1	INSURANCE COVERAGE FOR CONDOMINIUMS
2	2000 GENERAL SESSION
3	STATE OF UTAH
4	Sponsor: Marda Dillree
5	AN ACT RELATING TO THE CONDOMINIUM OWNERSHIP ACT; REQUIRING
6	CONDOMINIUM ASSOCIATIONS TO OBTAIN INSURANCE COVERING ALL COMMON
7	AREAS AND BUILDINGS; AND MAKING TECHNICAL CHANGES.
8	This act affects sections of Utah Code Annotated 1953 as follows:
9	AMENDS:
10	57-8-29 , as enacted by Chapter 111, Laws of Utah 1963
11	Be it enacted by the Legislature of the state of Utah:
12	Section 1. Section 57-8-29 is amended to read:
13	57-8-29. Insurance.
14	(1) The manager, management committee, or association of unit owners[, if required by
15	the declaration, bylaws or by a majority of the unit owners, or at the request of a mortgagee having
16	a first mortgage of record covering a unit, shall have the authority to, and shall, obtain insurance
17	for the property] shall obtain insurance against loss or damage by fire and [such] other hazards
18	[under such terms and for such amounts as shall be required or requested.] for:
19	(a) all common areas and facilities; and
20	(b) all buildings, including any improvement which is a permanent part of a building.
21	(2) Insurance coverage shall be written on the property in the name of the manager,
22	management committee, or association of unit owners, as trustee for each of the unit owners in the
23	percentages established in the declaration.
24	(3) Premiums on insurance <u>required by this section</u> shall be common expenses.
25	(4) Provision for insurance shall be without prejudice to the right of each unit owner to
26	insure his own unit for his benefit.

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Legislative Review Note as of 1-25-00 12:22 PM

A limited legal review of this legislation raises no obvious constitutional or statutory concerns.

Office of Legislative Research and General Counsel