

**Part 17**  
**Property and Casualty Certificate of Insurance Act**

**31A-22-1701 Title -- Scope of part.**

- (1) This part is known as the "Property and Casualty Certificate of Insurance Act."
- (2)
  - (a) Except as provided in Subsection (2)(b), this part applies to a certificate of insurance issued on or after May 10, 2011, as evidence of insurance coverage on property, operations, or risks located in this state.
  - (b) This part applies on and after July 1, 2012, to a certificate of insurance that is issued as evidence of insurance coverage on property, operations, or risks located in this state if the certificate of insurance is an exhibit to a contract executed before July 1, 2012.
  - (c) This part applies, regardless of where located, to the following in relation to a certificate of insurance described in Subsection (2)(b):
    - (i) a certificate holder;
    - (ii) a policyholder;
    - (iii) an insurer; or
    - (iv) an insurance producer.

Enacted by Chapter 253, 2011 General Session

**31A-22-1702 Definitions.**

Notwithstanding Section 31A-1-301, as used in this part:

- (1) "Certificate holder" means a person who:
  - (a) requests, obtains, or possesses a certificate of insurance; and
  - (b) is not a policyholder.
- (2) "Certificate of insurance" means a document that is prepared for or issued to a person who is not a policyholder as evidence of insurance, regardless of how it is titled or described.
- (3) "Insurer" means:
  - (a) an insurer as defined in Section 31A-1-301; and
  - (b) any other person engaged in the business of making insurance or a surety contract.
- (4) "Person," in addition to the definition in Section 31A-1-301, includes:
  - (a) to the extent not prohibited by federal law:
    - (i) the federal government; or
    - (ii) an administrative unit of the federal government;
  - (b) the state;
  - (c) an administrative unit of the state;
  - (d) a political subdivision of the state; or
  - (e) an administrative unit of a political subdivision of the state.
- (5) "Policyholder" means a person who contracts with a property and casualty insurer for insurance coverage.

Enacted by Chapter 253, 2011 General Session

**31A-22-1703 Filing of form.**

- (1) Notwithstanding Section 31A-21-201, a person may not:

- (a) prepare, issue, or request the issuance of a certificate of insurance unless the certificate of insurance form is filed with the commissioner; or
  - (b) modify a filed certificate of insurance form unless filed with the commissioner.
- (2) The commissioner shall object to the use of, or prohibit the use of, a certificate of insurance form filed under this section if the certificate of insurance form:
- (a) is unfair, misleading, or deceptive;
  - (b) violates public policy;
  - (c) fails to comply with Section 31A-22-1704; or
  - (d) violates any law, including a rule made by the commissioner in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act.
- (3) A standard certificate of insurance form filed for use by a nationally recognized insurance rating organization that is licensed by the commissioner, is considered filed for use for purposes of this section or Section 31A-21-201.

Enacted by Chapter 253, 2011 General Session

**31A-22-1704 Scope of certificate of insurance.**

- (1) A certificate of insurance is not an insurance policy and does not affirmatively or negatively amend, extend, or alter the coverage afforded by an insurance policy to which a certificate of insurance refers.
- (2) A certificate of insurance may not confer to a certificate holder a right that is not provided by an insurance policy to which the certificate of insurance refers.
- (3)
- (a) A certificate of insurance may not refer to a contract that is not an insurance policy, including a construction or service contract.
  - (b) Notwithstanding any requirement, term, or condition of a document with respect to which a certificate of insurance may be issued or may pertain, the insurance coverage afforded by a referenced insurance policy is subject to the terms, exclusions, and conditions of the insurance policy itself.

Enacted by Chapter 253, 2011 General Session

**31A-22-1705 False or misleading practices.**

- (1) A person may not knowingly request or require the issuance of a certificate of insurance from an insurer, insurance producer, or policyholder that contains false or misleading information concerning an insurance policy to which the certificate of insurance refers.
- (2) A person may not knowingly prepare or issue a certificate of insurance that:
- (a) contains false or misleading information; or
  - (b) purports to affirmatively or negatively alter, amend, or extend the coverage provided by an insurance policy to which the certificate of insurance refers.
- (3)
- (a) A person may not prepare, issue, or request an opinion letter or other document, either in addition to or in lieu of a certificate of insurance that is inconsistent with this part.
  - (b) An insurer or insurance producer may prepare or issue an addendum to a certificate of insurance that clarifies or explains the coverage provided by an insurance policy if the addendum complies with this part.

Enacted by Chapter 253, 2011 General Session

**31A-22-1706 Notice of cancellation, nonrenewal, or material change.**

- (1) A certificate holder only has a right to a notice of cancellation, nonrenewal, a material change, or to a similar notice if the certificate holder has rights to the notice under the terms of the insurance policy to which the certificate of insurance refers, or under any rider, or endorsement to the insurance policy.
- (2) The terms and conditions of a notice described in Subsection (1), including the required timing of the notice, is governed by the insurance policy. A certificate of insurance may not alter a term or condition of the notice.

Enacted by Chapter 253, 2011 General Session

**31A-22-1707 Enforcement -- Rulemaking.**

- (1) A certificate of insurance or other document that is prepared, issued, or requested in violation of this part is void.
- (2) The commissioner may bring action in accordance with Section 31A-2-308 and Title 63G, Chapter 4, Administrative Procedures Act, for a violation of this part.
- (3) The commissioner may:
  - (a) examine and investigate the activities of any person who the commissioner believes has been or is engaged in an act prohibited by this part;
  - (b) enforce this part; and
  - (c) impose a penalty or enforce a remedy authorized by this title for a violation of this part.
- (4) The commissioner may make rules in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, that are necessary and proper to carry out this part.

Enacted by Chapter 253, 2011 General Session