

1 **STATE SETTLEMENT AGREEMENTS**

2 **AMENDMENTS**

3 2004 GENERAL SESSION

4 STATE OF UTAH

5 **Sponsor: Wayne A. Harper**

7 **LONG TITLE**

8 **General Description:**

9 This bill modifies provisions governing gubernatorial and legislative review and
10 approval of state settlement agreements.

11 **Highlighted Provisions:**

12 This bill:

- 13 ▶ exempts contract claims settled by DFCM from gubernatorial and legislative review
- 14 and approval; and
- 15 ▶ makes technical corrections.

16 **Monies Appropriated in this Bill:**

17 None

18 **Other Special Clauses:**

19 None

20 **Utah Code Sections Affected:**

21 AMENDS:

22 **63-38b-101**, as last amended by Chapter 235, Laws of Utah 2002

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

25 Section 1. Section **63-38b-101** is amended to read:

26 **63-38b-101. Definitions.**

27 As used in this chapter:



28 (1) (a) "Action settlement agreement" includes a stipulation, consent decree, settlement
29 agreement, or any other legally binding document or representation that resolves a threatened
30 or pending lawsuit between the state and another party by requiring the state to take legally
31 binding action.

32 (b) "Action settlement agreement" includes stipulations, consent decrees, settlement
33 agreements, and other legally binding documents or representations resolving a dispute
34 between the state and another party when the state is required to pay money and required to
35 take legally binding action.

36 (c) "Action settlement agreement" does not include:

37 (i) the internal process established by the Department of Transportation to resolve
38 construction contract claims;

39 (ii) any resolution of an employment dispute or claim made by an employee of the state
40 of Utah against the state as employer;

41 (iii) adjudicative orders issued by the State Tax Commission, the Public Service
42 Commission, the Labor Commission, or the Department of Workforce Services; or

43 (iv) the settlement of disputes arising from audits, defaults, or breaches of permits,
44 contracts of sale, easements, or leases by the School and Institutional Trust Lands
45 Administration.

46 (2) (a) "Agency" means each department, commission, board, council, agency,
47 institution, officer, corporation, fund, division, office, committee, authority, laboratory, library,
48 unit, bureau, panel, or other administrative unit of the state.

49 (b) "Agency" includes the legislative branch, the judicial branch, the attorney general's
50 office, the State Office of Education, the Board of Regents, the institutional councils of each
51 higher education institution, and each higher education institution.

52 (3) (a) "Financial settlement agreement" includes a stipulation, consent decree,
53 settlement agreement, and any other legally binding document or representation that resolves a
54 dispute between the state and another party exclusively by requiring the payment of money
55 from one party to the other.

56 (b) "Financial settlement agreement" does not include:

57 (i) agreements made under the internal process established by the Department of
58 Transportation to resolve construction contract claims;

- 59 (ii) adjudicative orders issued by the State Tax Commission, Public Service
60 Commission, Labor Commission, or the Department of Workforce Services; [or]
61 (iii) the settlement of disputes arising from audits, defaults, or breaches of permits,
62 contracts of sale, easements, or leases by the School and Institutional Trust Lands
63 Administration[-]; or
64 (iv) agreements made under the internal processes established by the Division of
65 Facilities Construction and Management or by law to resolve construction contract claims
66 made against the state by contractors or subcontractors.
67 (4) "Government entities" means the state and its political subdivisions.

Legislative Review Note
as of 1-9-04 1:34 PM

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

Office of Legislative Research and General Counsel

Fiscal Note

State Settlement Agreements Amendments

21-Jan-04

Bill Number HB02052:54 PM

State Impact

No fiscal impact.

Individual and Business ImpactNo fiscal impact.

Office of the Legislative Fiscal Analyst