

1 **MOTORBOAT LIABILITY INSURANCE**

2 **REVISIONS**

3 2007 GENERAL SESSION

4 STATE OF UTAH

5 **Chief Sponsor: Kerry W. Gibson**

6 **Senate Sponsor: Darin G. Peterson**

7

8 **LONG TITLE**

9 **General Description:**

10 This bill modifies the Financial Responsibility of Motorboat Owners and Operators Act
11 by amending provisions relating to owner's and operator's security requirements for
12 motorboats.

13 **Highlighted Provisions:**

14 This bill:

- 15 ▶ amends the definition of motorboat to exclude airboats for purposes of owner's and
16 operator's security requirements for motorboats; and
17 ▶ makes technical changes.

18 **Monies Appropriated in this Bill:**

19 None

20 **Other Special Clauses:**

21 None

22 **Utah Code Sections Affected:**

23 AMENDS:

24 **73-18c-102**, as last amended by Chapter 211, Laws of Utah 2006

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

27 Section 1. Section **73-18c-102** is amended to read:



28 **73-18c-102. Definitions.**

29 As used in this chapter:

30 (1) "Airboat" means a vessel propelled by air pressure caused by an airplane type
31 propeller mounted above the stern and driven by an internal combustion engine.

32 [~~1~~] (2) "Board" means the Board of Parks and Recreation.

33 [~~2~~] (3) "Division" means the Division of Parks and Recreation.

34 [~~3~~] (4) "Judgment" means any judgment that is final by:

35 (a) expiration without appeal of the time within which an appeal might have been
36 perfected; or

37 (b) final affirmation on appeal, rendered by a court of competent jurisdiction of any
38 state or of the United States, upon a cause of action for damages:

39 (i) arising out of the ownership, maintenance, or use of any personal watercraft,
40 including damages for care and loss of services because of bodily injury to or death of any
41 person, or because of injury to or destruction of property including the loss of use of the
42 property; or

43 (ii) on a settlement agreement.

44 [~~4~~] (5) (a) "Motorboat" has the same meaning as defined in Section 73-18-2.

45 (b) "Motorboat" includes personal watercraft regardless of the manufacturer listed
46 horsepower.

47 (c) "Motorboat" does not include:

48 (i) a boat with a manufacturer listed horsepower of 50 horsepower or less[-]; or

49 (ii) an airboat.

50 [~~5~~] (6) "Nonresident" means any person who is not a resident of Utah.

51 [~~6~~] (7) "Operator" means the person who is in control of a motorboat while it is in
52 use.

53 [~~7~~] (8) (a) "Owner" means a person, other than a lien holder, holding a proprietary
54 interest in or the title to a motorboat.

55 (b) "Owner" includes a person entitled to the use or possession of a motorboat subject
56 to an interest by another person, reserved or created by agreement and securing payment or
57 performance of an obligation.

58 (c) "Owner" does not include a lessee under a lease not intended as security.

59 ~~[(8)]~~ (9) "Owner's or operator's security," "owner's security," or "operator's security"
60 means any of the following:

61 (a) an insurance policy or combination of policies conforming to Sections
62 31A-22-1502 and 31A-22-1503, which is issued by an insurer authorized to do business in
63 Utah;

64 (b) a surety bond issued by an insurer authorized to do a surety business in Utah in
65 which the surety is subject to the minimum coverage limits and other requirements of policies
66 conforming to Sections 31A-22-1502 and 31A-22-1503, which names the division as a creditor
67 under the bond for the use of persons entitled to the proceeds of the bond;

68 (c) a deposit with the state treasurer of cash or securities complying with Section
69 73-18c-305;

70 (d) a certificate of self-funded coverage issued under Section 73-18c-306; or

71 (e) a policy conforming to Sections 31A-22-1502 and 31A-22-1503 issued by the Risk
72 Management Fund created in Section 63A-4-201.

73 ~~[(9)]~~ (10) "Personal watercraft" has the same meaning as provided in Section 73-18-2.

74 ~~[(10)]~~ (11) "Registration" means the issuance of the registration cards and decals issued
75 under the laws of Utah pertaining to the registration of motorboats.

76 ~~[(11)]~~ (12) "Registration materials" means the evidences of motorboat registration,
77 including all registration cards and decals.

78 ~~[(12)]~~ (13) "Self-insurance" has the same meaning as provided in Section 31A-1-301.

79 ~~[(13)]~~ (14) "Waters of the state" means any waters within the territorial limits of this
80 state.

Legislative Review Note
as of 12-20-06 1:27 PM

Office of Legislative Research and General Counsel

H.B. 227 - Motorboat Liability Insurance Revisions

Fiscal Note

2007 General Session

State of Utah

State Impact

Enactment of this bill will not require additional appropriations.

Individual, Business and/or Local Impact

Enactment of this bill likely will not result in direct, measurable costs and/or benefits for businesses, or local governments. Owners of airboats will not be required to purchase motorboat liability insurance.

1/16/2007, 2:37:53 PM, Lead Analyst: Eckersley, S.

Office of the Legislative Fiscal Analyst