

Effective 5/12/2015

31A-6a-103 Requirements for doing business.

- (1) A service contract or vehicle protection product warranty may not be issued, sold, or offered for sale in this state unless the service contract or vehicle protection product warranty is insured under a reimbursement insurance policy issued by:
 - (a) an insurer authorized to do business in this state; or
 - (b) a recognized surplus lines carrier.
- (2)
 - (a) A service contract or vehicle protection product warranty may not be issued, sold, or offered for sale unless the service contract provider or warrantor completes the registration process described in this Subsection (2).
 - (b) To register, a service contract provider or warrantor shall submit to the department the following:
 - (i) an application for registration;
 - (ii) a fee established in accordance with Section 31A-3-103;
 - (iii) a copy of any service contract or vehicle protection product warranty that the service contract provider or warrantor offers in this state; and
 - (iv) a copy of the service contract provider's or warrantor's reimbursement insurance policy.
 - (c) A service provider or warrantor shall submit the information described in Subsection (2)
 - (b) no less than 30 days before the day on which the service provider or warrantor issues, sells, offers for sale, or uses a service contract, vehicle protection product warranty, or reimbursement insurance policy in this state.
 - (d) A service provider or warrantor shall file any modification of the terms of a service contract, vehicle protection product warranty, or reimbursement insurance policy 30 days before the day on which it is used in this state.
 - (e) A person complying with this chapter is not required to comply with:
 - (i) Subsections 31A-21-201(1) and 31A-23a-402(3); or
 - (ii) Chapter 19a, Utah Rate Regulation Act.
- (3)
 - (a) Premiums collected on a service contract are not subject to premium taxes.
 - (b) Premiums collected by an issuer of a reimbursement insurance policy are subject to premium taxes.
- (4) A person marketing, selling, or offering to sell a service contract or vehicle protection product warranty for a service contract provider or warrantor that complies with this chapter is exempt from the licensing requirements of this title.
- (5) A service contract provider or warrantor complying with this chapter is not required to comply with:
 - (a) Chapter 5, Domestic Stock and Mutual Insurance Corporations;
 - (b) Chapter 7, Nonprofit Health Service Insurance Corporations;
 - (c) Chapter 8, Health Maintenance Organizations and Limited Health Plans;
 - (d) Chapter 9, Insurance Fraternal;
 - (e) Chapter 10, Annuities;
 - (f) Chapter 11, Motor Clubs;
 - (g) Chapter 12, State Risk Management Fund;
 - (h) Chapter 13, Employee Welfare Funds and Plans;
 - (i) Chapter 14, Foreign Insurers;
 - (j) Chapter 19a, Utah Rate Regulation Act;
 - (k) Chapter 25, Third Party Administrators; and

(I)Chapter 28, Guaranty Associations.

Amended by Chapter 244, 2015 General Session