)(i) as payment in full of all underinsured motorist claims; or
- 1176 (ii) elect to:
- 1177 (A) accept the amount tendered in Subsection (9)(c)(i) as partial payment of all underinsured motorist claims; and
- 1179 (B) continue to litigate or arbitrate the remaining claim in accordance with the election made under Subsections (8)(a) through (c).

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- (e) If a covered person elects to accept the amount tendered under Subsection (9)(c)(i) as partial payment of all underinsured motorist claims, the final award obtained through arbitration, litigation, or later settlement shall be reduced by any payment made by the underinsured motorist carrier under Subsection (9)(c)(i).
- 1185 (f) In an arbitration proceeding on the remaining underinsured claims:
- 1186 (i) the parties may not disclose to the arbitrator or arbitration panel the amount paid under Subsection (9)(c)(i) until after the arbitration award has been rendered; and
- 1188 (ii) the parties may not disclose the amount of the limits of underinsured motorist benefits provided by the policy.
- 1190 (g) If the final award obtained through arbitration or litigation is greater than the average of the covered person's initial written demand for payment provided for in Subsection (9)(a)(i) and the underinsured motorist carrier's initial written response provided for in Subsection (9)(c)(i), the underinsured motorist carrier shall pay:
- 1194 (i) the final award obtained through arbitration or litigation, except that if the award exceeds the policy limits of the subject underinsured motorist policy by more than \$15,000, the amount shall be reduced to an amount equal to the policy limits plus \$15,000; and
- 1198 (ii) any of the following applicable costs:
- 1199 (A) any costs as set forth in Rule 54(d), Utah Rules of Civil Procedure;
- 1200 (B) the arbitrator or arbitration panel's fee; and
- 1201 (C) the reasonable costs of expert witnesses and depositions used in the presentation of evidence during arbitration or litigation.
- 1203 (h)
- . (i) The covered person shall provide an affidavit of costs within five days of an arbitration award.
- 1205 (ii)
- . (A) Objection to the affidavit of costs shall specify with particularity the costs to which the underinsured motorist carrier objects.
- 1207 (B) The objection shall be resolved by the arbitrator or arbitration panel.
- 1208 (iii) The award of costs by the arbitrator or arbitration panel under Subsection (9)(g)(ii) may not exceed \$5,000.
- 1210 (i)
- .

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- (i) A covered person shall disclose all material information, other than rebuttal evidence, within 30 days after a covered person elects to submit a claim for underinsured motorist coverage benefits to binding arbitration or files litigation as specified in Subsection (9)(a).
- 1214 (ii) If the information under Subsection (9)(i)(i) is not disclosed, the covered person may not recover costs or any amounts in excess of the policy under Subsection (9)(g).
- 1217 (j) This Subsection (9) does not limit any other cause of action that arose or may arise against the underinsured motorist carrier from the same dispute.
- 1219 (k) The provisions of this Subsection (9) only apply to motor vehicle accidents that occur on or after March 30, 2010.
- 1221 (l)
- . (i) The written demand requirement in Subsection (9)(a)(i)(A) does not affect the covered person's requirement to provide a computation of any other economic damages claimed, and the one or more respondents shall have a reasonable time after the receipt of the computation of any other economic damages claimed to conduct fact and expert discovery as to any additional damages claimed. The changes made by Laws of Utah 2014, Chapter 290, Section 11, and Chapter 300, Section 11, to this Subsection (9)(l) and Subsection (9)(a)(i)(A) apply to a claim submitted to binding arbitration or through litigation on or after May 13, 2014.
- 1229 (ii) The changes made by Laws of Utah 2014, Chapter 290, Section 11, and Chapter
- 1230 300, Section 11, under Subsections (9)(a)(ii)(A)(II) and (B)(II) apply to a claim submitted to binding arbitration or through litigation on or after May 13, 2014.
- 1233 Section 9. Section **32B-14-101** is amended to read:
- 1234 **32B-14-101. Legislative policy.**
- 1234 [~~(1) This chapter is known as the "Utah Beer Industry Distribution Act."~~]
- 1235 [~~(2)~~
- . ~~(a)] It is the policy of the Legislature to regulate and control the importation, sale, and distribution of beer within the state in the exercise of its powers under the Twenty-first Amendment to the Constitution of the United States and pursuant to the Utah Constitution.~~
- 1239 [~~(b) In furtherance of the policy described in Subsection (2)(a), this chapter is enacted to:~~]
- 1240 [~~(i) promote good faith and fair dealing in the business relationships between suppliers, wholesalers, and retailers of beer; and]~~
- 1242

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~~[(ii) provide for the establishment and maintenance of an orderly system for the distribution of beer in accordance with the laws of the state regulating the sale and distribution of beer to the public.]~~

1246 Section 10. Section **35A-8-301** is amended to read:

1247 **35A-8-301. Legislative policy.**

1247 (1) ~~[It is the intent of the Legislature to make available funds]~~ Funds received by the state from federal mineral lease revenues under Section 59-21-2, bonus payments on federal oil shale lease tracts U-A and U-B, and all other bonus payments on federal mineral leases are to be used for planning, construction and maintenance of public facilities, and provision of public service, subject to the limitations provided for in Section 35 of the Mineral Leasing Act of 1920 (41 Stat. 450, 30 U.S.C. Sec. 191).

1253 (2) To the extent allowed under the Mineral Leasing Act, any ambiguity as to whether a particular use of the lease revenue and bonus payments described in Subsection (1) is a permissible use under this part shall be resolved in favor of upholding the use.

1256 ~~{(3) } [The purpose of this part is to maximize the long term benefit of funds derived from these lease revenues and bonus payments by fostering funding mechanisms which will, consistent with sound financial practices, result in the greatest use of financial resources for the greatest number of citizens of this state, with priority]~~ Priority for the use of the funds described in Subsection (1) shall be given to those communities designated as impacted by the development of natural resources covered by the Mineral Leasing Act. }

1262 ~~{(4){} {(3)} }~~ The policy of this state is to promote cooperation and coordination between the state and the state's agencies and political subdivisions with individuals, firms, and business organizations engaged in the development of the natural resources of this state.

1266 Section 11. Section **35A-8-310** is amended to read:

1267 **35A-8-310. Application -- Retroactivity.**

1267 (1) The provisions of Laws of Utah 2021, Chapter 339, apply to any claim for which a court of competent jurisdiction has not issued a final unappealable judgment or order.

1269 (2) The Legislature finds that the provisions of Laws of Utah 2021, Chapter 339:

1270 (a) do not enlarge, eliminate, or destroy vested rights; and

1271 (b) clarify ~~[legislative intent]~~ application of the law.

1273 Section 12. Section **35A-8-1602** is amended to read:

1274 **35A-8-1602. Uintah Basin Revitalization Fund -- Deposits and contents.**

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- 1274 (1) In order to maximize the long-term benefit of severance taxes derived from lands held in trust by
the United States for the {T~~ribe and~~} its ~~{tribe and}~~ the ~~{tribe's}~~ Tribe's members by fostering
funding mechanisms that will, consistent with sound financial practices, result in the greatest
use of financial resources for the greatest number of citizens of the Uintah Basin, and in order to
promote cooperation and coordination between the state, its political subdivisions, Indian tribes, and
individuals, firms, and business organizations engaged in the development of oil and gas interests
held in trust for the {T~~ribe and~~} its ~~{tribe and}~~ the ~~{tribe's}~~ Tribe's members, there is created an
expendable special revenue fund entitled the "Uintah Basin Revitalization Fund."
- 1283 (2) The fund consists of all money deposited to the Revitalization Fund under this part and Section
59-5-116.
- 1285 (3)
- . (a) The Revitalization Fund shall earn interest.
- 1286 (b) All interest earned on fund money shall be deposited into the fund.
- 1288 Section 13. Section **35A-8-1703** is amended to read:
- 1289 **35A-8-1703. Purpose.**
- 1289 ~~[(1)]~~ The purpose of this part is to:
- 1290 ~~[(a)]~~ (1) maximize the long-term benefit of state severance taxes derived from lands in Utah held in
trust by the United States for the Navajo Nation and its members by fostering funding mechanisms
that will, consistent with sound financial practices, result in the greatest use of financial resources
for the greatest number of citizens of San Juan County; and
- 1295 ~~[(b)]~~ (2) promote cooperation and coordination between the state, its political subdivisions, Indian
tribes, and individuals, firms, and business organizations engaged in the development of oil and gas
interests in Utah held in trust by the United States for the Navajo Nation and its members.
- 1299 ~~[(2) Notwithstanding Subsection (1), the fund:]~~
- 1300 ~~[(a) consists of state severance tax money to be spent at the discretion of the state; and]~~
- 1301 ~~[(b) does not constitute a trust fund.]~~
- 1303 Section 14. Section **35A-8-1704** is amended to read:
- 1304 **35A-8-1704. Navajo Revitalization Fund.**
- 1304 (1)
- . (a) There is created an expendable special revenue fund called the "Navajo Revitalization Fund."
- 1306 (b) The revitalization fund shall consist of:

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- 1307 (i) money deposited to the revitalization fund under this part;
1308 (ii) money deposited to the revitalization fund under Section 59-5-119; and
1309 (iii) any loan repayment or interest on a loan issued under this part.
1310 (2)
. (a) The revitalization fund shall earn interest.
1311 (b) The interest earned on revitalization fund money shall be deposited into the fund.
1312 (3) Beginning for fiscal year 2010-11, the division may use revitalization fund money for the
administration of the revitalization fund, but this amount may not exceed 4% of the annual receipts
to the revitalization fund.

1315 (4) The fund:

1316 (a) consists of state severance tax money to be spent at the discretion of the state; and

1317 (b) does not constitute a trust fund.

1319 Section 15. Section **53B-9-101** is amended to read:

1320 **53B-9-101. Legislative findings on higher education for senior citizens and veterans --
Tuition exemption -- Quarterly registration fee.**

1321 (1) The Legislature finds that substantial benefits would accrue to the state, as well as those directly
involved, through making higher education more accessible to senior citizens and veterans who
generally find themselves with more time for learning but with less funds for such purposes.

1325 (2) [~~It is intended that an-~~] An institution of higher education shall allow Utah residents who have
reached 62 years [~~of age~~] old or are veterans as defined in Section 68-3-12.5 to enroll at the
institution, in classes for which they may be qualified, on the basis of surplus space in regularly
scheduled classes and in accordance with this chapter and implementing rules. [-]These persons
are exempt from tuition and other charges, except for a quarterly registration fee established by the
board.

1332 Section 16. Section **53E-4-301.5** is amended to read:

1333 **53E-4-301.5. Statewide assessment.**

1333 [~~(1) In enacting this part, the Legislature intends to determine the effectiveness of school districts and
schools in assisting students to master the fundamental educational skills toward which instruction is
directed.]~~

1336 [~~(2)~~] (1) The state board shall ensure that a statewide assessment provides the public, the Legislature,
the state board, school districts, public schools, and school teachers with:

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- 1338 (a) evaluative information regarding the various levels of proficiency achieved by students, so that they may have an additional tool to plan, measure, and evaluate the effectiveness of programs in the public schools; and
- 1341 (b) information to recognize excellence and to identify the need for additional resources or to reallocate educational resources in a manner to ensure educational opportunities for all students and to improve existing programs.
- 1345 Section 17. Section **54-5-1.5** is amended to read:
- 1346 **54-5-1.5. Special regulation fee -- Supplemental Levy Committee -- Supplemental fee -- Fee for electrical cooperatives.**
- 1347 (1) Legislative findings:
- 1348 (a) A special fee to defray the cost of regulation is imposed upon all public utilities subject to the jurisdiction of the Public Service Commission.
- 1350 (b) The special fee is in addition to any charge now assessed, levied, or required by law.
- 1351 (2)
- . (a) The executive director of the Department of Commerce shall determine the special fee for the Department of Commerce.
- 1353 (b) The chair of the Public Service Commission shall determine the special fee for the Public Service Commission.
- 1355 (c) The fee shall be assessed as a uniform percentage of the gross operating revenue for the preceding calendar year derived from each public utility's business and operations during that period within this state, excluding income derived from interstate business. Gross operating revenue shall not include income to a wholesale electric cooperative derived from the sale of power to a rural electric cooperative which resells that power within the state.
- 1361 (3)
- . (a) The executive director of the Department of Commerce shall notify each public utility subject to the provisions of this chapter of the amount of the fee.
- 1363 (b) The fee is due and payable on or before July 1 of each year.
- 1364 (4)
- . (a) There is created a restricted account within the General Fund known as the Public Utility Regulatory Restricted Account.
- 1366

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- (b) Notwithstanding Subsection 13-1-2(3)(c), the Department of Commerce shall deposit a fee assessed under this section into the Public Utility Regulatory Restricted Account.
- 1369 (c) Within appropriations by the Legislature:
- 1370 (i) the Department of Commerce may use the funds in the Public Utility Regulatory Restricted Account to administer:
- 1372 (A) the Division of Public Utilities; and
- 1373 (B) the Office of Consumer Services;
- 1374 (ii) the Public Service Commission may use the funds in the Public Utility Regulatory Restricted Account to administer the Public Service Commission; and
- 1376 (iii) the Division of Public Utilities may use the funds in the Public Utility Regulatory Restricted Account to administer the Utility Bill Assistance Program created under Section 54-4-42.
- 1379 (d) At the end of each fiscal year, the director of the Division of Finance shall transfer into the General Fund any balance in the Public Utility Regulatory Restricted Account in excess of \$3,000,000.
- 1382 (5)
- . (a) ~~[The Legislature intends that the public]~~ Subject to Subsection (5)(b), public utilities shall provide ~~[all of the]~~ funds for the administration, support, and maintenance of:
- 1385 (i) the Public Service Commission;
- 1386 (ii) state agencies within the Department of Commerce involved in the regulation of public utilities; and
- 1388 (iii) expenditures by the attorney general for utility regulation.
- 1389 (b) ~~[Notwithstanding Subsection (5)(a), the]~~ The fee imposed by Subsection (1) [shall] may not exceed the greater of:
- 1391 (i)
- . (A) for a public utility other than an electrical cooperative, .3% of the public utility's gross operating revenues for the preceding calendar year; or
- 1393 (B) for an electrical cooperative, .15% of the electrical cooperative's gross operating revenues for the preceding calendar year; or
- 1395 (ii) \$50.
- 1396 (6)
- . (a) There is created a Supplemental Levy Committee to levy additional assessments on public utilities when unanticipated costs of regulation occur in any fiscal year.

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- 1398 (b) The Supplemental Levy Committee shall consist of:
- 1399 (i) one member selected by the executive director of the Department of Commerce;
- 1400 (ii) one member selected by the chairman of the Public Service Commission;
- 1401 (iii) two members selected by the three public utilities that paid the largest percent of the current
regulatory fee; and
- 1403 (iv) one member selected by the four appointed members.
- 1404 (c)
- . (i) The members of the Supplemental Levy Committee shall be selected within 10 working days after
the executive director of the Department of Commerce gives written notice to the Public Service
Commission and the public utilities that a supplemental levy committee is needed.
- 1408 (ii) If the members of the Supplemental Levy Committee have not been appointed within the time
prescribed, the governor shall appoint the members of the Supplemental Levy Committee.
- 1411 (d)
- . (i) During any state fiscal year, the Supplemental Levy Committee, by a majority vote and subject to
audit by the state auditor, may impose a supplemental fee on the regulated utilities for the purpose of
defraying any increased cost of regulation.
- 1414 (ii) The supplemental fee imposed upon the utilities shall equal a percentage of their gross operating
revenue for the preceding calendar year.
- 1416 (iii) The aggregate of all fees, including any supplemental fees assessed, shall not exceed .3% of the
gross operating revenue of the utilities assessed for the preceding calendar year.
- 1419 (iv) Payment of the supplemental fee is due within 30 days after receipt of the assessment.
- 1421 (v) The utility may, within 10 days after receipt of assessment, request a hearing before the Public
Service Commission if it questions the need for, or the reasonableness of, the supplemental fee.
- 1424 (e)
- . (i) Any supplemental fee collected to defray the cost of regulation shall be transferred to the state
treasurer as a departmental collection.
- 1426 (ii) Supplemental fees are excess collections, credited according to the procedures of Section 63J-1-105.
- 1428 (iii) Charges billed to the Department of Commerce by any other state department, institution, or
agency for services rendered in connection with regulation of a utility shall be credited by the state
treasurer from the special or supplemental fees collected to the appropriations account of the entity

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providing that service according to the procedures provided in Title 63J, Chapter 1, Budgetary Procedures Act.

1434 (7)

(a) For purposes of this section, "electrical cooperative" means:

1435 (i) a distribution electrical cooperative; or

1436 (ii) a wholesale electrical cooperative.

1437 (b) Subject to Subsection (7)(c), if the regulation of one or more electrical cooperatives causes unanticipated costs of regulation in a fiscal year, the commission may impose a supplemental fee on the one or more electrical cooperatives in this state responsible for the increased cost of regulation.

1441 (c) The aggregate of all fees imposed under this section on an electrical cooperative in a calendar year shall not exceed the greater of:

1443 (i) .3% of the electrical cooperative's gross operating revenues for the preceding calendar year; or

1445 (ii) \$50.

1447 Section 18. Section **59-12-202** is amended to read:

1448 **59-12-202. Legislative findings -- Commission authority.**

1448 ~~[(1) It is the purpose of this part to provide the counties, cities, and towns of the state with an added source of revenue and to thereby assist them to meet their growing financial needs. It is the legislative intent that this added revenue be used to the greatest possible extent by the counties, cities, and towns to finance their capital outlay requirements and to service their bonded indebtedness.]~~

1453 ~~[(2)] (1) [It is the purpose of this part to provide an orderly and efficient system of administering, operating, and enforcing the state and local option sales and use tax.]~~The Legislature finds that[-] :

1456 (a) intervention by counties, cities, and towns into the administration, operation, and enforcement of the local sales and use tax, particularly in the hearing and appeal process, increases the cost of administering both the local option sales and use tax and the state sales and use tax proceedings, and substantially delays the receipt of revenues for counties, cities, towns, and the state~~[-The Legislature finds that] ; and~~

1461 (b) the interests and concerns of counties, cities, and towns can be adequately protected through the commission's enforcement efforts.~~[-It is therefore the Legislature's intent to grant the commission-]~~

1464 (2) The commission has exclusive authority to[-] :

1465

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(a) administer, operate, and enforce the local option sales and use tax, without interference from counties, cities, ~~[and] or towns[-and to-]~~ ; and

1467 (b) allow intervention by ~~[any]~~ a county, city, or town only in the limited circumstances where a particular hearing or appeal may result in a significant lessening of the revenues of ~~[any]~~ a single county, city, or town.

1471 Section 19. Section **59-12-701** is amended to read:

1472 **59-12-701. Legislative findings.**

The Utah Legislature finds and declares that:

1473 (1) ~~[Reereational-]~~ recreational and zoological facilities and the botanical, cultural, and zoological organizations of the state of Utah enhance the quality of life of Utah's citizens, as well as the continuing growth of Utah's tourist, convention, and recreational industries[-] ;

1477 (2) Utah was the first state in this nation to create and financially support a state arts agency and remains committed to the nurturing and growth of cultural pursuits[-] ;

1479 (3) Utah has provided, and intends to continue, the financial support of recreational and zoological facilities and the botanical, cultural, and zoological organizations of this state[-] ;

1481 (4) ~~[The-]~~ the state's support of its recreational and zoological facilities and its botanical, cultural, and zoological organizations has not been sufficient to assure the continuing existence and growth of these facilities and organizations, and the Legislature believes that local government may wish to play a greater role in the support of these organizations[-] ; and

1486 ~~[(5) Without jeopardizing the state's ongoing support of its recreational and zoological facilities and its botanical, cultural, and zoological organizations, the Legislature intends to permit the counties of the state of Utah to enhance public financial support of Utah's publicly owned or operated recreational and zoological facilities, and botanical, cultural, and zoological organizations owned or operated by institutions or private nonprofit organizations, through the imposition of a county sales and use tax.]~~

1492 ~~[(6)]~~ (5) ~~[In-]~~ in a county of the first class, it is necessary and appropriate to allocate a tax imposed under this part in a manner that provides adequate predictable support to a fixed number of botanical and cultural organizations and that gives the county legislative body discretion to allocate the tax revenues to other botanical and cultural organizations.

1497 Section 20. Section **59-12-1401** is amended to read:

1498 **59-12-1401. Purpose statement -- Definitions -- Scope of part.**

1498

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(1) ~~[The purpose of]~~ In relation to the tax imposed by this part~~[is the same for cities and towns as is stated in Section 59-12-701 for counties]~~ , the legislative findings described in Section 59-12-701 apply similarly to cities and towns as the findings apply to counties.

1501 (2) The definitions of Section 59-12-702 are incorporated into this part.

1502 (3) This part applies only to a city or town that is located within a county of the second, third, fourth, fifth, or sixth class as designated in Section 17-50-501.

1505 Section 21. Section **63A-3-104** is amended to read:

1506 **63A-3-104. Appropriation for contingency purposes -- Procedure for allotment.**

1506 (1)

(a) The Legislature shall determine the amount to be appropriated for contingency purposes, as well as the limits on the amount of any one allotment or total allotments to any one agency.

1509 (b) In advance of making ~~[any such]~~ an allotment described in Subsection (1), the governor shall notify the Legislature through the Office of the Legislative Fiscal Analyst, of ~~[his or her intent to do so]~~ the governor's intent to make an allotment, of the amount to be allotted, and the justification for the allotment.

1513 (2) ~~[It is the intent of the Legislature that such transfers]~~ Allotments described in this section:

1514 (a) shall be made only for unforeseeable emergencies~~[, and allotments shall]~~ ; and

1515 (b) may not be made to correct poor budgetary practices or for purposes having no existing appropriation or authorization.

1518 Section 22. Section **63N-1a-305** is amended to read:

1519 **63N-1a-305. Incentive review process.**

The ~~[Legislature intends that the office will]~~ office shall develop an incentives review process under the direction of the speaker of the House and the president of the Senate.

1522 Section 23. Section **64-9b-5** is amended to read:

1523 **64-9b-5. Use of earnings from jobs.**

~~[It is the legislative intent, and inmates are encouraged,]~~ Inmates are encouraged to use their personal earnings from jobs created under this chapter for the following:

1525 (1) for restitution to the victims of the inmate's criminal offense, where applicable;

1526 (2) for support of the inmate's family, where applicable;

1527 (3) for the inmate's personal use; and

1528

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(4) for reimbursement of security, operational, and other costs incurred by the Utah Correctional Industries Division of the department in administering these projects.

1531 Section 24. Section **64-13a-2** is amended to read:

1532 **64-13a-2. Division duties.**

[It is the intent of the Legislature in this chapter to:]

1533 [~~(1)~~ create a] The Division of Correctional Industries~~[-which]~~:

1534 [~~(a)~~] (1) is a self-supporting organization;

1535 [~~(b)~~] (2) is profit-oriented;

1536 [~~(c)~~] (3) generates revenue for its operations and capital investment;~~[-and]~~

1537 [~~(d)~~] (4) assumes responsibility for training offenders in general work habits, work skills, and specific training skills that increase their employment prospects when released;

1539 [~~(2)~~] (5) shall provide an environment for the operation of correctional industries that closely resembles the environment for the business operations of a private corporate entity; and

1542 [~~(3)~~] (6) [~~make the Division of Correctional Industries~~] is responsible for and accountable to the Legislature and to the governor for correctional industries programs in this state.

1545 Section 25. Section **72-5-201** is amended to read:

1546 **72-5-201. Legislative finding -- Ensuring access.**

1546 (1)

(a) The Legislature [~~recognizes~~] finds that highways provide tangible benefits to private and public lands of the state by providing access, allowing development, and facilitating production of income.

1549 (b) Many of those highways traverse state lands, including lands held by the state in trust for the school children and public institutions of the state.

1551 (c) Many of the existing highways have been previously established without an official grant of an easement or right of entry from this state, yet these highways often are the only access to private and public lands of the state.

1554 (2) The [~~Legislature intends to establish a means for ensuring~~] state shall ensure continued access to the private and public lands of the state for the good of the people, while fulfilling its fiduciary responsibilities toward the schoolchildren by protecting their trust holdings against loss.

1559 Section 26. Section **73-10-1** is amended to read:

1560 **73-10-1. State's policy -- Creation of revolving fund -- General construction of chapter.**

1561 (1)

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- . (a) The Legislature restates the following, previously-declared policies of the state of Utah ~~has heretofore declared~~:
- 1563 (i) ~~[by Section 73-1-1, Utah Code Annotated 1953, that,]~~"All waters in this state, whether above
or under the ground, are hereby declared to be the property of the public, subject to all existing
rights to the use thereof";
- 1566 (ii) ~~[by Section 73-1-3, Utah Code Annotated 1953, that]~~"Beneficial use shall be the basis, the
measure and the limit of all rights to the use of water in this state"; and
- 1568 (iii) ~~[by Section 17B-2a-1002 that the policy of the state is,]~~to "[~~-~~]obtain from water in the state the
highest duty for domestic uses and irrigation of lands in the state within the terms of applicable
interstate compacts and other law."
- 1571 (b) The Legislature by this chapter reiterates and reaffirms [~~such~~] the declaration of the public policy of
the state of Utah, described in Subsection (1)(a).
- 1573 (2) It is further declared to be the policy of this chapter and of the state of Utah, and the
~~[legislature]~~ Legislature recognizes:
- 1575 (a) that by construction of projects based upon sound engineering the waters within the various counties
of the state of Utah can be saved from waste and increased in efficiency of beneficial use by 25% to
100%;
- 1578 (b) that because of well-known conditions such as low prices and lack of market for farm products,
particularly the inefficiency of water supply because of lack of late season water and consequent
lack of financial strength, water users in small communities have been unable to build projects that
would provide full conservation and beneficial use for the limited water supply in this semiarid land;
- 1583 (c) that water, as the property of the public, should be so managed by the public that it can be put to the
highest use for public benefit;
- 1585 (d) that Congress of the United States has provided for the building of larger water conservation
projects throughout the semiarid states, payment of the capital costs without interest to be made by
the water users upon the basis of a fair portion of crop returns;
- 1589 (e) that the Congress of the United States has established in the department of interior and in the
department of agriculture, various agencies having authority to develop, protect, and aid in putting
to beneficial use the land and water resources of the United States and to cooperate with state
agencies having similar authority;

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(f) that the interests of the state of Utah require that means be provided for close cooperation between all state and federal agencies to the end that the underground waters and waters of the small streams of the state, and the lands thereunder, can be made to yield abundantly and increase the income and well-being of the citizens of the state; and

1598 (g) that it appears to be sound public policy for the state of Utah to provide a revolving fund, to be increased at each legislative session, to the end that every mountain stream and every water resource within the state can be made to render the highest beneficial service, such fund to be so administered that no project will be built except upon expert engineering, financial, and geological approval.

1603 [~~(3) All of the provisions of this chapter shall be liberally construed so as to carry out and put into force and effect the purposes and policies as hereinabove set forth.~~]

1606 Section 27. Section **77-37-1** is amended to read:

1607 **77-37-1. Legislative findings.**

1607 (1)

. (a) The Legislature recognizes the duty of victims and witnesses of crime to fully and voluntarily cooperate with law enforcement and prosecutorial agencies, the essential nature of citizen cooperation to state and local law enforcement efforts, and the general effectiveness and well-being of the criminal justice system of this state.~~[In this chapter, the Legislature declares its intent to]~~

1612 (b) The state shall ensure that all victims and witnesses of crime are treated with dignity, respect, courtesy, and sensitivity, and that the rights extended in this chapter to victims and witnesses of crime are honored and protected by law in a manner no less vigorous than protections afforded criminal defendants.

1616 (2)

. (a) The Legislature finds it is necessary to provide child victims and child witnesses with additional consideration and different treatment than that usually afforded to adults.~~[-]~~

1619 (b) The treatment should ensure that children's participation in the criminal justice process be conducted in the most effective and least traumatic, intrusive, or intimidating manner.

1623 Section 28. Section **78B-6-102** is amended to read:

1624 **78B-6-102. Legislative findings -- Best interest of child -- Interests of each party.**

1624 (1) ~~[It is the intent and desire of the Legislature that in-]~~ In every adoption, the best interest of the child should govern and be of foremost concern in ~~[the]~~ a court's determination.

1626

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- (2) The court shall make a specific finding regarding the best interest of the child, taking into consideration information provided to the court pursuant to the requirements of this chapter relating to the health, safety, and welfare of the child and the moral climate of the potential adoptive placement.
- 1630 (3) The Legislature finds that the rights and interests of all parties affected by an adoption proceeding must be considered and balanced in determining what constitutional protections and processes are necessary and appropriate.
- 1633 (4) The Legislature specifically finds that it is not in a child's best interest to be adopted by a person or persons who are cohabiting in a relationship that is not a legally valid and binding marriage under the laws of this state. Nothing in this section limits or prohibits the court's placement of a child with a single adult who is not cohabiting or a person who is a relative of the child or a recognized placement under the Indian Child Welfare Act, 25 U.S.C. Sec. 1901 et seq.
- 1639 (5) The Legislature also finds that:
- 1640 (a) the state has a compelling interest in providing stable and permanent homes for adoptive children in a prompt manner, in preventing the disruption of adoptive placements, and in holding parents accountable for meeting the needs of children;
- 1643 (b) an unmarried mother, faced with the responsibility of making crucial decisions about the future of a newborn child, is entitled to privacy, and has the right to make timely and appropriate decisions regarding her future and the future of the child, and is entitled to assurance regarding the permanence of an adoptive placement;
- 1647 (c) adoptive children have a right to permanence and stability in adoptive placements;
- 1648 (d) adoptive parents have a constitutionally protected liberty and privacy interest in retaining custody of an adopted child;
- 1650 (e) an unmarried biological father has an inchoate interest that acquires constitutional protection only when he demonstrates a timely and full commitment to the responsibilities of parenthood, both during pregnancy and upon the child's birth; and
- 1653 (f) the state has a compelling interest in requiring unmarried biological fathers to demonstrate commitment by providing appropriate medical care and financial support and by establishing legal paternity, in accordance with the requirements of this chapter.
- 1657 (6)

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- (a) In enacting this chapter, the Legislature has prescribed the conditions for determining whether an unmarried biological father's action is sufficiently prompt and substantial to require constitutional protection.
- 1660 (b) If an unmarried biological father fails to grasp the opportunities to establish a relationship with his child that are available to him, his biological parental interest may be lost entirely, or greatly diminished in constitutional significance by his failure to timely exercise it, or by his failure to strictly comply with the available legal steps to substantiate it.
- 1665 (c) A certain degree of finality is necessary in order to facilitate the state's compelling interest. The Legislature finds that the interests of the state, the mother, the child, and the adoptive parents described in this section outweigh the interest of an unmarried biological father who does not timely grasp the opportunity to establish and demonstrate a relationship with his child in accordance with the requirements of this chapter.
- 1671 (d) The Legislature finds no practical way to remove all risk of fraud or misrepresentation in adoption proceedings, and has provided a method for absolute protection of an unmarried biological father's rights by compliance with the provisions of this chapter. In balancing the rights and interests of the state, and of all parties affected by fraud, specifically the child, the adoptive parents, and the unmarried biological father, the Legislature has determined that the unmarried biological father is in the best position to prevent or ameliorate the effects of fraud and that, therefore, the burden of fraud shall be borne by him.
- 1679 (e) An unmarried biological father has the primary responsibility to protect his rights.
- 1680 (f) An unmarried biological father is presumed to know that the child may be adopted without his consent unless he strictly complies with the provisions of this chapter, manifests a prompt and full commitment to his parental responsibilities, and establishes paternity.
- 1684 (7) The Legislature finds that an unmarried mother has a right of privacy with regard to her pregnancy and adoption plan, and therefore has no legal obligation to disclose the identity of an unmarried biological father prior to or during an adoption proceeding, and has no obligation to volunteer information to the court with respect to the father.

1689 Section 29. **Repealer.**

This Bill Repeals:

1690 This bill repeals:

1691 Section **10-1-101, Short title.**

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- 1692 Section **10-6-102**, Legislative intent -- Purpose of chapter.
- 1693 Section **26B-5-502**, Statement of legislative intent.
- 1694 Section **26B-9-102**, Legislative intent -- Liberal construction.
- 1695 Section **34A-6-102**, Legislative intent.
- 1696 Section **35A-8-1701**, Title.
- 1697 Section **53B-8a-114**, Liberal construction.
- 1698 Section **63G-2-102**, Legislative intent.
- 1699 Section **67-16-2**, Purpose of chapter.
- 1700 Section 30. **Effective date.**

This bill takes effect on May 7, 2025.

2-11-25 8:03 PM