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GOVERNMENTAL IMMUNITY LIMITS

AMENDMENTS

2007 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Howard A. Stephenson

House Sponsor: Stephen H. Urquhart

LONG TITLE

General Description:

This bill modifies the Governmental Immunity Act of Utah by amending provisions related to limitations of judgments.

Highlighted Provisions:

This bill:

- ▶ amends judgment limitation amounts to reflect amounts currently in effect as adjusted by the state risk manager based on changes in the Consumer Price Index;
- ▶ adds language to clarify that judgment limitation amounts specified in the statute are periodically adjusted; and
- ▶ makes technical changes.

Monies Appropriated in this Bill:

None

Other Special Clauses:

This bill takes effect on July 1, 2007.

Utah Code Sections Affected:

AMENDS:

63-30d-604 (Effective 07/01/07), as last amended by Chapter 357, Laws of Utah 2006

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



28 Section 1. Section **63-30d-604 (Effective 07/01/07)** is amended to read:

29 **63-30d-604 (Effective 07/01/07). Limitation of judgments against governmental**
30 **entity or employee -- Process for adjustment of limits.**

31 (1) (a) Except as provided in ~~Subsections~~ Subsection (2) and subject to Subsection
32 (3), if a judgment for damages for personal injury against a governmental entity, or an
33 employee whom a governmental entity has a duty to indemnify, exceeds ~~[\$553,500]~~ \$583,900
34 for one person in any one occurrence, the court shall reduce the judgment to that amount.

35 (b) A court may not award judgment of more than ~~[\$553,500]~~ the amount in effect
36 under Subsection (1)(a) for injury or death to one person regardless of whether or not the
37 function giving rise to the injury is characterized as governmental.

38 (c) Except as provided in Subsection (2) and subject to Subsection (3), if a judgment
39 for property damage against a governmental entity, or an employee whom a governmental
40 entity has a duty to indemnify, exceeds ~~[\$221,400]~~ \$233,600 in any one occurrence, the court
41 shall reduce the judgment to that amount, regardless of whether or not the function giving rise
42 to the damage is characterized as governmental.

43 (d) ~~[There]~~ Subject to Subsection (3), there is a \$2,000,000 limit to the aggregate
44 amount of individual awards that may be awarded in relation to a single occurrence.

45 (2) The damage limits established in this section do not apply to damages awarded as
46 compensation when a governmental entity has taken or damaged private property for public use
47 without just compensation.

48 (3) The limitations of judgments established in Subsection (1) shall be adjusted
49 according to the methodology set forth in Subsection (4).

50 (4) (a) Each even-numbered year, the risk manager shall:

51 (i) calculate the consumer price index as provided in Sections 1(f)(4) and 1(f)(5),
52 Internal Revenue Code;

53 (ii) calculate the increase or decrease in the limitation of judgment amounts established
54 in this section as a percentage equal to the percentage ~~[difference between]~~ change in the
55 Consumer Price Index ~~[for the preceding calendar year and the consumer price index for~~
56 ~~calendar year 2003]~~ since the previous adjustment made by the risk manager or the Legislature;
57 and

58 (iii) after making an increase or decrease under Subsection (4)(a)(ii), round up the

59 limitation of judgment amounts established in Subsection (1) to the nearest \$100.

60 (b) Each even-numbered year [~~after 2004~~], the risk manager shall make rules, which
61 become effective no later than July 1, that establish the new limitation of judgment amounts
62 calculated under Subsection (4)(a).

63 (c) Adjustments made by the risk manager to the limitation of judgment amounts
64 established by this section have prospective effect only from the date the rules establishing the
65 new limitation of judgment take effect and those adjusted limitations of judgment apply only to
66 claims for injuries or losses that occur after the effective date of the rules that establish those
67 new limitations of judgment.

68 Section 2. **Effective date.**

69 This bill takes effect on July 1, 2007.

Legislative Review Note
as of 12-6-06 10:18 AM

Office of Legislative Research and General Counsel

S.B. 191 - Governmental Immunity Limits Amendments

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 individuals, businesses, or local governments.

1/30/2007, 8:03:44 AM, Lead Analyst: Allred, S.

Office of the Legislative Fiscal Analyst