

1 **INSURANCE DEPARTMENT - SUNSET**

2 **AMENDMENTS AND REVISIONS**

3 2006 GENERAL SESSION

4 STATE OF UTAH

5 **Chief Sponsor: Scott K. Jenkins**

6 House Sponsor: Stephen D. Clark

7

8 **LONG TITLE**

9 **General Description:**

10 This bill modifies the Insurance Code to address sunset dates for e-commerce fees.

11 **Highlighted Provisions:**

12 This bill:

- 13 ▶ deletes the time frame limiting when e-commerce fees are treated as dedicated
- 14 credits;
- 15 ▶ deletes the sunset date for the e-commerce fees; and
- 16 ▶ makes technical changes and conforming amendments.

17 **Monies Appropriated in this Bill:**

18 None

19 **Other Special Clauses:**

20 None

21 **Utah Code Sections Affected:**

22 AMENDS:

23 **31A-3-103**, as last amended by Chapter 308, Laws of Utah 2002

24 **31A-3-104**, as enacted by Chapter 308, Laws of Utah 2002

25 **63-55-231**, as last amended by Chapter 123, Laws of Utah 2005

26

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



28 Section 1. Section **31A-3-103** is amended to read:

29 **31A-3-103. Fees.**

30 (1) For purposes of this section:

31 (a) "Regulatory fee" is as defined in Section 63-38-3.2.

32 (b) "Services" means functions that are reasonable and necessary to enable the
33 commissioner to perform the duties imposed by this title including:

34 (i) issuing and renewing licenses and certificates of authority;

35 (ii) filing policy forms;

36 (iii) reporting agent appointments and terminations; and

37 (iv) filing annual statements.

38 (c) Fees related to the renewal of licenses may be imposed no more frequently than
39 once each year.

40 (2) (a) A regulatory fee charged by the department shall be set in accordance with
41 Section 63-38-3.2.

42 (b) Fees shall be set and collected for services provided by the department.

43 (3) (a) For a fee authorized by this chapter that is not a regulatory fee, the department
44 may adopt a schedule of fees provided that each fee in the schedule of fees is:

45 (i) reasonable and fair; and

46 (ii) submitted to the Legislature as part of the department's annual appropriations
47 request.

48 (b) If a fee schedule described in Subsection (3)(a) is submitted as part of the
49 department's annual appropriations request, the Legislature may, in a manner substantially
50 similar to Section 63-38-3.2:

51 (i) approve any fee in the fee schedule;

52 (ii) (A) increase or decrease any fee in the fee schedule; and

53 (B) approve any fee in the fee schedule as changed by the Legislature; or

54 (iii) reject any fee in the fee schedule.

55 (c) (i) Except as provided in Subsection (3)(c)(ii), a fee approved by the Legislature
56 pursuant to this Subsection (3) shall be deposited into the General Fund for appropriation by
57 the Legislature.

58 (ii) [~~Beginning on July 1, 2002 and ending on June 30, 2006, a~~] A fee approved by the

59 Legislature pursuant to this Subsection (3) that relates to the use of electronic or other similar
60 technology to provide the services of the department shall be deposited into the General Fund
61 as a dedicated credit to be used by the department to provide services through use of electronic
62 commerce or other similar technology.

63 (4) The commissioner shall separately publish the schedule of fees approved by the
64 Legislature and make it available upon request for \$1 per copy. This fee schedule shall also be
65 included in any compilation of rules promulgated by the commissioner.

66 (5) The commissioner shall, by rule, establish the deadlines for payment of any fee
67 established by the department in accordance with this section.

68 Section 2. Section **31A-3-104** is amended to read:

69 **31A-3-104. Electronic commerce dedicated fees.**

70 (1) The department may charge a fee for requests for information:

- 71 (a) that is obtained from an electronic database of the department; or
72 (b) derived from data that is generated by electronic means.

73 (2) In addition to any fee authorized in this title, the department shall impose a
74 supplemental fee on the issuance or renewal of any of the following issued by the department:

- 75 (a) a license;
76 (b) a registration; or
77 (c) a certificate of authority.

78 (3) A fee imposed under this section shall be:

- 79 (a) established in accordance with Subsection 31A-3-103(3); and
80 (b) deposited into the General Fund as a dedicated credit in accordance with

81 Subsection 31A-3-103(3).

82 [~~(4) In accordance with Section 63-55-231, this section is repealed on July 1, 2006.~~]

83 Section 3. Section **63-55-231** is amended to read:

84 **63-55-231. Repeal dates, Title 31A.**

85 (1) Section 31A-2-208.5, Comparison tables, is repealed July 1, 2010.

86 (2) Section 31A-2-217, Coordination with other states, is repealed July 1, 2013.

87 [~~(3) Section 31A-3-104, Electronic commerce dedicated fees, is repealed July 1, 2006.~~]

88 [~~(4)~~ (3) Section 31A-22-315, Motor vehicle insurance reporting -- Penalty, is repealed
89 July 1, 2010.

90 [~~5~~] (4) Section 31A-22-625, Catastrophic coverage of mental health conditions, is
91 repealed July 1, 2011.

92 [~~6~~] (5) Title 31A, Chapter 31, Insurance Fraud Act, is repealed July 1, 2007.

Legislative Review Note
as of 11-9-05 2:44 PM

Based on a limited legal review, this legislation has not been determined to have a high probability of being held unconstitutional.

Office of Legislative Research and General Counsel

Interim Committee Note
as of 12-15-05 11:07 AM

The Business and Labor Interim Committee recommended this bill.