

**Kay J. Christofferson** proposes the following substitute bill:

**Recovery Operations Amendments**

2026 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Kay J. Christofferson**

Senate Sponsor: Todd Weiler

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**LONG TITLE**

**General Description:**

This bill distinguishes recovery operations from normal towing operations and creates requirements for the operation and payment of recovery operators.

**Highlighted Provisions:**

This bill:

- defines terms;
- clarifies that an insurer who covers a vehicle that is recovered as part of a recovery operation is the insurer who pays the recovery operator;
- creates a process for an insurer and a recovery operator to dispute an amount due for a recovery operation;
- requires motor vehicle liability policies for commercial vehicles to include coverage for recovery operations;
- requires tow truck motor carrier rotations to identify tow truck motor carriers that are capable of performing recovery operations; and
- makes technical changes.

**Money Appropriated in this Bill:**

None

**Other Special Clauses:**

This bill provides a special effective date.

**Utah Code Sections Affected:**

AMENDS:

**72-1-102**, as last amended by Laws of Utah 2025, Chapter 373

**72-9-604**, as last amended by Laws of Utah 2025, Chapter 378

ENACTS:

**31A-22-323**, Utah Code Annotated 1953

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

Section 1. Section **31A-22-323** is enacted to read:

**31A-22-323 . Insurer obligations -- Recovery operations -- Arbitration.**

(1) As used in this section:

(a) "Recovery operation" means the same as that term is defined in Section 72-1-102.

(b) "Recovery operator" means a tow truck motor carrier that performs a recovery operation.

(c) "Tow truck motor carrier" means the same as that term is defined in Section 72-9-102.

(2) A liability insurer that insures a vehicle or cargo recovered as part of a recovery operation shall pay the recovery operator directly for all reasonable and necessary services involved in the recovery operation.

(3) An insurer of a vehicle recovered as part of a recovery operation shall, within 60 days after the day on which the insurer receives an invoice with documentation of the services performed for the recovery operation:

(a) pay the recovery operator the full amount invoiced by the recovery operator; or

(b) dispute the amount invoiced by a recovery operator as described in Subsection (4).

(4)(a) A dispute regarding the reasonableness or necessity of the unpaid amount shall be resolved by binding arbitration.

(b) Arbitration under this Subsection (4) shall:

(i) be conducted in accordance with Title 78B, Chapter 11, Utah Uniform Arbitration Act;

(ii) be limited to a determination of the reasonableness and necessity of the disputed amount; and

(iii) be initiated by a written demand for arbitration served on the opposing party.

(c) If arbitration is initiated, the insurer shall post a bond or other security, in a form acceptable to the arbitrator, in an amount that is the lesser of:

(i) 75% of the total of the invoiced amount; or

(ii) \$40,000.

(d) Upon receipt of proof of the bond or other security described in Subsection (4)(c), the recovery operator shall immediately release the recovered vehicle and any associated cargo to the insurer or the insurer's authorized agent.

(e) The arbitrator shall issue a written decision and award determining the amount, if any, payable from the bond or other security.

- 63 (f) An arbitration award issued under this Subsection (4) is:  
 64 (i) final and binding; and  
 65 (ii) subject to judicial review as provided in Title 78B, Chapter 11, Utah Uniform  
 66 Arbitration Act.
- 67 (g) If the arbitrator determines that all or a portion of the disputed charges are not  
 68 reasonable or not necessary, the insurer is not liable for the amount the arbitrator  
 69 determines not reasonable or not necessary, and the arbitrator shall order the release  
 70 of any remaining bond or other security to the insurer.
- 71 (h) If the total amount posted by the insurer as described in Subsection (4)(c) exceeds  
 72 the final amount that an arbitrator determines to be reasonable and necessary as  
 73 described in Subsection (4)(e), the recovery operator shall return to the insurer the  
 74 difference of the amount paid by the insurer and the final amount decided by the  
 75 arbitrator.
- 76 (i) Nothing in this Subsection (4) authorizes a recovery operator to withhold release of a  
 77 recovered vehicle or cargo after compliance with Subsection (4)(a).
- 78 (5)(a) In addition to any other coverage required by this title, a motor vehicle liability  
 79 insurance policy issued for a commercial motor vehicle being operated in this state  
 80 shall include a separate coverage rider providing coverage for costs associated with a  
 81 recovery operation.
- 82 (b) The recovery coverage described in Subsection (5)(a) shall apply to the recovery and  
 83 removal of a commercial motor vehicle or cargo that is impeding traffic flow or is  
 84 hazardous to the roadway.
- 85 (c) The minimum coverage limit for recovery coverage required under this Subsection  
 86 (5) is \$40,000 per recovery operation.
- 87 (d) An insurer may offer recovery coverage in excess of the minimum amount required  
 88 under Subsection (5)(c).

89 Section 2. Section **72-1-102** is amended to read:

90 **72-1-102 . Definitions.**

91 As used in this title:

- 92 (1) "Circulator alley" means a publicly owned passageway:
- 93 (a) with a right-of-way width of 20 feet or greater;
- 94 (b) located within a master planned community;
- 95 (c) established by the city having jurisdictional authority as part of the street network for
- 96 traffic circulation that may also be used for:

- 97 (i) garbage collection;
- 98 (ii) access to residential garages; or
- 99 (iii) access rear entrances to a commercial establishment; and
- 100 (d) constructed with a bituminous or concrete pavement surface.
- 101 (2) "Commission" means the Transportation Commission created under Section 72-1-301.
- 102 (3) "Construction" means the construction, reconstruction, replacement, and improvement
- 103 of the highways, including the acquisition of rights-of-way and material sites.
- 104 (4) "Department" means the Department of Transportation created in Section 72-1-201.
- 105 (5) "Executive director" means the executive director of the department appointed under
- 106 Section 72-1-202.
- 107 (6) "Farm tractor" ~~[has the meaning set forth in]~~ means the same as that term is defined in
- 108 Section 41-1a-102.
- 109 (7) "Federal aid primary highway" means that portion of connected main highways located
- 110 within this state officially designated by the department and approved by the United
- 111 States Secretary of Transportation under ~~[Title 23, Highways, U.S.C.]~~ 23 U.S.C. Sec. 101
- 112 et seq.
- 113 (8) "Fixed guideway" means the same as that term is defined in Section 59-12-102.
- 114 (9)(a) "Fixed guideway capital development" means a project to construct or reconstruct
- 115 a public transit fixed guideway facility that will add capacity to a fixed guideway
- 116 public transit facility.
- 117 (b) "Fixed guideway capital development" includes:
- 118 (i) a project to strategically double track commuter rail lines; and
- 119 (ii) a project to develop and construct public transit facilities and related
- 120 infrastructure pertaining to the Point of the Mountain State Land Authority created
- 121 in Section 11-59-201.
- 122 (10) "Greenfield" means the same as that term is defined in Section 17C-1-102.
- 123 (11) "Highway" means any public road, street, alley, lane, court, place, viaduct, tunnel,
- 124 culvert, bridge, or structure laid out or erected for public use, or dedicated or abandoned
- 125 to the public, or made [-]public in an action for the partition of real property, including
- 126 the entire area within the right-of-way.
- 127 (12) "Highway authority" means the department or the legislative, executive, or governing
- 128 body of a county or municipality.
- 129 (13) "Housing and transit reinvestment zone" means the same as that term is defined in
- 130 Section 63N-3-602.

- 131 (14) "Implement of husbandry" [~~has the meaning set forth in~~] means the same as that term is  
132 defined in Section 41-1a-102.
- 133 (15) "Interstate system" means any highway officially designated by the department and  
134 included as part of the national interstate and defense highways, as provided in the  
135 Federal Aid Highway Act of 1956 and any supplemental acts or amendments.
- 136 (16) "Large public transit district" means the same as that term is defined in Section  
137 17B-2a-802.
- 138 (17) "Limited-access facility" means a highway especially designated for through traffic,  
139 and over, from, or to which neither owners nor occupants of abutting lands nor other  
140 persons have any right or easement, or have only a limited right or easement of access,  
141 light, air, or view.
- 142 (18) "Master planned community" means a land use development:  
143 (a) designated by the city as a master planned community; and  
144 (b) comprised of a single development agreement for a development larger than 500  
145 acres.
- 146 (19) "Motor vehicle" [~~has the same meaning set forth in~~] means the same as that term is  
147 defined in Section 41-1a-102.
- 148 (20) "Municipality" [~~has the same meaning set forth in~~] means the same as that term is  
149 defined in Section 10-1-104.
- 150 (21) "National highway systems highways" means that portion of connected main highways  
151 located within this state officially designated by the department and approved by the  
152 United States Secretary of Transportation under [~~Title 23, Highways, U.S.C.~~] 23 U.S.C.  
153 Sec. 101 et seq.
- 154 (22)(a) "Port-of-entry" means a fixed or temporary facility constructed, operated, and  
155 maintained by the department where drivers, vehicles, and vehicle loads are checked  
156 or inspected for compliance with state and federal laws as specified in Section  
157 72-9-501.
- 158 (b) "Port-of-entry" includes inspection and checking stations and weigh stations.
- 159 (23) "Port-of-entry agent" means a person employed at a port-of-entry to perform the duties  
160 specified in Section 72-9-501.
- 161 (24) "Public transit" means the same as that term is defined in Section 17B-2a-802.
- 162 (25) "Public transit facility" means a fixed guideway, transit vehicle, transit station, depot,  
163 passenger loading or unloading zone, parking lot, or other facility:  
164 (a) leased by or operated by or on behalf of a public transit district; and

- 165 (b) related to the public transit services provided by the district, including:  
 166 (i) railway or other right-of-way;  
 167 (ii) railway line; and  
 168 (iii) a reasonable area immediately adjacent to a designated stop on a route traveled  
 169 by a transit vehicle.

170 (26)(a) "Recovery operation" means the specialized process of extracting or stabilizing a  
 171 disabled, damaged, or overturned vehicle that:

- 172 (i) cannot move under the vehicle's own power;  
 173 (ii) cannot be accessed by a standard tow truck; or  
 174 (iii) requires procedures that involve hazard, instability, or environmental complexity.

175 (b) "Recovery operation" includes the process of extracting or stabilizing a damaged  
 176 vehicle:

- 177 (i) that is overturned;  
 178 (ii) in a ditch or ravine;  
 179 (iii) unable to move in mud, sand, snow, or other terrain;  
 180 (iv) partially or fully submerged in water; or  
 181 (v) in another unstable position that could be hazardous to another vehicle, an  
 182 individual, or the environment.

183 ~~[(26)]~~ (27) "Right-of-way" means real property or an interest in real property, usually in a  
 184 strip, acquired for or devoted to state transportation purposes.

185 ~~[(27)]~~ (28) "Sealed" does not preclude acceptance of electronically sealed and submitted  
 186 bids or proposals in addition to bids or proposals manually sealed and submitted.

187 ~~[(28)]~~ (29) "Semitrailer" [has the meaning set forth in] means the same as that term is  
 188 defined in Section 41-1a-102.

189 ~~[(29)]~~ (30) "SR" means state route and has the same meaning as state highway as defined in  
 190 this section.

191 ~~[(30)]~~ (31) "State highway" means those highways designated as state highways in [Title 72,  
 192 Chapter 4, Designation of State Highways Act] Chapter 4, Designation of State  
 193 Highways Act.

194 ~~[(31)]~~ (32) "State transportation purposes" [has the meaning set forth in] means the same as  
 195 that term is defined in Section 72-5-102.

196 ~~[(32)]~~ (33) "State transportation systems" means all streets, alleys, roads, highways,  
 197 pathways, and thoroughfares of any kind, including connected structures, airports, aerial  
 198 corridor infrastructure, spaceports, public transit facilities, and all other modes and

199 forms of conveyance used by the public.

200 (34) "Towing operation" means the relocation or transport of a vehicle that is in an  
 201 accessible position and condition that the vehicle can be loaded or retrieved using  
 202 standard towing equipment without the need for a recovery operation.

203 [~~(33)~~] (35) "Trailer" [has the meaning set forth in] means the same as that term is defined in  
 204 Section 41-1a-102.

205 [~~(34)~~] (36)(a) "Transportation corridor" means the path or proposed path of a  
 206 transportation facility that exists or that may exist in the future.

207 (b) "Transportation corridor" may include:

- 208 (i) the land occupied or that may be occupied by a transportation facility; and
- 209 (ii) any other land that may be needed for expanding, operating, or controlling access  
 210 to the transportation facility.

211 [~~(35)~~] (37) "Transportation facility" means:

- 212 (a) a highway; or
- 213 (b) a fixed guideway.

214 [~~(36)~~] (38) "Transportation reinvestment zone" means a transportation reinvestment zone  
 215 created [pursuant to] in accordance with Section 11-13-227.

216 [~~(37)~~] (39) "Truck tractor" [has the meaning set forth in] means the same as that term is  
 217 defined in Section 41-1a-102.

218 [~~(38)~~] (40) "UDOT" means the Utah Department of Transportation.

219 [~~(39)~~] (41) "Vehicle" [has the same meaning set forth in] means the same as that term is  
 220 defined in Section 41-1a-102.

221 Section 3. Section **72-9-604** is amended to read:

222 **72-9-604 . Towing procedures -- Local authorities.**

223 (1) As used in this section:

224 (a) "Abandoned" means a vehicle, vessel, or outboard motor for which a party described  
 225 in Subsection 41-6a-1406(6)(a) with an interest in the vehicle, vessel, or outboard  
 226 motor does not, within 30 days after notice that the vehicle, vessel, or outboard motor  
 227 was towed by a towing entity:

- 228 (i) pay the relevant fees; and
- 229 (ii) remove the vehicle, vessel, or outboard motor from the secure storage facility.

230 (b) "Towing entity" means:

- 231 (i) a political subdivision of this state;
- 232 (ii) a state agency;

- 233 (iii) an interlocal agency created under Title 11, Chapter 13, Interlocal Cooperation  
234 Act; or
- 235 (iv) a special service district created under Title 17D, Chapter 1, Special Service  
236 District Act.
- 237 (2)(a) Notwithstanding any other provision of law, a political subdivision of this state  
238 may neither enact nor enforce any ordinance, regulation, or rule pertaining to a tow  
239 truck motor carrier, tow truck operator, or tow truck that:
- 240 (i) conflicts with:
- 241 (A) any provision of this part;
- 242 (B) Section 41-6a-1401;
- 243 (C) Section 41-6a-1407; or
- 244 (D) rules made by the department under this part; or
- 245 (ii) imposes a maximum rate that deviates from the maximum rates set in rules made  
246 by the department pursuant to Subsection 72-9-603(16).
- 247 (b) A county or municipal legislative governing body may not charge a fee for the  
248 storage of an impounded vehicle, vessel, or outboard motor if the county or  
249 municipality:
- 250 (i) is holding the vehicle, vessel, or outboard motor as evidence; and
- 251 (ii) will not release the vehicle, vessel, or outboard motor to the registered owner, lien  
252 holder, or the owner's agent even if the registered owner, lien holder, or the  
253 owner's agent satisfies the requirements to release the vehicle, vessel, or outboard  
254 motor under Section 41-6a-1406.
- 255 (3) A tow truck motor carrier that has a county or municipal business license for a place of  
256 business located within that county or municipality may not be required to obtain  
257 another business license in order to perform a tow truck service in another county or  
258 municipality if there is not a business location in the other county or municipality.
- 259 (4) A county or municipal legislative or governing body may not require a tow truck motor  
260 carrier, tow truck, or tow truck operator that has been issued a current, authorized  
261 towing certificate by the department, as described in Section 72-9-602, to obtain an  
262 additional towing certificate.
- 263 (5) A county or municipal legislative body may require an annual tow truck safety  
264 inspection in addition to the inspections required under Sections 53-8-205 and 72-9-602  
265 if:
- 266 (a) no fee is charged for the inspection; and

- 267 (b) the inspection complies with federal motor carrier safety regulations.
- 268 (6)(a) A tow truck shall be subject to only one annual safety inspection under Subsection  
269 (5)(b).
- 270 (b) A county or municipality that requires the additional annual safety inspection shall  
271 accept the same inspection performed by another county or municipality.
- 272 (7)(a)(i) If a towing entity uses a towing dispatch vendor described in Section  
273 53-1-106.2, the towing entity may charge a fee to cover costs associated with the  
274 use of a dispatch vendor as described in Section 53-1-106.2.
- 275 (ii) Except as provided in Subsection (8), a fee described in Subsection (7)(a)(i) may  
276 not exceed the actual costs of the dispatch vendor contracted to provide the  
277 dispatch service.
- 278 (b)(i) Except as provided in Subsection (7)(b)(ii), if a towing entity does not use a  
279 towing dispatch vendor described in Section 53-1-106.2, the towing entity may  
280 not charge a fee to cover costs associated with providing towing dispatch and  
281 rotation service.
- 282 (ii) A special service district created under Title 17D, Chapter 1, Special Service  
283 District Act, that charges a dispatch fee on or before January 1, 2023, may  
284 continue to charge a fee related to dispatch costs.
- 285 (iii) Except as provided in Subsection (8), a fee described in Subsection (7)(b)(ii)  
286 may not exceed an amount reasonably reflective to the actual costs of providing  
287 the towing dispatch and rotation service.
- 288 (c) A towing entity may not charge a fee described in Subsection (7)(a)(i) or (7)(b)(ii)  
289 unless the relevant governing body of the towing entity has approved the fee amount.
- 290 (d) In addition to fees set by the department in rules made in accordance with Subsection  
291 72-9-603(16), a tow truck operator or a tow truck motor carrier may pass through a  
292 fee described in this Subsection (7) to owners, lien holders, or insurance providers of  
293 towed vehicles, vessels, or outboard motors.
- 294 (8)(a) In addition to the fees described in Subsection (7), a tow truck operator or tow  
295 truck motor carrier may charge an additional fee to absorb unrecovered costs of  
296 abandoned vehicles related to the fees described in Subsections (7)(a)(i) and (7)(b)(ii).
- 297 (b) Beginning May 3, 2023, and ending on June 30, 2025, a tow truck operator or tow  
298 truck motor carrier may charge a fee described in Subsection (8)(a) in an amount not  
299 to exceed an amount greater than 25% of the relevant fee described in Subsection  
300 (7)(a)(i) or (7)(b)(ii).

- 301 (c)(i) Beginning January 1, 2025, and annually thereafter, the towing entity shall,  
302 based on data provided by the State Tax Commission, determine the percentage of  
303 vehicles, vessels, or outboard motors that were abandoned during the previous  
304 year by:
- 305 (A) determining the total number of vehicles, vessels, or outboard motors that  
306 were towed as part of a towing entity's towing rotation during the previous  
307 calendar year that were also abandoned; and
  - 308 (B) dividing the number described in Subsection (8)(c)(i)(A) by the total number  
309 of vehicles, vessels, or outboard motors that were towed as part of the towing  
310 entity's towing rotation during the previous calendar year.
- 311 (ii) No later than March 31, 2025, and each year thereafter, the towing entity shall  
312 publish:
- 313 (A) the relevant fee amount described in Subsection (7)(a)(i) or (7)(b)(ii); and
  - 314 (B) the percentage described in Subsection (8)(c)(i).
- 315 (iii) Beginning on July 1, 2025, and each year thereafter, a tow truck operator or a  
316 tow truck motor carrier may charge a fee authorized in Subsection (8)(a) in an  
317 amount equal to the percentage described in Subsection (8)(c)(i) multiplied by the  
318 relevant fee amount described in Subsection (7)(a)(i) or (7)(b)(ii).
- 319 (d) A tow truck operator or tow truck motor carrier shall list on a separate line on the  
320 towing invoice any fee described in this Subsection (8).
- 321 (9) A towing entity may not require a tow truck operator who has received an authorized  
322 towing certificate from the department to submit additional criminal background check  
323 information for inclusion of the tow truck motor carrier on a rotation.
- 324 (10) If a tow truck motor carrier is dispatched as part of a towing rotation, the tow truck  
325 operator that responds may not respond to the location in a tow truck that is owned by a  
326 tow truck motor carrier that is different than the tow truck motor carrier that was  
327 dispatched.
- 328 (11) If a towing entity receives a notice from the department as described in Subsection  
329 72-9-602(6), the towing entity shall remove the tow truck motor carrier from the towing  
330 entity's towing rotation, contract, or request for proposal as provided in the notice from  
331 the department.
- 332 (12)(a) When creating and managing a towing dispatch rotation, a towing entity shall  
333 require each tow truck motor carrier to disclose the tow truck motor carrier's  
334 capability to perform a recovery operation.

- 335           (b) When a towing entity requests a dispatch for a towing operation or recovery  
336           operation, the towing entity shall:  
337           (i) determine whether the circumstance requires a towing operation or recovery  
338           operation; and  
339           (ii) ensure that the tow truck motor carrier that is dispatched has the appropriate  
340           capability to perform the towing operation or recovery operation.

341           Section 4. **Effective Date.**

342           This bill takes effect on May 5, 2027.