

JUDGMENT LIEN AMENDMENTS

1999 GENERAL SESSION

STATE OF UTAH

Sponsor: John L. Valentine

AN ACT RELATING TO THE JUDICIAL CODE; PROVIDING FOR THE TERMINATION OF JUDGMENT LIENS WHICH ARE APPEALED UPON THE FILING OF ADEQUATE SECURITY; MAKING TECHNICAL CHANGES; AND PROVIDING AN EFFECTIVE DATE.

This act affects sections of Utah Code Annotated 1953 as follows:

AMENDS:

78-22-1, as last amended by Chapter 327, Laws of Utah 1998

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

Section 1. Section **78-22-1** is amended to read:

78-22-1. Duration of judgment -- Judgment as lien upon real property -- Abstract of judgment -- Small claims judgment not lien -- Appeal of judgment.

(1) Judgments shall continue for eight years unless previously satisfied or unless enforcement of the judgment is stayed in accordance with law.

(2) Prior to July 1, 1997, except as limited by [Subsection] Subsections (4) and (5), the entry of judgment by a district court is a lien upon the real property of the judgment debtor, not exempt from execution, owned or acquired during the existence of the judgment, located in the county in which the judgment is entered.

(3) Prior to and after July 1, 1997, an abstract of judgment issued by the court in which the judgment is entered may be recorded in any court of this state and shall have the same force and effect as a judgment entered in that court.

(4) Prior to July 1, 1997, and after May 15, 1998, a judgment entered in the small claims division of any court shall not qualify as a lien upon real property unless abstracted to the civil division of the district court and recorded in accordance with Subsection (3).

(5) (a) If any judgment is appealed, upon deposit with the court where the notice of appeal is filed of cash or other security in a form and amount considered sufficient by the court that rendered the judgment to secure the full amount of the judgment, together with ongoing interest

and any other anticipated damages or costs, including attorney's fees and costs on appeal, the lien created by Subsection (2) shall be terminated as provided in Subsection (5)(b).

(b) Upon the deposit of sufficient security as provided in Subsection (5)(a), the court shall enter an order terminating the lien created by the judgment under Subsection (2) and granting the judgment creditor a perfected lien in the deposited security as of the date of the original judgment.

Section 2. Effective date.

If approved by two-thirds of all the members elected to each house, this act takes effect upon approval by the governor, or the day following the constitutional time limit of Utah Constitution Article VII, Section 8, without the governor's signature, or in the case of a veto, the date of veto override.