

1 **Homeowners Insurance Amendments**

2026 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Jennifer Dailey-Provost**

Senate Sponsor:

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2 **LONG TITLE**

3 **General Description:**

4 This bill creates an independent state agency to provide real property insurance coverage  
5 when such coverage is not available from insurers.

6 **Highlighted Provisions:**

7 This bill:

- 8 ▶ defines terms;
- 9 ▶ enacts the Access to Insurance Plan Act;
- 10 ▶ creates the Access to Insurance Plan Association as an independent state agency;
- 11 ▶ requires each admitted insurer that writes property insurance in the state to participate in  
12 the association as a condition of transacting business;
- 13 ▶ requires the association to establish and operate a residual market property insurance plan  
14 (fair plan);
- 15 ▶ authorizes the fair plan to provide residential and commercial property insurance when  
16 coverage is not available in the admitted market;
- 17 ▶ establishes governance of the association by a board of directors that the governor  
18 appoints;
- 19 ▶ requires the board to adopt and submit a plan of operation to the insurance commissioner  
20 for approval;
- 21 ▶ establishes requirements for rates, underwriting standards, coverage limits, and policy  
22 forms under the fair plan;
- 23 ▶ requires an applicant to demonstrate that at least three admitted insurers declined  
24 coverage before obtaining coverage through the fair plan;
- 25 ▶ authorizes the association to assess member insurers to fund startup costs and ongoing  
26 financial obligations;
- 27 ▶ authorizes member insurers to recover certain assessments through policyholder  
28 surcharges;
- 29 ▶ grants the insurance commissioner oversight, enforcement authority, and rulemaking  
30

31 authority; and  
32     ▸ provides for judicial review of final administrative actions.

33 **Money Appropriated in this Bill:**

34     None

35 **Other Special Clauses:**

36     None

37 **Utah Code Sections Affected:**

38 AMENDS:

39     **63E-1-102**, as last amended by Laws of Utah 2023, Chapters 16, 431 and 502

40 ENACTS:

41     **31A-28-301**, Utah Code Annotated 1953

42     **31A-28-302**, Utah Code Annotated 1953

43     **31A-28-303**, Utah Code Annotated 1953

44     **31A-28-304**, Utah Code Annotated 1953

45     **31A-28-305**, Utah Code Annotated 1953

46     **31A-28-306**, Utah Code Annotated 1953

47     **31A-28-307**, Utah Code Annotated 1953

48     **31A-28-308**, Utah Code Annotated 1953

49     **31A-28-309**, Utah Code Annotated 1953

50     **31A-28-310**, Utah Code Annotated 1953



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

53     Section 1. Section **31A-28-301** is enacted to read:

54                     **Part 3. Access to Insurance Requirements Plan Act**

55             **31A-28-301 . Definitions.**

56             As used in this part:

57     (1) "Association" means the Access to Insurance Plan Association created in Section  
58         31A-28-302.

59     (2) "Board" means the board described in Section 31A-28-303.

60     (3)(a) "Commercial property insurance" means insurance against direct loss to  
61         commercial real property, including buildings and contents, resulting from fire,  
62         extended coverage perils, vandalism, or malicious mischief.

63     (b) "Commercial property insurance" does not include commercial automobile insurance  
64         or farm risks.

65 (4) "Member insurer" means an admitted insurer that writes property insurance in this state.

66 (5) "Plan" means the residual market property insurance plan established under Section  
67 31A-28-304.

68 (6)(a) "Property insurance" means insurance against direct loss to residential real  
69 property, including buildings and contents, resulting from fire, extended coverage  
70 perils, vandalism, or malicious mischief.

71 (b) "Property insurance" does not include automobile insurance or farm risks.

72 Section 2. Section **31A-28-302** is enacted to read:

73 **31A-28-302 . Access to Insurance Plan Association.**

74 (1) There is created an independent state agency known as the Access to Insurance Plan  
75 Association.

76 (2) Each member insurer shall participate in the association as a condition of the member  
77 insurer's authority to transact property insurance business in this state.

78 (3) The association shall:

79 (a) operate the plan in accordance with this part;

80 (b) establish, offer, and maintain property insurance and commercial property insurance  
81 policies that comply with this part;

82 (c) equitably apportion expenses, income, and losses among member insurers in  
83 proportion to each member insurer's direct written premiums for property insurance  
84 in this state; and

85 (d) maintain a public website that provides information about the plan and includes a  
86 toll-free telephone number.

87 (4) The association may:

88 (a) issue policies under the plan;

89 (b) purchase reinsurance; and

90 (c) transfer risk to the capital markets.

91 Section 3. Section **31A-28-303** is enacted to read:

92 **31A-28-303 . Board -- Appointment -- Terms -- Vacancies -- Reports.**

93 (1) The board governs the association and administers the plan.

94 (2) The governor shall appoint the board as follows:

95 (a) two members representing mutual corporations writing property insurance in this  
96 state;

97 (b) two members representing stock corporations writing property insurance in this state;

98 (c) one member representing a statewide insurance trade organization that represents

- 99            insurers writing property insurance in this state;
- 100            (d) one member representing a statewide insurance trade organization that represents
- 101            insurance producers in this state;
- 102            (e) one member licensed as an individual producer under Title 31A, Chapter 23a,
- 103            Insurance Marketing - Licensing Producers, Consultants, and Reinsurance
- 104            Intermediaries, with the property line of authority; and
- 105            (f) two members representing consumer interests.
- 106    (3) A board member:
- 107            (a) serves a three-year term;
- 108            (b) serves at the pleasure of the governor; and
- 109            (c) may serve no more than four terms.
- 110    (4) At the time of appointment, the governor shall adjust the length of terms to ensure that
- 111            the terms of board members are staggered so that approximately one-third of the
- 112            members are appointed every year.
- 113    (5) If a vacancy occurs, the governor shall appoint a replacement to serve the remainder of
- 114            the unexpired term.
- 115    (6) On or before April 1 of each year, the board shall submit to the commissioner a report
- 116            that includes:
- 117            (a) the financial condition of the plan;
- 118            (b) the number of policies in force and available coverages;
- 119            (c) the number and type of claims; and
- 120            (d) an evaluation of solvency and coverage sufficiency.
- 121    (7) The commissioner may require the board to submit quarterly reports or may examine
- 122            the affairs of the association if the commissioner determines that such action is
- 123            necessary to ensure the continued solvency of the plan.
- 124            Section 4. Section **31A-28-304** is enacted to read:
- 125            **31A-28-304 . Establishment -- Rates.**
- 126    (1) The board shall establish the plan.
- 127    (2) The plan shall comply with this part and rules the commissioner makes under this part.
- 128    (3) Rates for the plan:
- 129            (a) may not be excessive, inadequate, or unfairly discriminatory;
- 130            (b) shall be actuarially sound;
- 131            (c) shall reflect investment income; and
- 132            (d) shall reflect reinsurance and risk transfer costs.

133 (4) The association shall file rates in accordance with this chapter.

134 Section 5. Section **31A-28-305** is enacted to read:

135 **31A-28-305 . Plan of operation -- Contents -- Commissioner review.**

136 (1) The board shall submit a plan of operation to the commissioner for approval.

137 (2) The plan of operation shall include:

138 (a) lines of coverage;

139 (b) coverage limits;

140 (c) policy forms;

141 (d) covered perils;

142 (e) underwriting standards, including mitigation and inspection requirements;

143 (f) producer compensation;

144 (g) assessment methodology;

145 (h) administrative procedures; and

146 (i) any other matter necessary to assure access to a plan.

147 (3) The plan and amendments become effective upon the commissioner's written approval.

148 (4) If the board fails to submit or maintain a compliant plan, the commissioner may adopt  
149 rules necessary to implement this part.

150 (5) The commissioner may revoke approval of a plan after notice and opportunity for  
151 hearing and may require revisions.

152 Section 6. Section **31A-28-306** is enacted to read:

153 **31A-28-306 . Licensed producers -- Required declinations.**

154 (1) The association may issue a plan policy only through a licensed producer.

155 (2) A producer shall submit evidence that at least three admitted insurers declined coverage  
156 for the risk before the association issues a policy.

157 Section 7. Section **31A-28-307** is enacted to read:

158 **31A-28-307 . Assessments.**

159 (1) The association may assess member insurers to:

160 (a) fund startup costs; and

161 (b) meet financial obligations.

162 (2) The association shall allocate assessments in proportion to each member insurer's direct  
163 written premiums for property insurance in this state.

164 (3) A member insurer may recover an assessment through a surcharge to policyholders.

165 (4) An insurer may not increase base premium rates solely due to an assessment.

166 (5) An assessment is not premium for purposes of Title 59, Chapter 9, Taxation of

- 167 Admitted Insurers, or producer commission calculations.
- 168 (6) The board may defer or abate an assessment if payment would impair a member
- 169 insurer's solvency.
- 170 (7) The association shall reallocate a deferred or abated amount among other member
- 171 insurers.
- 172 (8) If the commissioner determines that the association is or may become unable to meet
- 173 the association's financial obligations, the commissioner shall direct the board to collect
- 174 fees in accordance with Subsection (1).

175 Section 8. Section **31A-28-308** is enacted to read:

176 **31A-28-308 . Enforcement.**

- 177 (1) After notice and hearing, the commissioner may suspend or revoke the certificate of
- 178 authority of a member insurer that fails to comply with this part or the plan of operation.
- 179 (2) As an alternative to a suspension or revocation, the commissioner may impose an
- 180 administrative fine equal to the greater of:
- 181 (a) the unpaid assessment plus interest and enforcement costs; or
- 182 (b) \$5,000.

183 Section 9. Section **31A-28-309** is enacted to read:

184 **31A-28-309 . Judicial review.**

185 A final order issued under this part is subject to judicial review in accordance with Title

186 63G, Chapter 4, Administrative Procedures Act.

187 Section 10. Section **31A-28-310** is enacted to read:

188 **31A-28-310 . Rulemaking.**

189 The commissioner may make rules in accordance with Title 63G, Chapter 3, Utah

190 Administrative Rulemaking Act, to implement this part.

191 Section 11. Section **63E-1-102** is amended to read:

192 **63E-1-102 . Definitions -- List of independent entities.**

193 As used in this title:

- 194 (1) "Authorizing statute" means the statute creating an entity as an independent entity.
- 195 (2) "Committee" means the Retirement and Independent Entities Committee created by
- 196 Section 63E-1-201.
- 197 (3) "Independent corporation" means a corporation incorporated in accordance with
- 198 Chapter 2, Independent Corporations Act.
- 199 (4)(a) "Independent entity" means an entity having a public purpose relating to the state
- 200 or its citizens that is individually created by the state or is given by the state the right

- 201 to exist and conduct its affairs as an:
- 202 (i) independent state agency; or
- 203 (ii) independent corporation.
- 204 (b) For purposes of this title, the independent entities are the:
- 205 (i) Utah Beef Council, created by Section 4-21-103;
- 206 (ii) Utah Dairy Commission, created by Section 4-22-103;
- 207 (iii) Heber Valley Historic Railroad Authority, created by Section 63H-4-102;
- 208 (iv) Utah Housing Corporation, created by Section 63H-8-201;
- 209 (v) Utah State Retirement Office, created by Section 49-11-201;
- 210 (vi) School and Institutional Trust Lands Administration, created by Section
- 211 53C-1-201;
- 212 (vii) School and Institutional Trust Fund Office, created by Section 53D-1-201;
- 213 (viii) Utah Communications Authority, created by Section 63H-7a-201;
- 214 (ix) Utah Capital Investment Corporation, created by Section 63N-6-301;
- 215 (x) Military Installation Development Authority, created by Section 63H-1-201;~~and~~
- 216 (xi) Public Service Commission of Utah, created by Section 54-1-1[-] ; and
- 217 (xii) Access to Insurance Plan Association, created by Section 31A-28-302.
- 218 (c) Notwithstanding this Subsection (4), "independent entity" does not include:
- 219 (i) an institution within the state system of higher education;
- 220 (ii) a city, county, or town;
- 221 (iii) a local school district;
- 222 (iv) a special district under Title 17B, Limited Purpose Local Government Entities -
- 223 Special Districts; or
- 224 (v) a special service district under Title 17D, Chapter 1, Special Service District Act.
- 225 (5) "Independent state agency" means an entity that is created by the state, but is
- 226 independent of the governor's direct supervisory control.
- 227 (6) "Money held in trust" means money maintained for the benefit of:
- 228 (a) one or more private individuals, including public employees;
- 229 (b) one or more public or private entities; or
- 230 (c) the owners of a quasi-public corporation.
- 231 (7) "Public corporation" means an artificial person, public in ownership, individually
- 232 created by the state as a body politic and corporate for the administration of a public
- 233 purpose relating to the state or its citizens.
- 234 (8) "Quasi-public corporation" means an artificial person, private in ownership, individually

235 created as a corporation by the state, which has accepted from the state the grant of a  
236 franchise or contract involving the performance of a public purpose relating to the state  
237 or its citizens.

238 Section 12. **Effective Date.**

239 This bill takes effect on May 6, 2026.