

Representative Kevin S. Garn proposes the following substitute bill:

**COSTS ASSESSED FOR WRONGFULLY
ENJOINING A STATE PROJECT**

2002 GENERAL SESSION

STATE OF UTAH

Sponsor: Terry R. Spencer

This act adds a provision to the Judicial Code that allows an entity or person to bring an action in state court to recover damages from a work stoppage caused by another person or entity bringing a suit in court to stop a construction project.

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

ENACTS:

78-11-28, Utah Code Annotated 1953

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

Section 1. Section **78-11-28** is enacted to read:

78-11-28. Action for damages for disrupting a municipal, county, or state approved project.

(1) Any person or entity that improperly disrupts or halts progress on a municipal, county, or state approved or partially funded or administered permit, construction, or reconstruction project within this state shall be liable in a state action for damages to the entity overseeing the project or to any other person or entity materially damaged, for all costs and damages associated with the project including all costs and damages which the overseeing entity is liable to continue payment on while the project is disrupted. A project shall be considered "improperly disrupted" if the person or entity, as a party to an action, initiates, continues or maintains, but does not substantially prevail in the final decision in the lawsuit brought to enjoin the project.

(2) Costs and damages shall include:

(a) wages and salaries of employees actually associated with or working on the project;



26 (b) material costs, including increases in those costs caused by the stoppage or delay in the
27 project;

28 (c) penalties and interest costs that may accrue due to contracts entered into associated
29 with the project;

30 (d) actual litigation costs, including attorneys' fees and court costs; and

31 (e) any other costs or damages which the overseeing entity or other person or entity
32 materially damaged can prove to the court were caused by the disruption of the project.