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Statutory Intent Amendments

2025 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Jordan D. Teuscher

Senate Sponsor:

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LONG TITLE**General Description:**

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

Highlighted Provisions:

This bill:

- ▶ removes certain statements of legislative intent and statutory interpretation;
- ▶ restates, modifies, replaces, or recharacterizes certain provisions that are stated in the form of legislative intent; and
- ▶ makes technical and conforming changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

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

17-19a-206, as last amended by Laws of Utah 2023, Chapter 178

17B-2a-1002, as enacted by Laws of Utah 2007, Chapter 329

19-3-302, as last amended by Laws of Utah 2011, Chapter 297

19-3-318, as enacted by Laws of Utah 1999, Chapter 190

26B-9-202, as last amended by Laws of Utah 2024, Chapter 366

31A-22-305, as last amended by Laws of Utah 2024, Chapter 158

31A-22-305.3, as last amended by Laws of Utah 2024, Chapter 158

32B-14-101, as enacted by Laws of Utah 2010, Chapter 276

35A-8-301, as last amended by Laws of Utah 2021, Chapter 339

35A-8-310, 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
 32 **35A-8-1703**, as last amended by Laws of Utah 2019, Chapter 136
 33 **35A-8-1704**, as last amended by Laws of Utah 2019, Chapter 136
 34 **53B-9-101**, 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
 36 **54-5-1.5**, as last amended by Laws of Utah 2023, Chapter 23
 37 **59-12-202**, as last amended by Laws of Utah 1994, Chapter 259
 38 **59-12-701**, as last amended by Laws of Utah 2020, Chapter 419
 39 **59-12-1401**, as last amended by Laws of Utah 2004, Chapter 317
 40 **63A-3-104**, 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
 42 **64-9b-5**, as last amended by Laws of Utah 1997, Chapter 158
 43 **64-13a-2**, as enacted by Laws of Utah 1985, Chapter 201
 44 **72-5-201**, 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
 46 **77-37-1**, as enacted by Laws of Utah 1987, Chapter 194
 47 **78B-6-102**, 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
 50 **10-6-102**, as enacted by Laws of Utah 1979, Chapter 26
 51 **26B-5-502**, as renumbered and amended by Laws of Utah 2023, Chapter 308
 52 **26B-9-102**, 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
 54 **53B-8a-114**, as enacted by Laws of Utah 1996, Second Special Session, Chapters 4, 4
 55 **63G-2-102**, as renumbered and amended by Laws of Utah 2008, Chapter 382
 56 **67-16-2**, as last amended by Laws of Utah 1989, Chapter 147

57

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

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

60 **7-17-1 . Effect of act.**

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

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

65 **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
- 72 accordance with the following:
- 73 (i) the county legislative body or county executive shall establish the goals and nature
- 74 of the performance audit;
- 75 (ii) the county auditor shall conduct the audit in a manner consistent with the county
- 76 auditor's professional judgment and statutory duties; and
- 77 (iii) the county legislative body or county executive and the county auditor shall
- 78 agree upon the prioritization and timing of the performance audit, with terms that
- 79 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
- 81 performance audit under the direction and supervision of the county legislative body
- 82 or county executive.
- 83 (b) The county legislative body or county executive shall establish the goals and nature
- 84 of a performance audit conducted under Subsection (2)(a).
- 85 (3) A performance audit conducted under this section may include an assessment of the
- 86 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~~
- 91 ~~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.

95 Section 3. Section **17B-2a-1002** is amended to read:

96 **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

- 99 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
- 102 waters to direct and supplemental beneficial uses including domestic, manufacturing,
- 103 irrigation, and power;
- 104 (d) obtain from water in the state the highest duty for domestic uses and irrigation of
- 105 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
- 107 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
- 109 encouraging the organization of water conservancy districts.
- 110 (2) The creation and operation of water conservancy districts are a public use to help
- 111 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
- 116 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
- 119 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.

121 Section 4. Section **19-3-302** is amended to read:

122 **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
- 125 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
- 127 may be placed within the exterior boundaries of the state, pursuant to a license
- 128 from the federal government, or by the federal government itself, in violation of
- 129 this state law.
- 130 (b) Due to this possibility, the state also ~~[enacts provisions in this part to regulate]~~ asserts
- 131 an interest in regulating transportation, transfer, storage, decay in storage, treatment,
- 132 and disposal of any high-level nuclear waste and greater than class C radioactive

133 waste in Utah, thereby asserting and protecting the state's interests in environmental
134 and economic resources consistent with 42 U.S.C.A. Sec. 2011 et seq., Atomic
135 Energy Act and 42 U.S.C.A. Sec. 10101 et seq., Nuclear Waste Policy Act, should
136 the federal government decide to authorize any entity to operate, or operate itself, in
137 violation of this state law.

138 (2) ~~[Neither]~~ The state finds that the Atomic Energy Act nor the Nuclear Waste Policy Act
139 provides for siting a large privately owned high-level nuclear waste transfer, storage,
140 decay in storage, or treatment facility away from the vicinity of the reactors. The
141 Atomic Energy Act and the Nuclear Waste Policy Act specifically define authorized
142 storage and disposal programs and activities. The state in enacting this part is not
143 preempted by federal law, since any proposed facilities that would be sited in Utah are
144 not contemplated or authorized by federal law and, in any circumstance, this part is not
145 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
147 regulation, and which shall be considered and complied with in siting a high-level
148 nuclear waste or greater than class C radioactive waste transfer, storage, decay in
149 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
151 asserts an interest in protecting the state from nonradiological hazards associated with
152 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
154 proposed transfer, storage, decay in storage, treatment, or disposal facility located on a
155 reservation which directly affects and impacts state interests by creating off-reservation
156 effects such as potential or actual degradation of soils and groundwater, potential or
157 actual contamination of surface water, pollution of the ambient air, emergency planning
158 costs, impacts on development, agriculture, and ranching, and increased transportation
159 activity, is subject to state jurisdiction.

160 (6) There is no tradition of regulation by the Indian tribes in Utah of high-level nuclear
161 waste or higher than class C radioactive waste. The state does have a long history of
162 regulation of radioactive sources and natural resources and in the transfer, storage,
163 treatment, and transportation of materials and wastes throughout the state. The state
164 finds that its interests are even greater when nonmembers of an Indian tribe propose to
165 locate a facility on tribal trust lands primarily to avoid state regulation and state
166 authorities under federal law.

- 167 (7)(a) This part [~~is not intended to~~] does not modify existing state requirements for
168 obtaining environmental approvals, permits, and licenses, including surface and
169 groundwater permits and air quality permits, when the permits are necessary under
170 state and federal law to construct and operate a high-level nuclear waste or greater
171 than class C radioactive waste transfer, storage, decay in storage, treatment, or
172 disposal facility.
- 173 (b) Any source of air pollution proposed to be located within the state, including sources
174 located within the boundaries of an Indian reservation, which will potentially or
175 actually have a direct and significant impact on ambient air within the state, is
176 required to obtain an approval order and permit from the state under Section 19-2-108.
- 177 (c) Any facility which will potentially or actually have a significant impact on the state's
178 surface or groundwater resources is required to obtain a permit under Section
179 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
181 disposal of high-level nuclear waste and greater than class C radioactive waste within
182 the state is an ultra-hazardous activity which carries with it the risk that any release of
183 waste may result in enormous economic and human injury.
- 184 Section 5. Section **19-3-318** is amended to read:
- 185 **19-3-318 . No limitation of liability regarding businesses involved in high level**
186 **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
190 management and policies of an organization, whether through the ownership of
191 voting interests, by contract, or otherwise; or
- 192 (ii) the direct or indirect possession of a 10% or greater equity interest in an
193 organization.
- 194 (b) "Equity interest holder" means a shareholder, member, partner, limited partner, trust
195 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
200 partnership, limited liability partnership, joint venture, consortium, association, trust,

201 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
203 organization.

204 (e)(i) "Subject activity" means:

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

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

210 (ii) "Subject activity" does not include the transportation of high level nuclear waste
211 or greater than class C radioactive waste by a class I railroad that was doing
212 business in the state as a common or contract carrier by rail prior to January 1,
213 1999.

214 (f) "Subsidiary organization" means an organization in which a parent organization has a
215 controlling interest.

216 (2)(a) The Legislature enacts this section because of the state's compelling interest in the
217 transportation, transfer, and storage of high level nuclear waste and greater than class
218 C radioactive waste in this state.~~[-] Legislative [intent] findings and assertions~~
219 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
222 meant to benefit the state and its citizens~~[-.An-]~~ ;

223 (ii) an organization engaging in subject activities has significant potential to affect
224 the health, welfare, or best interests of the state and should not have limited
225 liability for its equity interest holders~~[-.To shield]~~ ; and

226 (iii) shielding equity interest holders from the debts and obligations of an
227 organization engaged in subject activities would have the effect of attracting
228 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
230 law grants of limited liability for an equity interest holder of an organization that
231 chooses to engage in a subject activity in this state.

232 ~~[(d) This section shall be interpreted liberally to allow the greatest possible lawful~~
233 ~~recourse against an equity interest holder of an organization engaged in a subject~~
234 ~~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
 236 to an organization by Utah law if that organization is not engaged in a subject activity
 237 in this state.

238 (3) Notwithstanding any law to the contrary, if a domestic or foreign organization engages
 239 in a subject activity in this state, no equity interest holder of that organization enjoys any
 240 shield or limitation of liability for the acts, omissions, debts, and obligations of the
 241 organization incurred in this state. Each equity interest holder of the organization is
 242 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
 244 engaged in a subject activity in this state is individually liable for the acts, omissions,
 245 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
 247 a subject activity in this state, ~~[then]~~each parent organization of the subsidiary is also
 248 considered to be engaged in a subject activity in this state. Each parent organization's
 249 equity interest holders and officers and directors are subject to this section to the
 250 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
 252 which the controlling interest passes in the relationship between the subsidiary and
 253 the ultimate parent organization that controls the subsidiary.

254 (6) This section does not excuse or modify the requirements imposed upon an applicant for
 255 a license by Subsection 19-3-306(9).

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

257 **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
 259 common-law and statutory remedies pertaining to family desertion and nonsupport of
 260 children shall be augmented by this part, which is directed to the real and personal
 261 property resources of the responsible parents.

262 (2) ~~[In order to render resources more immediately available to meet the needs of children,~~
 263 ~~it is the legislative intent that the]~~ The remedies provided in this part are in addition to,
 264 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~~
 266 ~~and administered to the end that children shall be maintained from the resources of~~
 267 ~~responsible parents, thereby relieving or avoiding, at least in part, the burden often borne~~
 268 ~~by the general citizenry through public assistance programs.]~~

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

270 **31A-22-305 . Uninsured motorist coverage.**

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

272 (a) the named insured;

273 (b) for a claim arising on or after May 13, 2014, the named insured's dependent minor
274 children;

275 (c) persons related to the named insured by blood, marriage, adoption, or guardianship,
276 who are residents of the named insured's household, including those who usually
277 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
282 uninsured or underinsured motor vehicle because of bodily injury to or death of
283 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
286 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
288 31A-22-304; and

289 (B) the motor vehicle described in Subsection (2)(a)(ii)(A) is uninsured to the
290 extent of the deficiency;

291 (b) an unidentified motor vehicle that left the scene of an accident proximately caused
292 by the motor vehicle operator;

293 (c) a motor vehicle covered by a liability policy, but coverage for an accident is disputed
294 by the liability insurer for more than 60 days or continues to be disputed for more
295 than 60 days; or

296 (d)(i) an insured motor vehicle if, before or after the accident, the liability insurer of
297 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
299 that the claim against the insolvent insurer is not paid by a guaranty association or
300 fund.

301 (3) Uninsured motorist coverage under Subsection 31A-22-302(1)(b) provides coverage for
302 covered persons who are legally entitled to recover damages from owners or operators

- 303 of uninsured motor vehicles because of bodily injury, sickness, disease, or death.
- 304 (4)(a) For new policies written on or after January 1, 2001, the limits of uninsured
305 motorist coverage shall be equal to the lesser of the limits of the named insured's
306 motor vehicle liability coverage or the maximum uninsured motorist coverage limits
307 available by the insurer under the named insured's motor vehicle policy, unless a
308 named insured rejects or purchases coverage in a lesser amount by signing an
309 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
314 provides benefits or protection to you and other covered persons for bodily injury
315 resulting from an accident caused by the fault of another party where the other
316 party has no liability insurance; and
 - 317 (v) discloses the additional premiums required to purchase uninsured motorist
318 coverage with limits equal to the lesser of the limits of the named insured's motor
319 vehicle liability coverage or the maximum uninsured motorist coverage limits
320 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
322 liability coverage until the insured requests, in writing, a change of uninsured
323 motorist coverage from that liability insurer.
- 324 (c)(i) Subsections (4)(a) and (b) apply retroactively to any claim arising on or after
325 January 1, 2001, for which, as of May 14, 2013, an insured has not made a written
326 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)
328 clarifies ~~[legislative intent]~~ the application of law and does not enlarge, eliminate,
329 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
332 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)(i) As used in this Subsection (4)(e), "additional motor vehicle" means a change

- 337 that increases the total number of vehicles insured by the policy, and does not
338 include replacement, substitute, or temporary vehicles.
- 339 (ii) The adding of an additional motor vehicle to an existing personal lines or
340 commercial lines policy does not constitute a new policy for purposes of
341 Subsection (4)(d).
- 342 (iii) If an additional motor vehicle is added to a personal lines policy where uninsured
343 motorist coverage has been rejected, or where uninsured motorist limits are lower
344 than the named insured's motor vehicle liability limits, the insurer shall provide a
345 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
347 of uninsured motorist coverage; and
- 348 (B) encourages the named insured to contact the insurance company or insurance
349 producer for quotes as to the additional premiums required to purchase
350 uninsured motorist coverage with limits equal to the lesser of the limits of the
351 named insured's motor vehicle liability coverage or the maximum uninsured
352 motorist coverage limits available by the insurer under the named insured's
353 motor vehicle policy.
- 354 (f) A change in policy number resulting from any policy change not identified under
355 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
357 1, 2001, for which, as of May 1, 2012, an insured has not made a written demand
358 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
363 motorist coverage in an amount that is less than its maximum self-insured retention
364 under Subsections (4)(a) and (5)(a) by issuing a declaratory memorandum or policy
365 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.
- 368 (i) Uninsured motorist coverage may not be sold with limits that are less than the
369 minimum bodily injury limits for motor vehicle liability policies under Section
370 31A-22-304.

- 371 (j) The acknowledgment under Subsection (4)(a) continues for that issuer of the
372 uninsured motorist coverage until the named insured requests, in writing, different
373 uninsured motorist coverage from the insurer.
- 374 (k)(i) In conjunction with the first two renewal notices sent after January 1, 2001, for
375 policies existing on that date, the insurer shall disclose in the same medium as the
376 premium renewal notice, an explanation of:
- 377 (A) the purpose of uninsured motorist coverage in the same manner as described
378 in Subsection (4)(a)(iv); and
- 379 (B) a disclosure of the additional premiums required to purchase uninsured
380 motorist coverage with limits equal to the lesser of the limits of the named
381 insured's motor vehicle liability coverage or the maximum uninsured motorist
382 coverage limits available by the insurer under the named insured's motor
383 vehicle policy.
- 384 (ii) The disclosure required under Subsection (4)(k)(i) shall be sent to all named
385 insureds that carry uninsured motorist coverage limits in an amount less than the
386 named insured's motor vehicle liability policy limits or the maximum uninsured
387 motorist coverage limits available by the insurer under the named insured's motor
388 vehicle policy.
- 389 (l) For purposes of this Subsection (4), a notice or disclosure sent to a named insured in
390 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
392 uninsured motorist coverage by an express writing to the insurer that provides
393 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
395 reasonable explanation of the purpose of uninsured motorist coverage.
- 396 (iii) This rejection continues for that issuer of the liability coverage until the insured
397 in writing requests uninsured motorist coverage from that liability insurer.
- 398 (b)(i) All persons, including governmental entities, that are engaged in the business
399 of, or that accept payment for, transporting natural persons by motor vehicle, and
400 all school districts that provide transportation services for their students, shall
401 provide coverage for all motor vehicles used for that purpose, by purchase of a
402 policy of insurance or by self-insurance, uninsured motorist coverage of at least
403 \$25,000 per person and \$500,000 per accident.
- 404 (ii) This coverage is secondary to any other insurance covering an injured covered

- 405 person.
- 406 (c) Uninsured motorist coverage:
- 407 (i) in order to avoid double recovery, does not cover any benefit under Title 34A,
- 408 Chapter 2, Workers' Compensation Act, or Title 34A, Chapter 3, Utah
- 409 Occupational Disease Act, provided by the workers' compensation insurance
- 410 carrier, uninsured employer, the Uninsured Employers' Fund created in Section
- 411 34A-2-704, or the Employers' Reinsurance Fund created in Section 34A-2-702,
- 412 except that:
- 413 (A) the covered person is credited an amount described in Subsection
- 414 34A-2-106(5); and
- 415 (B) the benefits described in this Subsection (5)(c)(i) do not need to be paid before
- 416 an uninsured motorist claim may be pursued and resolved;
- 417 (ii) may not be subrogated by the workers' compensation insurance carrier, uninsured
- 418 employer, the Uninsured Employers' Fund created in Section 34A-2-704, or the
- 419 Employers' Reinsurance Fund created in Section 34A-2-702;
- 420 (iii) may not be reduced by any benefits provided by the workers' compensation
- 421 insurance carrier, uninsured employer, the Uninsured Employers' Fund created in
- 422 Section 34A-2-704, or the Employers' Reinsurance Fund created in Section
- 423 34A-2-702;
- 424 (iv) notwithstanding Subsection 31A-1-103(3)(f), may be reduced by health
- 425 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
- 429 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
- 433 (5)(c)(v) but limited to medical and funeral expenses; or
- 434 (B) by a law enforcement officer as defined in Section 53-13-103, who is injured
- 435 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
- 437 defined in Section 41-1a-102.
- 438 (6) When a covered person alleges that an uninsured motor vehicle under Subsection (2)(b)

439 proximately caused an accident without touching the covered person or the motor
440 vehicle occupied by the covered person, the covered person shall show the existence of
441 the uninsured motor vehicle by clear and convincing evidence consisting of more than
442 the covered person's testimony.

443 (7)(a) The limit of liability for uninsured motorist coverage for two or more motor
444 vehicles may not be added together, combined, or stacked to determine the limit of
445 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
447 under Subsection (8)(b).

448 (ii) A covered person as defined under Subsection (8)(b)(ii) is entitled to the highest
449 limits of uninsured motorist coverage afforded for any one motor vehicle that the
450 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
452 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
455 coverage, and the coverage elected by a person described under Subsections (1)(a)
456 through (c) shall be secondary coverage.

457 (8)(a) Uninsured motorist coverage under this section applies to bodily injury, sickness,
458 disease, or death of covered persons while occupying or using a motor vehicle only if
459 the motor vehicle is described in the policy under which a claim is made, or if the
460 motor vehicle is a newly acquired or replacement motor vehicle covered under the
461 terms of the policy. Except as provided in Subsection (7) or this Subsection (8), a
462 covered person injured in a motor vehicle described in a policy that includes
463 uninsured motorist benefits may not elect to collect uninsured motorist coverage
464 benefits from any other motor vehicle insurance policy under which the person is a
465 covered person.

466 (b) Each of the following persons may also recover uninsured motorist benefits under
467 any one other policy in which they are described as a "covered person" as defined in
468 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
471 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
476 policies, one additional policy from each parent's household if the covered person
477 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
480 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
485 of the damages that the limit of liability of each parent's policy of uninsured
486 motorist coverage bears to the total of both parents' uninsured coverage applicable
487 to the accident.
- 488 (d) A covered person's recovery under any available policies may not exceed the full
489 amount of damages.
- 490 (e) A covered person in Subsection (8)(b) is not barred against making subsequent
491 elections if recovery is unavailable under previous elections.
- 492 (f)(i) As used in this section, "interpolicy stacking" means recovering benefits for a
493 single incident of loss under more than one insurance policy.
- 494 (ii) Except to the extent permitted by Subsection (7) and this Subsection (8),
495 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
497 (1) and is asserted against the covered person's uninsured motorist carrier, the
498 claimant may elect to resolve the claim:
- 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,
502 the election provided in Subsection (9)(a) is available to the claimant only, except
503 that if the policy under which insured benefits are claimed provides that either an
504 insured or the insurer may elect arbitration, the insured or the insurer may elect
505 arbitration and that election to arbitrate shall stay the litigation of the claim under
506 Subsection (9)(a)(ii).

- 507 (c) Once the claimant has elected to commence litigation under Subsection (9)(a)(ii), the
508 claimant may not elect to resolve the claim through binding arbitration under this
509 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
511 Subsection (9)(a), if the claimant does not elect to resolve the claim through
512 litigation, the claim is considered filed when the claimant submits the claim to
513 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
515 binding arbitration under Subsection (9)(a)(i) shall be resolved by a single
516 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
519 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
523 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
526 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;
529 and
530 (B) each party shall pay an equal share of the fees and costs of the arbitrator
531 selected under Subsection (9)(f)(ii).
- 532 (h) Except as otherwise provided in this section or unless otherwise agreed to in writing
533 by the parties, an arbitration proceeding conducted under this section shall be
534 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
536 (f), 27 through 37, 54, and 68 of the Utah Rules of Civil Procedure, once the
537 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
539 Procedure shall be determined based on the claimant's specific monetary amount
540 in the written demand for payment of uninsured motorist coverage benefits as

- 541 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
543 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
546 constitute a final decision.
- 547 (l)(i) Except as provided in Subsection (10), the amount of an arbitration award may
548 not exceed the uninsured motorist policy limits of all applicable uninsured
549 motorist policies, including applicable uninsured motorist umbrella policies.
- 550 (ii) If the initial arbitration award exceeds the uninsured motorist policy limits of all
551 applicable uninsured motorist policies, the arbitration award shall be reduced to an
552 amount equal to the combined uninsured motorist policy limits of all applicable
553 uninsured motorist policies.
- 554 (m) The arbitrator or arbitration panel may not decide the issues of coverage or
555 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
560 class-representative basis.
- 561 (o) If the arbitrator or arbitration panel finds that the action was not brought, pursued, or
562 defended in good faith, the arbitrator or arbitration panel may award reasonable
563 attorney fees and costs against the party that failed to bring, pursue, or defend the
564 claim in good faith.
- 565 (p) An arbitration award issued under this section shall be the final resolution of all
566 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
570 Title 78A, Judiciary and Judicial Administration; and
- 571 (B) serves the nonmoving party with a copy of the complaint requesting a trial de
572 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
574 shall proceed through litigation in accordance with the Utah Rules of Civil

- 575 Procedure and Utah Rules of Evidence.
- 576 (ii) In accordance with Rule 38, Utah Rules of Civil Procedure, a party may request a
577 jury trial with a complaint requesting a trial de novo under Subsection
578 (9)(p)(ii)(A).
- 579 (r)(i) If the claimant, as the moving party in a trial de novo requested under
580 Subsection (9)(p), does not obtain a verdict that is at least \$5,000 and is at least
581 20% greater than the arbitration award, the claimant is responsible for all of the
582 nonmoving party's costs.
- 583 (ii) If the uninsured motorist carrier, as the moving party in a trial de novo requested
584 under Subsection (9)(p), does not obtain a verdict that is at least 20% less than the
585 arbitration award, the uninsured motorist carrier is responsible for all of the
586 nonmoving party's costs.
- 587 (iii) Except as provided in Subsection (9)(r)(iv), the costs under this Subsection (9)(r)
588 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
592 Subsection (10)(h)(iii) applies.
- 593 (s) For purposes of determining whether a party's verdict is greater or less than the
594 arbitration award under Subsection (9)(r), a court may not consider any recovery or
595 other relief granted on a claim for damages if the claim for damages:
- 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
598 Procedure.
- 599 (t) If a court determines, upon a motion of the nonmoving party, that the moving party's
600 use of the trial de novo process was filed in bad faith in accordance with Section
601 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
603 applicable insurance policy.
- 604 (v) If there are multiple uninsured motorist policies, as set forth in Subsection (8), the
605 claimant may elect to arbitrate in one hearing the claims against all the uninsured
606 motorist carriers.
- 607 (10)(a) Within 30 days after a covered person elects to submit a claim for uninsured
608 motorist benefits to binding arbitration or files litigation, the covered person shall

609 provide to the uninsured motorist carrier:

610 (i) a written demand for payment of uninsured motorist coverage benefits, setting
611 forth:

612 (A) subject to Subsection (10)(I), the specific monetary amount of the demand,
613 including a computation of the covered person's claimed past medical
614 expenses, claimed past lost wages, and the other claimed past economic
615 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
619 have rendered health care services to the covered person that are material to
620 the claims for which uninsured motorist benefits are sought for a period of
621 five years preceding the date of the event giving rise to the claim for
622 uninsured motorist benefits up to the time the election for arbitration or
623 litigation has been exercised; and

624 (II) the names and last known addresses of the health care providers who have
625 rendered health care services to the covered person, which the covered
626 person claims are immaterial to the claims for which uninsured motorist
627 benefits are sought, for a period of five years preceding the date of the event
628 giving rise to the claim for uninsured motorist benefits up to the time the
629 election for arbitration or litigation has been exercised that have not been
630 disclosed under Subsection (10)(a)(ii)(A)(I);

631 (B)(I) the names and last known addresses of all health insurers or other
632 entities to whom the covered person has submitted claims for health care
633 services or benefits material to the claims for which uninsured motorist
634 benefits are sought, for a period of five years preceding the date of the event
635 giving rise to the claim for uninsured motorist benefits up to the time the
636 election for arbitration or litigation has been exercised; and

637 (II) the names and last known addresses of the health insurers or other entities
638 to whom the covered person has submitted claims for health care services or
639 benefits, which the covered person claims are immaterial to the claims for
640 which uninsured motorist benefits are sought, for a period of five years
641 preceding the date of the event giving rise to the claim for uninsured
642 motorist benefits up to the time the election for arbitration or litigation have

- 643 not been disclosed;
- 644 (C) if lost wages, diminished earning capacity, or similar damages are claimed, all
645 employers of the covered person for a period of five years preceding the date
646 of the event giving rise to the claim for uninsured motorist benefits up to the
647 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
650 the covered person is a recipient of Medicare or Medicaid benefits or Utah
651 Children's Health Insurance Program benefits under Title 26B, Chapter 3, Part
652 9, Utah Children's Health Insurance Program, or if the claim is subject to any
653 other state or federal statutory liens; and
- 654 (iii) signed authorizations to allow the uninsured motorist carrier to only obtain
655 records and billings from the individuals or entities disclosed under Subsections
656 (10)(a)(ii)(A)(I), (B)(I), and (C).
- 657 (b)(i) If the uninsured motorist carrier determines that the disclosure of undisclosed
658 health care providers or health care insurers under Subsection (10)(a)(ii) is
659 reasonably necessary, the uninsured motorist carrier may:
- 660 (A) make a request for the disclosure of the identity of the health care providers or
661 health care insurers; and
- 662 (B) make a request for authorizations to allow the uninsured motorist carrier to
663 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:
- 665 (A) the covered person shall disclose, in writing, the legal or factual basis for the
666 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
668 arbitrator or arbitration panel to resolve the issue of whether the identities or
669 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
671 of the dispute concerning the disclosure and production of records of the health
672 care providers or health care insurers.
- 673 (c)(i) An uninsured motorist carrier that receives an election for arbitration or a notice
674 of filing litigation and the demand for payment of uninsured motorist benefits
675 under Subsection (10)(a)(i) shall have a reasonable time, not to exceed 60 days
676 from the date of the demand and receipt of the items specified in Subsections

- 677 (10)(a)(i) through (iii), to:
- 678 (A) provide a written response to the written demand for payment provided for in
679 Subsection (10)(a)(i);
- 680 (B) except as provided in Subsection (10)(c)(i)(C), tender the amount, if any, of
681 the uninsured motorist carrier's determination of the amount owed to the
682 covered person; and
- 683 (C) if the covered person is a recipient of Medicare or Medicaid benefits or Utah
684 Children's Health Insurance Program benefits under Title 26B, Chapter 3, Part
685 9, Utah Children's Health Insurance Program, or if the claim is subject to any
686 other state or federal statutory liens, tender the amount, if any, of the uninsured
687 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
689 of the lien; or
- 690 (II) if the amount of the state or federal statutory lien is not established, two
691 times the amount of the medical expenses subject to the state or federal
692 statutory lien until such time as the amount of the state or federal statutory
693 lien is established.
- 694 (ii) If the amount tendered by the uninsured motorist carrier under Subsection
695 (10)(c)(i) is the total amount of the uninsured motorist policy limits, the tendered
696 amount shall be accepted by the covered person.
- 697 (d) A covered person who receives a written response from an uninsured motorist carrier
698 as provided for in Subsection (10)(c)(i), may:
- 699 (i) elect to accept the amount tendered in Subsection (10)(c)(i) as payment in full of
700 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
703 uninsured motorist claims; and
- 704 (B) continue to litigate or arbitrate the remaining claim in accordance with the
705 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)
707 as partial payment of all uninsured motorist claims, the final award obtained through
708 arbitration, litigation, or later settlement shall be reduced by any payment made by
709 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
712 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
714 benefits provided by the policy.
- 715 (g) If the final award obtained through arbitration or litigation is greater than the average
716 of the covered person's initial written demand for payment provided for in Subsection
717 (10)(a)(i) and the uninsured motorist carrier's initial written response provided for in
718 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
720 exceeds the policy limits of the subject uninsured motorist policy by more than
721 \$15,000, the amount shall be reduced to an amount equal to the policy limits plus
722 \$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
727 presentation of evidence during arbitration or litigation.
- 728 (h)(i) The covered person shall provide an affidavit of costs within five days of an
729 arbitration award.
730 (ii)(A) Objection to the affidavit of costs shall specify with particularity the costs
731 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
734 (10)(g)(ii) may not exceed \$5,000.
- 735 (i)(i) A covered person shall disclose all material information, other than rebuttal
736 evidence, within 30 days after a covered person elects to submit a claim for
737 uninsured motorist coverage benefits to binding arbitration or files litigation as
738 specified in Subsection (10)(a).
739 (ii) If the information under Subsection (10)(i)(i) is not disclosed, the covered person
740 may not recover costs or any amounts in excess of the policy under Subsection
741 (10)(g).
- 742 (j) This Subsection (10) does not limit any other cause of action that arose or may arise
743 against the uninsured motorist carrier from the same dispute.
- 744 (k) The provisions of this Subsection (10) only apply to motor vehicle accidents that

- 745 occur on or after March 30, 2010.
- 746 (l)(i)(A) The written demand requirement in Subsection (10)(a)(i)(A) does not
747 affect the covered person's requirement to provide a computation of any other
748 economic damages claimed, and the one or more respondents shall have a
749 reasonable time after the receipt of the computation of any other economic
750 damages claimed to conduct fact and expert discovery as to any additional
751 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
754 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
757 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
759 motorist coverage within four years after the inception of loss.
- 760 (b) Subsection (11)(a) shall apply to all claims that have not been time barred by
761 Subsection 31A-21-313(1)(a) as of May 14, 2019.
- 762 Section 8. Section **31A-22-305.3** is amended to read:
- 763 **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,
767 maintenance, or use of which is covered under a liability policy at the time of an
768 injury-causing occurrence, but which has insufficient liability coverage to
769 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
772 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

- 779 coverage for a covered person who is legally entitled to recover damages from an
780 owner or operator of an underinsured motor vehicle because of bodily injury,
781 sickness, disease, or death.
- 782 (b) A covered person occupying or using a motor vehicle owned, leased, or furnished to
783 the covered person, the covered person's spouse, or covered person's resident relative
784 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
787 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
790 existing policy; or
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
795 motorist coverage shall be equal to the lesser of the limits of the named insured's
796 motor vehicle liability coverage or the maximum underinsured motorist coverage
797 limits available by the insurer under the named insured's motor vehicle policy, unless
798 a named insured rejects or purchases coverage in a lesser amount by signing an
799 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
804 provides benefits or protection to you and other covered persons for bodily injury
805 resulting from an accident caused by the fault of another party where the other
806 party has insufficient liability insurance"; and
807 (v) discloses the additional premiums required to purchase underinsured motorist
808 coverage with limits equal to the lesser of the limits of the named insured's motor
809 vehicle liability coverage or the maximum underinsured motorist coverage limits
810 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
812 liability coverage until the insured requests, in writing, a change of underinsured

- 813 motorist coverage from that liability insurer.
- 814 (d)(i) Subsections (3)(b) and (c) apply retroactively to any claim arising on or after
815 January 1, 2001, for which, as of May 14, 2013, an insured has not made a written
816 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)
818 clarifies [~~legislative intent~~] the application of law and does not enlarge, eliminate,
819 or destroy vested rights.
- 820 (e)(i) As used in this Subsection (3)(e), "additional motor vehicle" means a change
821 that increases the total number of vehicles insured by the policy, and does not
822 include replacement, substitute, or temporary vehicles.
- 823 (ii) The adding of an additional motor vehicle to an existing personal lines or
824 commercial lines policy does not constitute a new policy for purposes of
825 Subsection (3)(a).
- 826 (iii) If an additional motor vehicle is added to a personal lines policy where
827 underinsured motorist coverage has been rejected, or where underinsured motorist
828 limits are lower than the named insured's motor vehicle liability limits, the insurer
829 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
831 underinsured motorist coverage; and
- 832 (B) encourages the named insured to contact the insurance company or insurance
833 producer for quotes as to the additional premiums required to purchase
834 underinsured motorist coverage with limits equal to the lesser of the limits of
835 the named insured's motor vehicle liability coverage or the maximum
836 underinsured motorist coverage limits available by the insurer under the named
837 insured's motor vehicle policy.
- 838 (f) A change in policy number resulting from any policy change not identified under
839 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
841 1, 2001 for which, as of May 1, 2012, an insured has not made a written demand
842 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

- 847 motorist coverage in an amount that is less than its maximum self-insured retention
848 under Subsections (3)(b) and (l) by issuing a declaratory memorandum or policy
849 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.
- 855 (j) An acknowledgment under Subsection (3)(b) continues for that issuer of the
856 underinsured motorist coverage until the named insured, in writing, requests different
857 underinsured motorist coverage from the insurer.
- 858 (k)(i) The named insured's underinsured motorist coverage, as described in
859 Subsection (2), is secondary to the liability coverage of an owner or operator of an
860 underinsured motor vehicle, as described in Subsection (1).
- 861 (ii) Underinsured motorist coverage may not be set off against the liability coverage
862 of the owner or operator of an underinsured motor vehicle, but shall be added to,
863 combined with, or stacked upon the liability coverage of the owner or operator of
864 the underinsured motor vehicle to determine the limit of coverage available to the
865 injured person.
- 866 (l)(i) In conjunction with the first two renewal notices sent after January 1, 2001, for
867 policies existing on that date, the insurer shall disclose in the same medium as the
868 premium renewal notice, an explanation of:
- 869 (A) the purpose of underinsured motorist coverage in the same manner as
870 described in Subsection (3)(b)(iv); and
 - 871 (B) a disclosure of the additional premiums required to purchase underinsured
872 motorist coverage with limits equal to the lesser of the limits of the named
873 insured's motor vehicle liability coverage or the maximum underinsured
874 motorist coverage limits available by the insurer under the named insured's
875 motor vehicle policy.
- 876 (ii) The disclosure required under this Subsection (3)(l) shall be sent to all named
877 insureds that carry underinsured motorist coverage limits in an amount less than
878 the named insured's motor vehicle liability policy limits or the maximum
879 underinsured motorist coverage limits available by the insurer under the named
880 insured's motor vehicle policy.

- 881 (m) For purposes of this Subsection (3), a notice or disclosure sent to a named insured in
882 a household constitutes notice or disclosure to all insureds within the household.
- 883 (4)(a)(i) Except as provided in this Subsection (4), a covered person injured in a
884 motor vehicle described in a policy that includes underinsured motorist benefits
885 may not elect to collect underinsured motorist coverage benefits from another
886 motor vehicle insurance policy.
- 887 (ii) The limit of liability for underinsured motorist coverage for two or more motor
888 vehicles may not be added together, combined, or stacked to determine the limit
889 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
891 under Subsections (4)(b)(i) and (ii).
- 892 (b)(i) A covered person injured as a pedestrian by an underinsured motor vehicle may
893 recover underinsured motorist benefits under any one other policy in which they
894 are described as a covered person.
- 895 (ii) Except as provided in Subsection (4)(b)(iii), a covered person injured while
896 occupying, using, or maintaining a motor vehicle that is not owned, leased, or
897 furnished to the covered person, the covered person's spouse, or the covered
898 person's resident parent or resident sibling, may also recover benefits under any
899 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
901 policies, one additional policy from each parent's household if the covered
902 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,
905 or furnished to the covered person, the covered person's resident parent, or
906 the covered person's resident sibling.
- 907 (B) Each parent's policy under this Subsection (4)(b)(iii) is liable only for the
908 percentage of the damages that the limit of liability of each parent's policy of
909 underinsured motorist coverage bears to the total of both parents' underinsured
910 coverage applicable to the accident.
- 911 (iv) A covered person's recovery under any available policies may not exceed the full
912 amount of damages.
- 913 (v) Underinsured coverage on a motor vehicle occupied at the time of an accident is
914 primary coverage, and the coverage elected by a person described under

- 915 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.
- 917 (vii) A covered person as described under Subsection (4)(b)(i) or is entitled to the
918 highest limits of underinsured motorist coverage under only one additional policy
919 per household applicable to that covered person as a named insured, spouse, or
920 relative.
- 921 (viii) A covered injured person is not barred against making subsequent elections if
922 recovery is unavailable under previous elections.
- 923 (ix)(A) As used in this section, "interpolicy stacking" means recovering benefits
924 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
926 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,
929 Chapter 2, Workers' Compensation Act, or Title 34A, Chapter 3, Utah
930 Occupational Disease Act, provided by the workers' compensation insurance
931 carrier, uninsured employer, the Uninsured Employers' Fund created in Section
932 34A-2-704, or the Employers' Reinsurance Fund created in Section 34A-2-702,
933 except that:
- 934 (A) the covered person is credited an amount described in Subsection
935 34A-2-106(5); and
- 936 (B) the benefits described in this Subsection (4)(c)(i) do not need to be paid before
937 an underinsured motorist claim may be pursued and resolved.
- 938 (ii) may not be subrogated by a workers' compensation insurance carrier, uninsured
939 employer, the Uninsured Employers' Fund created in Section 34A-2-704, or the
940 Employers' Reinsurance Fund created in Section 34A-2-702;
- 941 (iii) may not be reduced by benefits provided by the workers' compensation insurance
942 carrier, uninsured employer, the Uninsured Employers' Fund created in Section
943 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
945 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

- 949 operated in violation of Section 41-1a-1314; or
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
953 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
955 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
957 underinsured motorist coverage shall be commenced within four years after the
958 inception of loss.
- 959 (b) The inception of the loss under Subsection 31A-21-313(1) for underinsured motorist
960 claims occurs upon the date of the settlement check representing the last liability
961 policy payment.
- 962 (6) An underinsured motorist insurer does not have a right of reimbursement against a
963 person liable for the damages resulting from an injury-causing occurrence if the person's
964 liability insurer has tendered the policy limit and the limits have been accepted by the
965 claimant.
- 966 (7) Except as otherwise provided in this section, a covered person may seek, subject to the
967 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
971 31A-22-305(1) and is asserted against the covered person's underinsured motorist
972 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
976 claimed, the election provided in Subsection (8)(a) is available to the claimant only,
977 except that if the policy under which insured benefits are claimed provides that either
978 an insured or the insurer may elect arbitration, the insured or the insurer may elect
979 arbitration and that election to arbitrate shall stay the litigation of the claim under
980 Subsection (8)(a)(ii).
- 981 (c) Once a claimant elects to commence litigation under Subsection (8)(a)(ii), the
982 claimant may not elect to resolve the claim through binding arbitration under this

- 983 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
985 Subsection (8)(a), if the claimant does not elect to resolve the claim through
986 litigation, the claim is considered filed when the claimant submits the claim to
987 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
989 binding arbitration under Subsection (8)(a)(i) shall be resolved by a single
990 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
993 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
997 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
1000 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;
1003 and
1004 (B) each party shall pay an equal share of the fees and costs of the arbitrator
1005 selected under Subsection (8)(f)(ii).
- 1006 (h) Except as otherwise provided in this section or unless otherwise agreed to in writing
1007 by the parties, an arbitration proceeding conducted under this section is governed by
1008 Title 78B, Chapter 11, Utah Uniform Arbitration Act.
- 1009 (i)(i) The arbitration shall be conducted in accordance with Rules 26(a)(4) through
1010 (f), 27 through 37, 54, and 68 of the Utah Rules of Civil Procedure, once the
1011 requirements of Subsections (9)(a) through (c) are satisfied.
- 1012 (ii) The specified tier as defined by Rule 26(c)(3) of the Utah Rules of Civil
1013 Procedure shall be determined based on the claimant's specific monetary amount
1014 in the written demand for payment of uninsured motorist coverage benefits as
1015 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

- 1017 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
1020 constitutes a final decision.
- 1021 (l)(i) Except as provided in Subsection (9), the amount of an arbitration award may
1022 not exceed the underinsured motorist policy limits of all applicable underinsured
1023 motorist policies, including applicable underinsured motorist umbrella policies.
- 1024 (ii) If the initial arbitration award exceeds the underinsured motorist policy limits of
1025 all applicable underinsured motorist policies, the arbitration award shall be
1026 reduced to an amount equal to the combined underinsured motorist policy limits
1027 of all applicable underinsured motorist policies.
- 1028 (m) The arbitrator or arbitration panel may not decide an issue of coverage or
1029 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
1034 class-representative basis.
- 1035 (o) If the arbitrator or arbitration panel finds that the arbitration is not brought, pursued,
1036 or defended in good faith, the arbitrator or arbitration panel may award reasonable
1037 attorney fees and costs against the party that failed to bring, pursue, or defend the
1038 arbitration in good faith.
- 1039 (p) An arbitration award issued under this section shall be the final resolution of all
1040 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
1044 under Title 78A, Judiciary and Judicial Administration; and
- 1045 (B) serves the nonmoving party with a copy of the complaint requesting a trial de
1046 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
1048 shall proceed through litigation in accordance with the Utah Rules of Civil
1049 Procedure and Utah Rules of Evidence.
- 1050 (ii) In accordance with Rule 38, Utah Rules of Civil Procedure, either party may

- 1051 request a jury trial with a complaint requesting a trial de novo under Subsection
1052 (8)(p)(ii)(A).
- 1053 (r)(i) If the claimant, as the moving party in a trial de novo requested under
1054 Subsection (8)(p), does not obtain a verdict that is at least \$5,000 and is at least
1055 20% greater than the arbitration award, the claimant is responsible for all of the
1056 nonmoving party's costs.
- 1057 (ii) If the underinsured motorist carrier, as the moving party in a trial de novo
1058 requested under Subsection (8)(p), does not obtain a verdict that is at least 20%
1059 less than the arbitration award, the underinsured motorist carrier is responsible for
1060 all of the nonmoving party's costs.
- 1061 (iii) Except as provided in Subsection (8)(r)(iv), the costs under this Subsection (8)(r)
1062 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
1066 Subsection (9)(h)(iii) applies.
- 1067 (s) For purposes of determining whether a party's verdict is greater or less than the
1068 arbitration award under Subsection (8)(r), a court may not consider any recovery or
1069 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
1072 Procedure.
- 1073 (t) If a court determines, upon a motion of the nonmoving party, that a moving party's
1074 use of the trial de novo process is filed in bad faith in accordance with Section
1075 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
1077 applicable insurance policy.
- 1078 (v) If there are multiple underinsured motorist policies, as set forth in Subsection (4), the
1079 claimant may elect to arbitrate in one hearing the claims against all the underinsured
1080 motorist carriers.
- 1081 (9)(a) Within 30 days after a covered person elects to submit a claim for underinsured
1082 motorist benefits to binding arbitration or files litigation, the covered person shall
1083 provide to the underinsured motorist carrier:
- 1084 (i) a written demand for payment of underinsured motorist coverage benefits, setting

- 1085 forth:
- 1086 (A) subject to Subsection (9)(I), the specific monetary amount of the demand,
- 1087 including a computation of the covered person's claimed past medical
- 1088 expenses, claimed past lost wages, and all other claimed past economic
- 1089 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
- 1093 have rendered health care services to the covered person that are material to
- 1094 the claims for which the underinsured motorist benefits are sought for a
- 1095 period of five years preceding the date of the event giving rise to the claim
- 1096 for underinsured motorist benefits up to the time the election for arbitration
- 1097 or litigation has been exercised; and
- 1098 (II) the names and last known addresses of the health care providers who have
- 1099 rendered health care services to the covered person, which the covered
- 1100 person claims are immaterial to the claims for which underinsured motorist
- 1101 benefits are sought, for a period of five years preceding the date of the event
- 1102 giving rise to the claim for underinsured motorist benefits up to the time the
- 1103 election for arbitration or litigation has been exercised that have not been
- 1104 disclosed under Subsection (9)(a)(ii)(A)(I);
- 1105 (B)(I) the names and last known addresses of all health insurers or other
- 1106 entities to whom the covered person has submitted claims for health care
- 1107 services or benefits material to the claims for which underinsured motorist
- 1108 benefits are sought, for a period of five years preceding the date of the event
- 1109 giving rise to the claim for underinsured motorist benefits up to the time the
- 1110 election for arbitration or litigation has been exercised; and
- 1111 (II) the names and last known addresses of the health insurers or other entities
- 1112 to whom the covered person has submitted claims for health care services or
- 1113 benefits, which the covered person claims are immaterial to the claims for
- 1114 which underinsured motorist benefits are sought, for a period of five years
- 1115 preceding the date of the event giving rise to the claim for underinsured
- 1116 motorist benefits up to the time the election for arbitration or litigation have
- 1117 not been disclosed;
- 1118 (C) if lost wages, diminished earning capacity, or similar damages are claimed, all

- 1119 employers of the covered person for a period of five years preceding the date
1120 of the event giving rise to the claim for underinsured motorist benefits up to the
1121 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
1124 the covered person is a recipient of Medicare or Medicaid benefits or Utah
1125 Children's Health Insurance Program benefits under Title 26B, Chapter 3, Part
1126 9, Utah Children's Health Insurance Program, or if the claim is subject to any
1127 other state or federal statutory liens; and
- 1128 (iii) signed authorizations to allow the underinsured motorist carrier to only obtain
1129 records and billings from the individuals or entities disclosed under Subsections
1130 (9)(a)(ii)(A)(I), (B)(I), and (C).
- 1131 (b)(i) If the underinsured motorist carrier determines that the disclosure of
1132 undisclosed health care providers or health care insurers under Subsection
1133 (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
1135 health care insurers; and
1136 (B) make a request for authorizations to allow the underinsured motorist carrier to
1137 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
1140 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
1142 arbitrator or arbitration panel to resolve the issue of whether the identities or
1143 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
1145 the dispute concerning the disclosure and production of records of the health care
1146 providers or health care insurers.
- 1147 (c)(i) An underinsured motorist carrier that receives an election for arbitration or a
1148 notice of filing litigation and the demand for payment of underinsured motorist
1149 benefits under Subsection (9)(a)(i) shall have a reasonable time, not to exceed 60
1150 days from the date of the demand and receipt of the items specified in Subsections
1151 (9)(a)(i) through (iii), to:
- 1152 (A) provide a written response to the written demand for payment provided for in

- 1153 Subsection (9)(a)(i);
- 1154 (B) except as provided in Subsection (9)(c)(i)(C), tender the amount, if any, of the
1155 underinsured motorist carrier's determination of the amount owed to the
1156 covered person; and
- 1157 (C) if the covered person is a recipient of Medicare or Medicaid benefits or Utah
1158 Children's Health Insurance Program benefits under Title 26B, Chapter 3, Part
1159 9, Utah Children's Health Insurance Program, or if the claim is subject to any
1160 other state or federal statutory liens, tender the amount, if any, of the
1161 underinsured motorist carrier's determination of the amount owed to the
1162 covered person less:
- 1163 (I) if the amount of the state or federal statutory lien is established, the amount
1164 of the lien; or
- 1165 (II) if the amount of the state or federal statutory lien is not established, two
1166 times the amount of the medical expenses subject to the state or federal
1167 statutory lien until such time as the amount of the state or federal statutory
1168 lien is established.
- 1169 (ii) If the amount tendered by the underinsured motorist carrier under Subsection
1170 (9)(c)(i) is the total amount of the underinsured motorist policy limits, the
1171 tendered amount shall be accepted by the covered person.
- 1172 (d) A covered person who receives a written response from an underinsured motorist
1173 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
1175 underinsured motorist claims; or
- 1176 (ii) elect to:
- 1177 (A) accept the amount tendered in Subsection (9)(c)(i) as partial payment of all
1178 underinsured motorist claims; and
- 1179 (B) continue to litigate or arbitrate the remaining claim in accordance with the
1180 election made under Subsections (8)(a) through (c).
- 1181 (e) If a covered person elects to accept the amount tendered under Subsection (9)(c)(i) as
1182 partial payment of all underinsured motorist claims, the final award obtained through
1183 arbitration, litigation, or later settlement shall be reduced by any payment made by
1184 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

- 1187 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
1189 benefits provided by the policy.
- 1190 (g) If the final award obtained through arbitration or litigation is greater than the average
1191 of the covered person's initial written demand for payment provided for in Subsection
1192 (9)(a)(i) and the underinsured motorist carrier's initial written response provided for
1193 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
1195 exceeds the policy limits of the subject underinsured motorist policy by more than
1196 \$15,000, the amount shall be reduced to an amount equal to the policy limits plus
1197 \$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
1202 presentation of evidence during arbitration or litigation.
- 1203 (h)(i) The covered person shall provide an affidavit of costs within five days of an
1204 arbitration award.
- 1205 (ii)(A) Objection to the affidavit of costs shall specify with particularity the costs
1206 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
1209 (9)(g)(ii) may not exceed \$5,000.
- 1210 (i)(i) A covered person shall disclose all material information, other than rebuttal
1211 evidence, within 30 days after a covered person elects to submit a claim for
1212 underinsured motorist coverage benefits to binding arbitration or files litigation as
1213 specified in Subsection (9)(a).
- 1214 (ii) If the information under Subsection (9)(i)(i) is not disclosed, the covered person
1215 may not recover costs or any amounts in excess of the policy under Subsection
1216 (9)(g).
- 1217 (j) This Subsection (9) does not limit any other cause of action that arose or may arise
1218 against the underinsured motorist carrier from the same dispute.
- 1219 (k) The provisions of this Subsection (9) only apply to motor vehicle accidents that
1220 occur on or after March 30, 2010.

- 1221 (l)(i) The written demand requirement in Subsection (9)(a)(i)(A) does not affect the
 1222 covered person's requirement to provide a computation of any other economic
 1223 damages claimed, and the one or more respondents shall have a reasonable time
 1224 after the receipt of the computation of any other economic damages claimed to
 1225 conduct fact and expert discovery as to any additional damages claimed. The
 1226 changes made by Laws of Utah 2014, Chapter 290, Section 11, and Chapter 300,
 1227 Section 11, to this Subsection (9)(l) and Subsection (9)(a)(i)(A) apply to a claim
 1228 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
 1231 to binding arbitration or through litigation on or after May 13, 2014.

1232 Section 9. Section **32B-14-101** is amended to read:

1233 **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,
 1236 and distribution of beer within the state in the exercise of its powers under the
 1237 Twenty-first Amendment to the Constitution of the United States and pursuant to the
 1238 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~~
 1241 [~~suppliers, wholesalers, and retailers of beer; and]~~

1242 [~~(ii) provide for the establishment and maintenance of an orderly system for the~~
 1243 [~~distribution of beer in accordance with the laws of the state regulating the sale and~~
 1244 [~~distribution of beer to the public.]~~

1245 Section 10. Section **35A-8-301** is amended to read:

1246 **35A-8-301 . Legislative policy.**

1247 (1) [~~It is the intent of the Legislature to make available funds.] Funds~~ received by the state
 1248 from federal mineral lease revenues under Section 59-21-2, bonus payments on federal
 1249 oil shale lease tracts U-A and U-B, and all other bonus payments on federal mineral
 1250 leases are to be used for planning, construction and maintenance of public facilities, and
 1251 provision of public service, subject to the limitations provided for in Section 35 of the
 1252 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
 1254 particular use of the lease revenue and bonus payments described in Subsection (1) is a

1255 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
 1257 these lease revenues and bonus payments by fostering funding mechanisms which will,
 1258 consistent with sound financial practices, result in the greatest use of financial resources
 1259 for the greatest number of citizens of this state, with priority given to those communities
 1260 designated as impacted by the development of natural resources covered by the Mineral
 1261 Leasing Act.]

1262 [(4)] (3) The policy of this state is to promote cooperation and coordination between the
 1263 state and the state's agencies and political subdivisions with individuals, firms, and
 1264 business organizations engaged in the development of the natural resources of this state.

1265 Section 11. Section **35A-8-310** is amended to read:

1266 **35A-8-310 . Application -- Retroactivity.**

1267 (1) The provisions of Laws of Utah 2021, Chapter 339, apply to any claim for which a court
 1268 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.

1272 Section 12. Section **35A-8-1602** is amended to read:

1273 **35A-8-1602 . Uintah Basin Revitalization Fund -- Deposits and contents.**

1274 (1) In order to maximize the long-term benefit of severance taxes derived from lands held
 1275 in trust by the United States for the [~~Tribe and its~~] tribe and the tribe's members by
 1276 fostering funding mechanisms that will, consistent with sound financial practices, result
 1277 in the greatest use of financial resources for the greatest number of citizens of the Uintah
 1278 Basin, and in order to promote cooperation and coordination between the state, its
 1279 political subdivisions, Indian tribes, and individuals, firms, and business organizations
 1280 engaged in the development of oil and gas interests held in trust for the [~~Tribe and its~~]
 1281 tribe and the tribe's members, there is created an expendable special revenue fund
 1282 entitled the "Uintah Basin Revitalization Fund."

1283 (2) The fund consists of all money deposited to the Revitalization Fund under this part and
 1284 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.

1287 Section 13. Section **35A-8-1703** is amended to read:

1288 **35A-8-1703 . Purpose.**

- 1289 (1) The purpose of this part is to:
- 1290 (a) maximize the long-term benefit of state severance taxes derived from lands in Utah
- 1291 held in trust by the United States for the Navajo Nation and its members by fostering
- 1292 funding mechanisms that will, consistent with sound financial practices, result in the
- 1293 greatest use of financial resources for the greatest number of citizens of San Juan
- 1294 County; and
- 1295 (b) promote cooperation and coordination between the state, its political subdivisions,
- 1296 Indian tribes, and individuals, firms, and business organizations engaged in the
- 1297 development of oil and gas interests in Utah held in trust by the United States for the
- 1298 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.
- 1302 Section 14. Section **35A-8-1704** is amended to read:
- 1303 **35A-8-1704 . Navajo Revitalization Fund.**
- 1304 (1)(a) There is created an expendable special revenue fund called the "Navajo
- 1305 Revitalization Fund."
- 1306 (b) The revitalization fund shall consist of:
- 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
- 1313 the administration of the revitalization fund, but this amount may not exceed 4% of the
- 1314 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.
- 1318 Section 15. Section **53B-9-101** is amended to read:
- 1319 **53B-9-101 . Legislative findings on higher education for senior citizens and**
- 1320 **veterans -- Tuition exemption -- Quarterly registration fee.**
- 1321 (1) The Legislature finds that substantial benefits would accrue to the state, as well as those
- 1322 directly involved, through making higher education more accessible to senior citizens

1323 and veterans who generally find themselves with more time for learning but with less
1324 funds for such purposes.

1325 (2) ~~[It is intended that an]~~ An institution of higher education shall allow Utah residents who
1326 have reached 62 years ~~[of age]~~ old or are veterans as defined in Section 68-3-12.5 to
1327 enroll at the institution, in classes for which they may be qualified, on the basis of
1328 surplus space in regularly scheduled classes and in accordance with this chapter and
1329 implementing rules. ~~[-]~~These persons are exempt from tuition and other charges, except
1330 for a quarterly registration fee established by the board.

1331 Section 16. Section **53E-4-301.5** is amended to read:

1332 **53E-4-301.5 . Statewide assessment.**

1333 ~~[(1) In enacting this part, the Legislature intends to determine the effectiveness of school
1334 districts and schools in assisting students to master the fundamental educational skills
1335 toward which instruction is directed.]~~

1336 ~~[(2)]~~ (1) The state board shall ensure that a statewide assessment provides the public, the
1337 Legislature, the state board, school districts, public schools, and school teachers with:

1338 (a) evaluative information regarding the various levels of proficiency achieved by
1339 students, so that they may have an additional tool to plan, measure, and evaluate the
1340 effectiveness of programs in the public schools; and

1341 (b) information to recognize excellence and to identify the need for additional resources
1342 or to reallocate educational resources in a manner to ensure educational opportunities
1343 for all students and to improve existing programs.

1344 Section 17. Section **54-5-1.5** is amended to read:

1345 **54-5-1.5 . Special regulation fee -- Supplemental Levy Committee --**

1346 **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
1349 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
1352 special fee for the Department of Commerce.

1353 (b) The chair of the Public Service Commission shall determine the special fee for the
1354 Public Service Commission.

1355 (c) The fee shall be assessed as a uniform percentage of the gross operating revenue for
1356 the preceding calendar year derived from each public utility's business and operations

- 1357 during that period within this state, excluding income derived from interstate
 1358 business. Gross operating revenue shall not include income to a wholesale electric
 1359 cooperative derived from the sale of power to a rural electric cooperative which
 1360 resells that power within the state.
- 1361 (3)(a) The executive director of the Department of Commerce shall notify each public
 1362 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
 1365 Utility Regulatory Restricted Account.
- 1366 (b) Notwithstanding Subsection 13-1-2(3)(c), the Department of Commerce shall deposit
 1367 a fee assessed under this section into the Public Utility Regulatory Restricted
 1368 Account.
- 1369 (c) Within appropriations by the Legislature:
- 1370 (i) the Department of Commerce may use the funds in the Public Utility Regulatory
 1371 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
 1375 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
 1377 Regulatory Restricted Account to administer the Utility Bill Assistance Program
 1378 created under Section 54-4-42.
- 1379 (d) At the end of each fiscal year, the director of the Division of Finance shall transfer
 1380 into the General Fund any balance in the Public Utility Regulatory Restricted
 1381 Account in excess of \$3,000,000.
- 1382 (5)(a) ~~[The Legislature intends that the public]~~ Subject to Subsection (5)(b), public
 1383 utilities shall provide [all of the] funds for the administration, support, and
 1384 maintenance of:
- 1385 (i) the Public Service Commission;
 1386 (ii) state agencies within the Department of Commerce involved in the regulation of
 1387 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-]
 1390 may not exceed the greater of:

- 1391 (i)(A) for a public utility other than an electrical cooperative, .3% of the public
1392 utility's gross operating revenues for the preceding calendar year; or
1393 (B) for an electrical cooperative, .15% of the electrical cooperative's gross
1394 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
1397 on public utilities when unanticipated costs of regulation occur in any fiscal year.
- 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
1402 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
1405 working days after the executive director of the Department of Commerce gives
1406 written notice to the Public Service Commission and the public utilities that a
1407 supplemental levy committee is needed.
- 1408 (ii) If the members of the Supplemental Levy Committee have not been appointed
1409 within the time prescribed, the governor shall appoint the members of the
1410 Supplemental Levy Committee.
- 1411 (d)(i) During any state fiscal year, the Supplemental Levy Committee, by a majority
1412 vote and subject to audit by the state auditor, may impose a supplemental fee on
1413 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
1415 gross operating revenue for the preceding calendar year.
- 1416 (iii) The aggregate of all fees, including any supplemental fees assessed, shall not
1417 exceed .3% of the gross operating revenue of the utilities assessed for the
1418 preceding calendar year.
- 1419 (iv) Payment of the supplemental fee is due within 30 days after receipt of the
1420 assessment.
- 1421 (v) The utility may, within 10 days after receipt of assessment, request a hearing
1422 before the Public Service Commission if it questions the need for, or the
1423 reasonableness of, the supplemental fee.
- 1424 (e)(i) Any supplemental fee collected to defray the cost of regulation shall be

- 1425 transferred to the state treasurer as a departmental collection.
- 1426 (ii) Supplemental fees are excess collections, credited according to the procedures of
1427 Section 63J-1-105.
- 1428 (iii) Charges billed to the Department of Commerce by any other state department,
1429 institution, or agency for services rendered in connection with regulation of a
1430 utility shall be credited by the state treasurer from the special or supplemental fees
1431 collected to the appropriations account of the entity providing that service
1432 according to the procedures provided in Title 63J, Chapter 1, Budgetary
1433 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
1438 causes unanticipated costs of regulation in a fiscal year, the commission may impose
1439 a supplemental fee on the one or more electrical cooperatives in this state responsible
1440 for the increased cost of regulation.
- 1441 (c) The aggregate of all fees imposed under this section on an electrical cooperative in a
1442 calendar year shall not exceed the greater of:
- 1443 (i) .3% of the electrical cooperative's gross operating revenues for the preceding
1444 calendar year; or
1445 (ii) \$50.

1446 Section 18. Section **59-12-202** is amended to read:

1447 **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
1449 an added source of revenue and to thereby assist them to meet their growing financial
1450 needs. It is the legislative intent that this added revenue be used to the greatest possible
1451 extent by the counties, cities, and towns to finance their capital outlay requirements and
1452 to service their bonded indebtedness.]~~

1453 ~~[(2)] (1) [It is the purpose of this part to provide an orderly and efficient system of
1454 administering, operating, and enforcing the state and local option sales and use tax.]~~

1455 The Legislature finds that[-] :

- 1456 (a) intervention by counties, cities, and towns into the administration, operation, and
1457 enforcement of the local sales and use tax, particularly in the hearing and appeal
1458 process, increases the cost of administering both the local option sales and use tax

1459 and the state sales and use tax proceedings, and substantially delays the receipt of
 1460 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
 1462 through the commission's enforcement efforts.~~[-It is therefore the Legislature's intent~~
 1463 ~~to grant the commission-]~~

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

1465 (a) administer, operate, and enforce the local option sales and use tax, without
 1466 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
 1468 where a particular hearing or appeal may result in a significant lessening of the
 1469 revenues of ~~[any]~~ a single county, city, or town.

1470 Section 19. Section **59-12-701** is amended to read:

1471 **59-12-701 . Legislative findings.**

1472 The Utah Legislature finds and declares that:

1473 (1) ~~[Recreational-]~~ recreational and zoological facilities and the botanical, cultural, and
 1474 zoological organizations of the state of Utah enhance the quality of life of Utah's
 1475 citizens, as well as the continuing growth of Utah's tourist, convention, and recreational
 1476 industries~~[-] ;~~

1477 (2) Utah was the first state in this nation to create and financially support a state arts agency
 1478 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
 1480 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,
 1482 cultural, and zoological organizations has not been sufficient to assure the continuing
 1483 existence and growth of these facilities and organizations, and the Legislature believes
 1484 that local government may wish to play a greater role in the support of these
 1485 organizations~~[-] ; and~~

1486 ~~[(5) Without jeopardizing the state's ongoing support of its recreational and zoological~~
 1487 ~~facilities and its botanical, cultural, and zoological organizations, the Legislature intends~~
 1488 ~~to permit the counties of the state of Utah to enhance public financial support of Utah's~~
 1489 ~~publicly owned or operated recreational and zoological facilities, and botanical, cultural,~~
 1490 ~~and zoological organizations owned or operated by institutions or private nonprofit~~
 1491 ~~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

1493 imposed under this part in a manner that provides adequate predictable support to a fixed
 1494 number of botanical and cultural organizations and that gives the county legislative body
 1495 discretion to allocate the tax revenues to other botanical and cultural organizations.

1496 Section 20. Section **59-12-1401** is amended to read:

1497 **59-12-1401 . Purpose statement -- Definitions -- Scope of part.**

1498 (1) [~~The purpose of~~] In relation to the tax imposed by this part[~~is the same for cities and~~
 1499 ~~towns as is stated in Section 59-12-701 for counties~~] , the legislative findings described
 1500 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,
 1503 third, fourth, fifth, or sixth class as designated in Section 17-50-501.

1504 Section 21. Section **63A-3-104** is amended to read:

1505 **63A-3-104 . Appropriation for contingency purposes -- Procedure for allotment.**

1506 (1)(a) The Legislature shall determine the amount to be appropriated for contingency
 1507 purposes, as well as the limits on the amount of any one allotment or total allotments
 1508 to any one agency.

1509 (b) In advance of making [~~any such~~] an allotment described in Subsection (1), the
 1510 governor shall notify the Legislature through the Office of the Legislative Fiscal
 1511 Analyst, of [~~his or her intent to do so~~] the governor's intent to make an allotment, of
 1512 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
 1516 existing appropriation or authorization.

1517 Section 22. Section **63N-1a-305** is amended to read:

1518 **63N-1a-305 . Incentive review process.**

1519 The [~~Legislature intends that the office will~~] office shall develop an incentives review
 1520 process under the direction of the speaker of the House and the president of the Senate.

1521 Section 23. Section **64-9b-5** is amended to read:

1522 **64-9b-5 . Use of earnings from jobs.**

1523 [~~It is the legislative intent, and inmates are encouraged,~~] Inmates are encouraged to use
 1524 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 (4) for reimbursement of security, operational, and other costs incurred by the Utah
- 1529 Correctional Industries Division of the department in administering these projects.
- 1530 Section 24. Section **64-13a-2** is amended to read:
- 1531 **64-13a-2 . Division duties.**
- 1532 [~~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,
- 1538 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
- 1540 closely resembles the environment for the business operations of a private corporate
- 1541 entity; and
- 1542 [(3)] (6) [~~make the Division of Correctional Industries~~] is responsible for and accountable to
- 1543 the Legislature and to the governor for correctional industries programs in this state.
- 1544 Section 25. Section **72-5-201** is amended to read:
- 1545 **72-5-201 . Legislative finding -- Ensuring access.**
- 1546 (1)(a) The Legislature [~~recognizes~~] finds that highways provide tangible benefits to
- 1547 private and public lands of the state by providing access, allowing development, and
- 1548 facilitating production of income.
- 1549 (b) Many of those highways traverse state lands, including lands held by the state in trust
- 1550 for the school children and public institutions of the state.
- 1551 (c) Many of the existing highways have been previously established without an official
- 1552 grant of an easement or right of entry from this state, yet these highways often are the
- 1553 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
- 1555 access to the private and public lands of the state for the good of the people, while
- 1556 fulfilling its fiduciary responsibilities toward the schoolchildren by protecting their trust
- 1557 holdings against loss.
- 1558 Section 26. Section **73-10-1** is amended to read:
- 1559 **73-10-1 . State's policy -- Creation of revolving fund -- General construction of**
- 1560 **chapter.**

- 1561 (1)(a) The Legislature restates the following, previously-declared policies of the state of
1562 Utah~~[has heretofore declared]~~:
- 1563 (i) ~~[by Section 73-1-1, Utah Code Annotated 1953, that,]~~"All waters in this state,
1564 whether above or under the ground, are hereby declared to be the property of the
1565 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
1567 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
1569 in the state the highest duty for domestic uses and irrigation of lands in the state
1570 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
1572 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 [
1574 legislature] Legislature recognizes:
- 1575 (a) that by construction of projects based upon sound engineering the waters within the
1576 various counties of the state of Utah can be saved from waste and increased in
1577 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
1579 farm products, particularly the inefficiency of water supply because of lack of late
1580 season water and consequent lack of financial strength, water users in small
1581 communities have been unable to build projects that would provide full conservation
1582 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
1584 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
1586 conservation projects throughout the semiarid states, payment of the capital costs
1587 without interest to be made by the water users upon the basis of a fair portion of crop
1588 returns;
- 1589 (e) that the Congress of the United States has established in the department of interior
1590 and in the department of agriculture, various agencies having authority to develop,
1591 protect, and aid in putting to beneficial use the land and water resources of the United
1592 States and to cooperate with state agencies having similar authority;
- 1593 (f) that the interests of the state of Utah require that means be provided for close
1594 cooperation between all state and federal agencies to the end that the underground

1595 waters and waters of the small streams of the state, and the lands thereunder, can be
 1596 made to yield abundantly and increase the income and well-being of the citizens of
 1597 the state; and

1598 (g) that it appears to be sound public policy for the state of Utah to provide a revolving
 1599 fund, to be increased at each legislative session, to the end that every mountain
 1600 stream and every water resource within the state can be made to render the highest
 1601 beneficial service, such fund to be so administered that no project will be built except
 1602 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~~
 1604 ~~put into force and effect the purposes and policies as hereinabove set forth.~~]

1605 Section 27. Section **77-37-1** is amended to read:

1606 **77-37-1 . Legislative findings.**

1607 (1)(a) The Legislature recognizes the duty of victims and witnesses of crime to fully and
 1608 voluntarily cooperate with law enforcement and prosecutorial agencies, the essential
 1609 nature of citizen cooperation to state and local law enforcement efforts, and the
 1610 general effectiveness and well-being of the criminal justice system of this state. [~~In~~
 1611 ~~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,
 1613 respect, courtesy, and sensitivity, and that the rights extended in this chapter to
 1614 victims and witnesses of crime are honored and protected by law in a manner no less
 1615 vigorous than protections afforded criminal defendants.

1616 (2)(a) The Legislature finds it is necessary to provide child victims and child witnesses
 1617 with additional consideration and different treatment than that usually afforded to
 1618 adults.[-]

1619 (b) The treatment should ensure that children's participation in the criminal justice
 1620 process be conducted in the most effective and least traumatic, intrusive, or
 1621 intimidating manner.

1622 Section 28. Section **78B-6-102** is amended to read:

1623 **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
 1625 of the child should govern and be of foremost concern in [~~the~~] a court's determination.

1626 (2) The court shall make a specific finding regarding the best interest of the child, taking
 1627 into consideration information provided to the court pursuant to the requirements of this
 1628 chapter relating to the health, safety, and welfare of the child and the moral climate of

- 1629 the potential adoptive placement.
- 1630 (3) The Legislature finds that the rights and interests of all parties affected by an adoption
1631 proceeding must be considered and balanced in determining what constitutional
1632 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
1634 a person or persons who are cohabiting in a relationship that is not a legally valid and
1635 binding marriage under the laws of this state. Nothing in this section limits or prohibits
1636 the court's placement of a child with a single adult who is not cohabiting or a person
1637 who is a relative of the child or a recognized placement under the Indian Child Welfare
1638 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
1641 adoptive children in a prompt manner, in preventing the disruption of adoptive
1642 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
1644 the future of a newborn child, is entitled to privacy, and has the right to make timely
1645 and appropriate decisions regarding her future and the future of the child, and is
1646 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
1649 retaining custody of an adopted child;
- 1650 (e) an unmarried biological father has an inchoate interest that acquires constitutional
1651 protection only when he demonstrates a timely and full commitment to the
1652 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
1654 demonstrate commitment by providing appropriate medical care and financial
1655 support and by establishing legal paternity, in accordance with the requirements of
1656 this chapter.
- 1657 (6)(a) In enacting this chapter, the Legislature has prescribed the conditions for
1658 determining whether an unmarried biological father's action is sufficiently prompt
1659 and substantial to require constitutional protection.
- 1660 (b) If an unmarried biological father fails to grasp the opportunities to establish a
1661 relationship with his child that are available to him, his biological parental interest
1662 may be lost entirely, or greatly diminished in constitutional significance by his failure

1663 to timely exercise it, or by his failure to strictly comply with the available legal steps
1664 to substantiate it.

1665 (c) A certain degree of finality is necessary in order to facilitate the state's compelling
1666 interest. The Legislature finds that the interests of the state, the mother, the child,
1667 and the adoptive parents described in this section outweigh the interest of an
1668 unmarried biological father who does not timely grasp the opportunity to establish
1669 and demonstrate a relationship with his child in accordance with the requirements of
1670 this chapter.

1671 (d) The Legislature finds no practical way to remove all risk of fraud or
1672 misrepresentation in adoption proceedings, and has provided a method for absolute
1673 protection of an unmarried biological father's rights by compliance with the
1674 provisions of this chapter. In balancing the rights and interests of the state, and of all
1675 parties affected by fraud, specifically the child, the adoptive parents, and the
1676 unmarried biological father, the Legislature has determined that the unmarried
1677 biological father is in the best position to prevent or ameliorate the effects of fraud
1678 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
1681 without his consent unless he strictly complies with the provisions of this chapter,
1682 manifests a prompt and full commitment to his parental responsibilities, and
1683 establishes paternity.

1684 (7) The Legislature finds that an unmarried mother has a right of privacy with regard to her
1685 pregnancy and adoption plan, and therefore has no legal obligation to disclose the
1686 identity of an unmarried biological father prior to or during an adoption proceeding, and
1687 has no obligation to volunteer information to the court with respect to the father.

1688 Section 29. **Repealer.**

1689 This bill repeals:

1690 Section **10-1-101, Short title.**

1691 Section **10-6-102, Legislative intent -- Purpose of chapter.**

1692 Section **26B-5-502, Statement of legislative intent.**

1693 Section **26B-9-102, Legislative intent -- Liberal construction.**

1694 Section **34A-6-102, Legislative intent.**

1695 Section **53B-8a-114, Liberal construction.**

1696 Section **63G-2-102, Legislative intent.**

1697 Section **67-16-2, Purpose of chapter.**

1698 Section 30. **Effective Date.**

1699 This bill takes effect on May 7, 2025.