1st Sub. H.B. 438

## Colin W. Jack proposes the following substitute bill:

### **Environmental Legal Action Amendments**

# 2025 GENERAL SESSION

### STATE OF UTAH

#### **Chief Sponsor: Colin W. Jack**

Senate Sponsor:

LONG TITLE
General Description:
This bill modifies a bond requirement for an environmental action.
Highlighted Provisions:
This bill:
<ul> <li>modifies the definition of "environmental action" to address a permit issued by the</li> </ul>
Division of Oil, Gas, and Mining; and
<ul> <li>makes technical and conforming changes.</li> </ul>
Money Appropriated in this Bill:
None
Other Special Clauses:
None
Utah Code Sections Affected:
AMENDS:
78B-5-828, as enacted by Laws of Utah 2011, Chapter 116
Be it enacted by the Legislature of the state of Utah:
Section 1. Section <b>78B-5-828</b> is amended to read:
78B-5-828 . Bond required in an environmental action.
(1) As used in this section:
(a) "Administrative stay" means a stay or other temporary remedy issued by an agency
under Section 63G-4-405.
(b)(i) "Environmental action" means a cause of action that:
[(i)] (A) is filed on or after May 10, 2011; and
[(ii)] (B) seeks judicial review of a final agency action to issue a permit by [:] the
Department of Natural Resources, the Department of Transportation, or the
School and Institutional Trust Lands Administration.

30	[(A) the Department of Natural Resources;]
31	[(B) the Department of Transportation; or]
32	[(C) the School and Institutional Trust Lands Administration.]
33	(ii) "Environmental action" does not include a cause of action that seeks judicial
34	review of a final agency action to issue a permit by the Division of Oil, Gas, and
35	Mining under Title 40, Chapter 10, Coal Mining and Reclamation.
36	(c) "Ultimately prevail on the merits" means, in the final judgment, the court rules in the
37	plaintiff's favor on at least one cause of action.
38	(2) A plaintiff who obtains a preliminary injunction or administrative stay in an
39	environmental action, but does not ultimately prevail on the merits of the environmental
40	action, is liable for damages sustained by a defendant who:
41	(a) opposed the preliminary injunction or administrative stay; and
42	(b) was harmed by the preliminary injunction.
43	(3) A court may not issue a preliminary injunction and an agency may not grant an
44	administrative stay in an environmental action until the plaintiff posts with the court or
45	the agency a surety bond or cash equivalent:
46	(a) in an amount the court or agency considers sufficient to compensate each defendant
47	opposing the preliminary injunction or administrative stay for damages that each
48	defendant may sustain as a result of the preliminary injunction or administrative stay;
49	(b) written by a surety licensed to do business in the state; and
50	(c) payable to each defendant opposing the preliminary injunction or administrative stay
51	in the event the plaintiff does not prevail on the merits of the environmental action.
52	(4) If there is more than one plaintiff, the court or agency shall establish the amount of the
53	bond required by Subsection (3) for each plaintiff in a fair and equitable manner.
54	(5)(a) If the plaintiff does not ultimately prevail on the merits of the environmental
55	action, the court shall execute the bond and award damages to each defendant who:
56	(i) opposed the preliminary injunction or administrative stay; and
57	(ii) was harmed as a result of its issuance.
58	(b) If the amount of money secured by the surety bond or cash equivalent:
59	(i) exceeds the damages awarded, the court or agency shall return the excess to the
60	plaintiff; and
61	(ii) is less than the damages awarded, the court or agency shall order the plaintiff to
62	pay the remaining damages.
63	(6) Notwithstanding any other provision of law, a court's or agency's refusal to require the

- 64 posting of a surety bond or cash equivalent as required by this section is subject to
- 65 immediate appeal.
- 66 Section 2. Effective Date.
- 67 <u>This bill takes effect on May 7, 2025.</u>