1

Todd Weiler proposes the following substitute bill:

Governmental Immunity Act Amendments

2025 GENERAL SESSION STATE OF UTAH

Chief Sponsor: Todd Weiler

House Sponsor: Anthony E. Loubet

23 LONG TIT

3 LONG TITLE4 General Description:

5 This bill amends the Governmental Immunity Act.

6 **Highlighted Provisions:**

- 7 This bill:
- 8 defines a term;
- 9 requires a governmental entity to file a statement with Division of Corporations and
- 10 Commercial Code containing:
- any doing-business-as name the governmental entity utilizes;
- the office or agent designated to receive service of a summons and complaint; and
- the physical address to which service of a summons and complaint is to be delivered
- by hand or transmitted by mail;
- prohibits a governmental entity from challenging the validity of a notice of claim, or the sufficiency of service of a summons and complaint, if the governmental entity:
 - fails to file or update the statement described above; and
- has actual notice of the notice of claim or the summons and complaint;
- if a challenge described above is not prohibited, requires a claimant to prove that the
- 20 claimant used reasonable diligence in attempting to discover the identity of a
- 21 governmental entity using a doing-business-as name; and
- 22 makes technical and conforming changes.
- 23 Money Appropriated in this Bill:
- None None

17

- 25 Other Special Clauses:
- This bill provides a special effective date.
- 27 Utah Code Sections Affected:
- 28 AMENDS:

29 11-13-602, as last amended by Laws of Utah 2020, Chapters 354, 381 30 **63G-7-401**, as last amended by Laws of Utah 2023, Chapter 16 31 63G-7-403, as last amended by Laws of Utah 2020, Chapter 53 32 **63G-33-201**, as enacted by Laws of Utah 2024, Chapter 511 33 63L-5-302, as renumbered and amended by Laws of Utah 2008, Chapter 382 34 35 Be it enacted by the Legislature of the state of Utah: 36 Section 1. Section 11-13-602 is amended to read: 37 11-13-602 . Definitions. 38 As used in this part: 39 (1) "Asset" means funds, money, an account, real or personal property, or personnel. 40 (2)(a) "Associated entity" means a taxed interlocal entity that adopts a segment's 41 organizing resolution. 42 (b) "Associated entity" does not include any other segment. 43 (3) "Fiduciary duty" means a duty expressly designated as a fiduciary duty of: 44 (a) a director or an officer of a taxed interlocal entity in: 45 (i) the organization agreement of the taxed interlocal entity; or 46 (ii) an agreement executed by the director or the officer and the taxed interlocal 47 entity; or 48 (b) a director or an officer of a segment in: 49 (i) the organizing resolution of the segment; or 50 (ii) an agreement executed by the director or the officer and the segment. 51 (4) "Governing body" means the body established in an organizing resolution to govern a 52 segment. 53 (5) "Governmental law" means: 54 (a) Title 51, Chapter 2a, Accounting Reports from Political Subdivisions, Interlocal 55 Organizations, and Other Local Entities Act; 56 (b) Title 63A, Chapter 3, Division of Finance; 57 (c) Title 63G, Chapter 6a, Utah Procurement Code; 58 (d) a law imposing an obligation on a taxed interlocal entity similar to an obligation 59 imposed by a law described in Subsection (5)(a), (b), or (c); (e) an amendment to or replacement or renumbering of a law described in Subsection 60 61 (5)(a), (b), (c), or (d); or

(f) a law superseding a law described in Subsection (5)(a), (b), (c), or (d).

62

63	(6) "Indexed office" means the address identified under Subsection [63G-7-401(5)(a)(i)]
64	63G-7-405(6)(a)(i) by a segment's associated entity in the associated entity's statement
65	described in Subsection [63G-7-401(5)] <u>63G-7-401(6)</u> .
66	(7) "Organization agreement" means an agreement, as amended, that creates a taxed
67	interlocal entity.
68	(8) "Organizing resolution" means a resolution described in Subsection 11-13-604(1) that
69	creates a segment.
70	(9) "Principal county" means the county in which the indexed office of a segment's
71	associated entity is located.
72	(10) "Project" means:
73	(a) the same as that term is defined in Section 11-13-103; or
74	(b) facilities, improvements, or contracts undertaken by a taxed interlocal entity in
75	accordance with Subsection 11-13-204(2).
76	(11) "Public asset" means:
77	(a) an asset used by a public entity;
78	(b) tax revenue;
79	(c) state funds; or
80	(d) public funds.
81	(12) "Segment" means a segment created in accordance with Section 11-13-604.
82	(13) "Taxed interlocal entity" means:
83	(a) a project entity that:
84	(i) is not exempt from a tax or fee in lieu of taxes imposed in accordance with Part 3,
85	Project Entity Provisions;
86	(ii) does not receive a payment of funds from a federal agency or office, state agency
87	or office, political subdivision, or other public agency or office other than:
88	(A) a payment that does not materially exceed the greater of the fair market value
89	and the cost of a service provided or property conveyed by the project entity; o
90	(B) a grant that is subject to accountability requirements and that the project entity
91	receives for purposes related to a Utah interlocal energy hub, including
92	research and development of technology, financing, construction, installation,
93	operation, and other actions that the project entity may take with respect to a
94	project; and
95	(iii) does not receive, expend, or have the authority to compel payment from tax
96	revenue; or

97	(b) an interlocal entity that:
98	(i) was created before 1981 for the purpose of providing power supply at wholesale
99	to its members;
100	(ii) does not receive a payment of funds from a federal agency or office, state agency
101	or office, political subdivision, or other public agency or office other than:
102	(A) a payment that does not materially exceed the greater of the fair market value
103	and the cost of a service provided or property conveyed by the interlocal entity;
104	or
105	(B) a loan, grant, guaranty, transferable tax credit, cost-sharing arrangement, or
106	other funding arrangement for an advanced nuclear power facility, as defined
107	in 26 U.S.C. Sec. 45J(d), for an advanced nuclear reactor, as defined in 42
108	U.S.C. Sec. 16271(b)(1), or for an advanced nuclear energy facility that is
109	eligible for a guarantee under 42 U.S.C. Sec. 16513; and
110	(iii) does not receive, expend, or have the authority to compel payment from tax
111	revenue.
112	(14)(a) "Use" means to use, own, manage, hold, keep safe, maintain, invest, deposit,
113	administer, receive, expend, appropriate, disburse, or have custody.
114	(b) "Use" includes, when constituting a noun, the corresponding nominal form of each
115	term in Subsection (14)(a), individually.
116	(15) "Utah interlocal energy hub" means project entity-owned facilities that:
117	(a) are located within the state; and
118	(b) facilitate the coordination of resources and participants in a multi-county or interstate
119	region for:
120	(i) the generation of energy, including with hydrogen fuel;
121	(ii) the transmission of energy;
122	(iii) energy storage, including compressed air energy storage;
123	(iv) producing environmental benefits; or
124	(v) the production, storage, or transmission of fuel, including hydrogen fuel.
125	Section 2. Section 63G-7-401 is amended to read:
126	63G-7-401 . When a claim arises Notice of claim requirements
127	Governmental entity statement Limits on challenging validity or timeliness of notice of
128	claim.
129	(1) As used in this section, "doing-business-as name" means the name of an entity that:
130	(a) is owned, operated, or controlled by a governmental entity; and

131	(b)(i) is not the name of the governmental entity; or
132	(ii) is not a name from which the governmental entity can be identified.
133	[(1)] (2) (a) Except as provided in Subsection $[(1)(b)]$ $(2)(b)$, a claim arises when the
134	statute of limitations that would apply if the claim were against a private person
135	begins to run.
136	(b) The statute of limitations does not begin to run until a claimant knew, or with the
137	exercise of reasonable diligence should have known:
138	(i) that the claimant had a claim against the governmental entity or the governmental
139	entity's employee; and
140	(ii) the identity of the governmental entity or the name of the employee.
141	(c) The burden to prove the exercise of reasonable diligence is upon the claimant.
142	[(2)] (3) Any person having a claim against a governmental entity, or against the
143	governmental entity's employee for an act or omission occurring during the performance
144	of the employee's duties, within the scope of employment, or under color of authority
145	shall file a written notice of claim with the entity before maintaining an action,
146	regardless of whether or not the function giving rise to the claim is characterized as
147	governmental.
148	[(3)] (4) (a) The notice of claim shall set forth:
149	(i) a brief statement of the facts;
150	(ii) the nature of the claim asserted;
151	(iii) the damages incurred by the claimant so far as the damages are known; and
152	(iv) if the claim is being pursued against a governmental employee individually as
153	provided in Subsection 63G-7-202(3)(c), the name of the employee.
154	(b) The notice of claim shall be:
155	(i) signed by the person making the claim or that person's agent, attorney, parent, or
156	legal guardian, using any form of signature recognized by law as binding; and
157	(ii) delivered, transmitted, or sent, as provided in Subsection $[(3)(e)]$ $(4)(e)$, to the
158	office of:
159	(A) the city or town clerk, when the claim is against an incorporated city or town
160	(B) the county clerk, when the claim is against a county;
161	(C) the superintendent or business administrator of the board, when the claim is
162	against a school district or board of education;
163	(D) the presiding officer or secretary or clerk of the board, when the claim is
164	against a special district or special service district;

165	(E) the attorney general, when the claim is against the state;
166	(F) a member of the governing board, the executive director, or executive
167	secretary, when the claim is against any other public board, commission, or
168	body; or
169	(G) the agent authorized by a governmental entity to receive the notice of claim by
170	the governmental entity under Subsection $[(5)(e)]$ $(6)(e)$.
171	(c) A notice of claim shall be:
172	(i) delivered by hand to the physical address provided under Subsection [(5)(a)(iii)(A)]
173	(6)(a)(iv)(A);
174	(ii) transmitted by mail to the physical address provided under Subsection [
175	(5)(a)(iii)(A)] $(6)(a)(iv)(A)$, according to the requirements of Section 68-3-8.5; or
176	(iii) sent by electronic mail to the email address provided under Subsection [
177	(5)(a)(iii)(B)] $(6)(a)(iv)(B)$.
178	(d) A claimant who submits a notice of claim by electronic mail under Subsection [
179	(3)(c)(iii)] (4)(c)(iii) shall contemporaneously send a copy of the notice of claim by
180	electronic mail to the city attorney, district attorney, county attorney, attorney
181	general, or other attorney, as the case may be, who represents the governmental entity.
182	[(4)] (5)(a) If an injury that may reasonably be expected to result in a claim against a
183	governmental entity is sustained by a claimant who is under the age of majority or
184	mentally incompetent, that governmental entity may file a request with the court for
185	the appointment of a guardian ad litem for the potential claimant.
186	(b) If a guardian ad litem is appointed, the time for filing a claim under Section
187	63G-7-402 begins when the order appointing the guardian ad litem is issued.
188	[(5)] (6)(a) A governmental entity subject to suit under this chapter shall file a statement
189	with the Division of Corporations and Commercial Code within the Department of
190	Commerce containing:
191	(i) the name and address of the governmental entity;
192	(ii) any doing-business-as name the governmental entity utilizes;
193	[(ii)] (iii) the office or agent designated to receive a notice of claim and service of a
194	summons and complaint; and
195	[(iii)] (iv)(A) the physical address to which a notice of claim is to be delivered by
196	hand or transmitted by mail, for a notice of claim that a claimant chooses to
197	hand deliver or transmit by mail; [and]
198	(B) the email address to which a notice of claim is to be sent, for a notice of claim

199	that a claimant chooses to send by email, and the email address of the city
200	attorney, district attorney, county attorney, attorney general, or other attorney,
201	as the case may be, who represents the governmental entity[-] ; and
202	(C) the physical address to which service of a summons and complaint is to be
203	delivered by hand or transmitted by mail.
204	(b) A governmental entity shall update the governmental entity's statement as necessary
205	to ensure that the information is accurate.
206	(c) The Division of Corporations and Commercial Code shall develop a form for
207	governmental entities to complete that provides the information required [by
208	Subsection (5)(a)] under Subsection (6)(a).
209	(d)(i) A newly incorporated municipality shall file the statement required [by
210	Subsection (5)(a)] under Subsection (6)(a) promptly after the lieutenant governor
211	issues a certificate of incorporation under Section 67-1a-6.5.
212	(ii) A newly incorporated special district shall file the statement required [by
213	Subsection $(5)(a)$] under Subsection $(6)(a)$ at the time that the written notice is
214	filed with the lieutenant governor under Section 17B-1-215.
215	(e) A governmental entity may, in the governmental entity's statement, identify an agent
216	authorized to accept notices of claim on behalf of the governmental entity.
217	[(6)] (7) The Division of Corporations and Commercial Code shall:
218	(a) maintain an index of the statements required by this section arranged both
219	alphabetically by entity and by county of operation; and
220	(b) make the indices available to the public both electronically and via hard copy.
221	[(7)] (8) A governmental entity may not challenge the validity of a notice of claim[-on the
222	grounds that it], or the sufficiency of service of a summons and complaint, on the
223	grounds that the notice of claim or the summons and complaint was not directed and
224	delivered to the proper office or agent, if:
225	(a) the error in the direction and delivery of the notice of claim or the summons and
226	complaint is caused by the governmental entity's failure to file or update the
227	statement [required by Subsection (5).] described in Subsection (6)(a); and
228	(b) the governmental entity had actual notice of the notice of claim or the summons and
229	<u>complaint.</u>
230	(9) A claimant bears the burden of proving that, despite the claimant's use of reasonable
231	diligence, the claimant could not discover the identity of a governmental entity, if:
232	(a) the governmental entity asserts a challenge to the validity of a notice of claim, or the

233	sufficiency of service of a summons and complaint, that is not prohibited under
234	Subsection (8); and
235	(b) the claimant opposes the challenge on the basis of the governmental entity's use of a
236	doing-business-as name.
237	[(8)] (10) A governmental entity may not challenge the timeliness, under Section 63G-7-402,
238	of a notice of claim if:
239	(a)(i) the claimant files a notice of claim with the governmental entity:
240	(A) in accordance with the requirements of this section; and
241	(B) within 30 days after the expiration of the time for filing a notice of claim
242	under Section 63G-7-402;
243	(ii) the claimant demonstrates that the claimant previously filed a notice of claim:
244	(A) in accordance with the requirements of this section;
245	(B) with an incorrect governmental entity;
246	(C) in the good faith belief that the claimant was filing the notice of claim with the
247	correct governmental entity;
248	(D) within the time for filing a notice of claim under Section 63G-7-402; and
249	(E) no earlier than 30 days before the expiration of the time for filing a notice of
250	claim under Section 63G-7-402; and
251	(iii) the claimant submits with the notice of claim:
252	(A) a copy of the previous notice of claim that was filed with a governmental
253	entity other than the correct governmental entity; and
254	(B) proof of the date the previous notice of claim was filed; or
255	(b)(i) the claimant delivers by hand, transmits by mail, or sends by email a notice of
256	claim:
257	(A) to an elected official or executive officer of the correct governmental entity
258	but not to the correct office under Subsection [(3)(b)(ii)] (4)(b)(ii); and
259	(B) that otherwise meets the requirements of Subsection $[(3)]$ (4) ; and
260	(ii)(A) the claimant contemporaneously sends a hard copy or electronic copy of
261	the notice of claim to the office of the city attorney, district attorney, county
262	attorney, attorney general, or other attorney, as the case may be, representing
263	the correct governmental entity; or
264	(B) the governmental entity does not, within 60 days after the claimant delivers
265	the notice of claim under Subsection [(8)(b)(i)] (10)(b)(i), provide written
266	notification to the claimant of the delivery defect and of the identity of the

267	correct office to which the claimant is required to deliver the notice of claim.
268	Section 3. Section 63G-7-403 is amended to read:
269	63G-7-403. Notifying of the receipt of a notice of claim Action in district court
270	Time for commencing action Commencing action after time limit.
271	(1) Within 60 days after the filing of a notice of claim, the governmental entity, the entity's
272	representative, or the entity's insurance carrier shall inform the claimant in writing:
273	(a) that the notice of claim has been received; and
274	(b) if applicable, that the governmental entity believes it is not the correct governmental
275	entity with which the notice of claim should have been filed.
276	(2)(a)(i) Subject to Subsections (2)(a)(ii) and (b), a claimant may pursue an action in
277	the district court against the governmental entity or an employee of the entity.
278	(ii) A claimant may not file an action before the date that is 60 days after the
279	claimant's notice of claim is filed.
280	(b) Subject to Subsection (3), a claimant shall commence the action within two years
281	after the claim arises, as provided in Subsection [63G-7-401(1)] 63G-7-401(2),
282	regardless of whether or not the function giving rise to the claim is characterized as
283	governmental.
284	(3)(a) As used in this Subsection (3), "claimant" includes a representative of an
285	individual:
286	(i) who dies before an action is begun under this section; and
287	(ii) whose cause of action survives the individual's death.
288	(b) A claimant may commence an action after the time limit described in Subsection
289	(2)(b) if:
290	(i) the claimant had commenced a previous action within the time limit of Subsection
291	(2)(b);
292	(ii) the previous action failed or was dismissed for a reason other than on the merits;
293	and
294	(iii) the claimant commences the new action within one year after the previous action
295	failed or was dismissed.
296	(c) A claimant may commence a new action under Subsection (3)(b) only once.
297	Section 4. Section 63G-33-201 is amended to read:
298	63G-33-201 . Free exercise of religion Limitations on burdens imposed by
299	government Claims or defenses Attorney fees and costs.
300	(1) The free exercise of religion is a fundamental right and applies to all government action,

301	including action that is facially neutral.
302	(2) Except as provided in Subsection (3):
303	(a) a government entity may not substantially burden the free exercise of religion of a
304	person, regardless of whether the burden results from a rule of general applicability;
305	and
306	(b) a person other than a government entity may not seek to apply or enforce
307	government action against another person that substantially burdens the free exercise
308	of religion of the other person, regardless of whether the burden results from a rule of
309	general applicability.
310	(3) A government entity or government action may substantially burden a person's free
311	exercise of religion only if the government entity, or any other person seeking to enforce
312	government action, demonstrates that the burden on the person's free exercise of religion
313	is:
314	(a) essential to furthering a compelling governmental interest; and
315	(b) the least restrictive means of furthering the compelling governmental interest.
316	(4) A person whose free exercise of religion is burdened in violation of this section:
317	(a) may assert the violation as a claim or defense in a judicial or administrative
318	proceeding to obtain relief, regardless of whether a government entity is a party to the
319	proceeding; and
320	(b) is not required to exhaust administrative remedies before bringing a claim, or raising
321	a defense, described in this Subsection (4).
322	(5)(a) Except as provided in Subsection (5)(b), a person may not bring an action under
323	this section against a government entity described in Subsections 63G-33-101(4)(a)(i)
324	through (iii) unless, at least 60 days before the day on which the person brings the
325	action, the person provides written notice to the government entity, in accordance
326	with Subsections [63G-7-401(3)(b)] <u>63G-7-401(4)(b)</u> through (d), that:
327	(i) states that the person intends to bring an action against the entity for a violation of
328	this section;
329	(ii) describes the government action that has burdened or will burden the person's free
330	exercise of religion; and
331	(iii) describes the manner in which the government action burdens or will burden the
332	person's free exercise of religion.
333	(b) Subsection (5)(a) does not apply if the government action alleged in the action:
334	(i) is ongoing, and complying with Subsection (5)(a) will place an undue hardship on

335	the person or increase the harm suffered by the person; or
336	(ii) is likely to occur or reoccur before the end of the 60-day period described in
337	Subsection (5)(a).
338	(6) A person who prevails in an action to enforce the provisions of this section against a
339	government entity is entitled to recover reasonable attorney fees and costs.
340	Section 5. Section 63L-5-302 is amended to read:
341	63L-5-302 . Notice of claim Government's right to accommodate.
342	(1) A person may not bring an action under Section 63L-5-301 unless, 60 days before
343	bringing the action, the person sends written notice of the intent to bring an action.
344	(2) The notice shall be addressed to the government entity imposing the land use regulation.
345	and shall be prepared and delivered according to the requirements of Subsection [
346	63G-7-401(3)] <u>63G-7-401(4)</u> .
347	(3) Mailing of the notice required by Subsection (1) tolls the limitation period for bringing
348	an action under this chapter for a period of 75 days, starting on the day the notice was
349	mailed.
350	(4) Notwithstanding Subsection (1), a person may bring an action under Section 63L-5-301
351	before the expiration of the 60-day notice period if:
352	(a) the imposition of a substantial burden on the person's free exercise of religion by the
353	land use regulation is imminent; and
354	(b) the person was not informed of and did not otherwise have knowledge of the land
355	use regulation in time to reasonably provide 60 days notice.
356	(5)(a) A government entity provided with the notice required by Subsection (2) may
357	remedy the substantial burden on the person's free exercise of religion:
358	(i) before the expiration of the 60-day notice period; or
359	(ii) in the case of an action properly brought according to Subsection (4), before the
360	adjudication of a court hearing on the action.
361	(b) Nothing in this section prevents a government entity from providing a remedy after
362	these time periods.
363	(6) The court may not award compensatory damages, attorney's fees, costs, or other
364	expenses to a person if the substantial burden has been cured by a remedy implemented
365	by the government entity according to Subsection (5)(a).
366	Section 6. Effective Date.
367	This bill takes effect on July 1, 2025.