

Effective 9/1/2024

15-4-6.5 Divorce or separate maintenance of co-obligors.

- (1) On the entering of a decree of divorce or separate maintenance of joint debtors in contract, the claim of a creditor remains unchanged unless otherwise provided by the contract or until a new contract is entered into between the creditor and the debtors individually.
- (2) In addition to the creditor's duties as a secured party under Title 70A, Chapter 9a, Uniform Commercial Code - Secured Transactions, and the creditor's duties as a trustee or beneficiary of a trust deed under Title 57, Chapter 1, Conveyances, a creditor shall provide to the debtors individually all statements, notices, and other similar correspondence required by law or by the contract if:
 - (a) the creditor has been notified by service of a copy of a court order under Section 81-4-204 or 81-4-406 that the debtors are divorced or living separately under an order for separate maintenance; and
 - (b) the creditor has been expressly advised of the separate and current addresses of the debtors by the court order or by other written notice.
- (3)
 - (a) Except as provided in Subsection (3)(b), a creditor may:
 - (i) continue to make negative credit reports of joint debtors under Section 70C-7-107; and
 - (ii) report the repayment practices or credit history of joint debtors under Title 7, Chapter 14, Credit Information Exchange.
 - (b) If a debtor who is not ordered by the court under Section 81-4-204 or 81-4-406 to make payments on a joint obligation, the creditor may not make a negative credit report under Section 70C-7-107, or a report of the debtor's repayment practices or credit history under Title 7, Chapter 14, Credit Information Exchange, regarding the joint obligation after the creditor is served notice of the court's order as required under Subsection (2), unless the creditor has made a demand on the debtor for payment because of the failure to make payments by the other debtor who is ordered by the court to make the payments.

Amended by Chapter 366, 2024 General Session