

1 **SETTLEMENT AUTHORITY AMENDMENTS**

2 2015 GENERAL SESSION

3 STATE OF UTAH

4 **Chief Sponsor: Lyle W. Hillyard**

5 House Sponsor: Brad M. Daw

7 **LONG TITLE**

8 **General Description:**

9 This bill addresses provisions relating to the settlement of claims against the state.

10 **Highlighted Provisions:**

11 This bill:

12 ▶ modifies provisions relating to the authority of the state risk manager to settle
13 claims against the state for which the state Risk Management Fund may be liable.

14 **Money Appropriated in this Bill:**

15 None

16 **Other Special Clauses:**

17 None

18 **Utah Code Sections Affected:**

19 AMENDS:

20 **63G-7-602**, as renumbered and amended by Laws of Utah 2008, Chapter 382

21 ENACTS:

22 **63G-10-501**, Utah Code Annotated 1953

23 **63G-10-502**, Utah Code Annotated 1953

24 **63G-10-503**, Utah Code Annotated 1953

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

27 Section 1. Section **63G-7-602** is amended to read:

28 **63G-7-602. Compromise and settlement of claims by political subdivision.**

29 [(+)] A political subdivision, after conferring with its legal officer or other legal

30 counsel if it does not have a legal officer, may compromise and settle any action as to the
31 damages or other relief sought.

32 ~~[(2) The risk manager in the Department of Administrative Services may compromise~~
33 ~~and settle any action against the state for which the Risk Management Fund may be liable:]~~

34 ~~[(a) on the risk manager's own authority, if the amount of the settlement is \$25,000 or~~
35 ~~less;]~~

36 ~~[(b) with the concurrence of the attorney general or the attorney general's representative~~
37 ~~and the executive director of the Department of Administrative Services if the amount of the~~
38 ~~settlement is \$25,000.01 to \$100,000; or]~~

39 ~~[(c) by complying with the procedures and requirements of Title 63G, Chapter 10,~~
40 ~~State Settlement Agreements, if the amount of the settlement is more than \$100,000.]~~

41 Section 2. Section **63G-10-501** is enacted to read:

42 **Part 5. Risk Management Fund Settlement Agreements**

43 **63G-10-501. Definitions.**

44 As used in this part:

45 (1) "Executive director" means the individual appointed under Section [63A-1-105](#) as
46 the executive director of the Department of Administrative Services, created in Section
47 [63A-1-104](#).

48 (2) "Risk management fund" means the fund created in Section [63A-4-201](#).

49 (3) "Risk manager" means the state risk manager appointed under Section [63A-4-101](#).

50 Section 3. Section **63G-10-502** is enacted to read:

51 **63G-10-502. Application of this part.**

52 The authority required for the risk manager to settle a claim for which the risk
53 management fund may be liable is governed exclusively by this part.

54 Section 4. Section **63G-10-503** is enacted to read:

55 **63G-10-503. Risk manager's authority to settle a claim -- Additional approvals**
56 **required.**

57 The risk manager may compromise and settle any claim against the state for which the

58 risk management fund may be liable:

59 (1) on the risk manager's own authority, if the settlement amount is \$50,000 or less;

60 (2) upon the approval of the attorney general, or the attorney general's representative,
61 and the executive director, if the settlement amount is more than \$50,000 but not more than
62 \$200,000;

63 (3) upon the governor's approval, if the settlement amount is more than \$200,000 but
64 not more than \$500,000;

65 (4) upon the Legislative Management Committee's approval, if the settlement amount
66 is more than \$500,000 but not more than \$1,000,000; and

67 (5) upon the Legislature's approval, if the settlement amount is more than \$1,000,000.