

150 amount of \$2,000,000 or greater at the original execution of the contract.]

151 ~~[(ii) A subcontractor is subject to this section if a subcontract is in the amount of~~
 152 ~~\$1,000,000 or greater at the original execution of the contract.]~~

153 ~~[(3) This section does not apply if:]~~

154 (2) Except as provided in Subsection (3), the requirements of this section apply to:

155 (a) a contractor of a design or construction contract entered into by the public transit
 156 district on or after July 1, 2009, if the prime contract is in an aggregate amount equal to or
 157 greater than \$2,000,000; and

158 (b) a subcontractor of a contractor of a design or construction contract entered into by
 159 the public transit district on or after July 1, 2009, if the subcontract is in an aggregate amount
 160 equal to or greater than \$1,000,000.

161 (3) The requirements of this section do not apply to a contractor or subcontractor
 162 described in Subsection (2) if:

163 (a) the application of this section jeopardizes the receipt of federal funds;

164 (b) the contract is a sole source contract; or

165 (c) the contract is an emergency procurement.

166 ~~[(4) (a) This section does not apply to a change order as defined in Section~~
 167 ~~63G-6a-103, or a modification to a contract, when the contract does not meet the initial~~
 168 ~~threshold required by Subsection (2).]~~

169 ~~[(b)]~~ (4) A person ~~[who]~~ that intentionally uses change orders ~~[or]~~, contract
 170 modifications, or multiple contracts to circumvent the requirements of ~~[Subsection (2)]~~ this
 171 section is guilty of an infraction.

172 (5) (a) A contractor subject to ~~[Subsection (2)]~~ the requirements of this section shall
 173 demonstrate to the public transit district that the contractor has and will maintain an offer of
 174 qualified health insurance coverage for the contractor's employees and the employee's
 175 dependents during the duration of the contract~~[-]~~ by submitting to the public transit district a
 176 written statement that:

177 ~~[(b) If a subcontractor of the contractor is subject to Subsection (2)(b), the contractor~~
 178 ~~shall:]~~

179 (i) ~~§→ [certifies that]~~ ~~←§~~ the contractor offers qualified health insurance coverage ~~§→ [in~~
 179a accordance] that complies ~~←§~~
 180 with Section 26-40-115;

181 (ii) is from:
 182 (A) an actuary selected by the contractor or the contractor's insurer; or
 183 (B) an underwriter who is responsible for developing the employer group's premium
 184 rates; and

185 (iii) was created within one year before the day on which the statement is submitted.

186 (b) A contractor that is subject to the requirements of this section shall:

187 (i) place a requirement in [the subcontract that the subcontractor] each of the
 188 contractor's subcontracts that a subcontractor that is subject to the requirements of this section
 189 shall obtain and maintain an offer of qualified health insurance coverage for the subcontractor's
 190 employees and the employees' [dependants] dependents during the duration of the subcontract;
 191 and

192 ~~[(ii) certify to the public transit district that the subcontractor has and will maintain an~~
 193 ~~offer of qualified health insurance coverage for the subcontractor's employees and the~~
 194 ~~employees' dependents during the duration of the prime contract.]~~

195 (ii) obtain from a subcontractor that is subject to the requirements of this section a
 196 written statement that:

197 (A) ~~Ŝ~~→ [certifies that] ←~~Ŝ~~ the subcontractor offers qualified health insurance coverage

197a Ŝ→ [in
 198 accordance] that complies ←~~Ŝ~~ with Section [26-40-115](#);

199 (B) is from an actuary selected by the subcontractor or the subcontractor's insurer, or an
 200 underwriter who is responsible for developing the employer group's premium rates; and

201 (C) was created within one year before the day on which the contractor obtains the
 202 statement.

203 (c) (i) (A) A contractor [who fails to meet the requirements of] that fails to maintain an
 204 offer of qualified health insurance coverage as described in Subsection (5)(a) during the
 205 duration of the contract is subject to penalties in accordance with an ordinance adopted by the
 206 public transit district under Subsection (6).

207 (B) A contractor is not subject to penalties for the failure of a subcontractor to [meet
 208 the requirements of] obtain and maintain an offer of qualified health insurance coverage
 209 described in Subsection (5)(b)(i).

210 (ii) (A) A subcontractor [who fails to meet the requirements of] that fails to obtain and
 211 maintain an offer of qualified health insurance coverage described in Subsection (5)(b)(i)

336 ~~[(b)]~~ (4) A person ~~[who]~~ that intentionally uses change orders ~~[or]~~, contract
 337 modifications, or multiple contracts to circumvent the requirements of ~~[Subsection (2)]~~ this
 338 section is guilty of an infraction.

339 (5) (a) A contractor subject to ~~[Subsection (2)]~~ the requirements of this section shall
 340 demonstrate to the executive director that the contractor has and will maintain an offer of
 341 qualified health insurance coverage for the contractor's employees and the employees'
 342 dependents during the duration of the contract~~[-]~~ by submitting to the executive director a
 343 written statement that:

344 ~~[(b) If a subcontractor of the contractor is subject to Subsection (2), the contractor~~
 345 ~~shall:]~~

346 (i) ~~§→ [certifies that] ←§~~ the contractor offers qualified health insurance coverage §→ [in
 346a accordance] that complies ←§
 347 with Section 26-40-115;

348 (ii) is from:

349 (A) an actuary selected by the contractor or the contractor's insurer; or

350 (B) an underwriter who is responsible for developing the employer group's premium
 351 rates; and

352 (iii) was created within one year before the day on which the statement is submitted.

353 (b) A contractor that is subject to the requirements of this section shall:

354 (i) place a requirement in ~~[the subcontract that the subcontractor]~~ each of the
 355 contractor's subcontracts that a subcontractor that is subject to the requirements of this section
 356 shall obtain and maintain an offer of qualified health insurance coverage for the subcontractor's
 357 employees and the employees' ~~[dependants]~~ dependents during the duration of the subcontract;
 358 and

359 ~~[(ii) certify to the executive director that the subcontractor has and will maintain an~~
 360 ~~offer of qualified health insurance coverage for the subcontractor's employees and the~~
 361 ~~employees' dependents during the duration of the prime contract.]~~

362 (ii) obtain from a subcontractor that is subject to the requirements of this section a
 363 written statement that:

364 (A) ~~§→ [certifies that] ←§~~ the subcontractor offers qualified health insurance coverage
 364a ~~§→ [in~~
 365 accordance] that complies ←§ with Section 26-40-115;

366 (B) is from an actuary selected by the subcontractor or the subcontractor's insurer, or an

2258 other contract.

2259 (2) ~~§~~→ (a) ←~~§~~ If a vehicle protection product is represented as preventing the theft of a
2259a vehicle,

2260 the vehicle protection product warranty shall, at a minimum, provide for reimbursement of
2261 damage a theft causes to the motor vehicle up to \$5,000, if the vehicle is recovered within the
2262 time period specified in the warranty following the theft of the vehicle, not to exceed 30 days
2263 after the day on which the vehicle is reported stolen.

2263a **§→ (b) If a vehicle protection product is represented as aiding in the recovery of a stolen**
2263b **vehicle, the vehicle protection product warranty shall provide for reimbursement of the vehicle**
2263c **up to \$5,000, if the vehicle is not recovered within the time period specified in the warranty**
2263d **following the theft of the vehicle, not to exceed 30 days after the day on which the vehicle is**
2263e **reported stolen. ←~~§~~**

2264 Section 16. Section 31A-8-104 is amended to read:

2265 **31A-8-104. Determination of ability to provide services.**

2266 (1) The commissioner may not issue a certificate of authority to an applicant for a
2267 certificate of authority under this chapter unless the applicant demonstrates to the
2268 commissioner [~~has determined~~] that the applicant has:

2269 (a) [~~demonstrated~~] the willingness and potential ability to furnish the proposed health
2270 care services in a manner to assure both availability and accessibility of adequate personnel and
2271 facilities and continuity of service; and

2272 (b) arrangements for an ongoing quality of health care assurance program concerning
2273 health care processes and outcomes [~~, established in accordance with rules adopted by the~~
2274 ~~director of the Department of Health based upon prevailing standards for quality assurance for~~
2275 ~~other forms of health care delivery in this state; and~~].

2276 [~~(c) a procedure, established in accordance with rules of the director of the Department~~
2277 ~~of Health, to develop, compile, evaluate, and report statistics relating to the cost of its~~
2278 ~~operations, the pattern of utilization of its services, the availability and accessibility of its~~
2279 ~~services, and such other matters as may be reasonably required by the director of the~~
2280 ~~Department of Health.~~]

2281 [~~(2) Upon receipt of an application for a certificate of authority under this chapter, the~~
2282 ~~commissioner shall transmit a copy of the application and accompanying documents to the~~
2283 ~~director of the Department of Health. Upon receipt of the application, the director of the~~
2284 ~~Department of Health shall review the application, investigate the surrounding facts and~~
2285 ~~circumstances, and make a finding concerning whether the applicant satisfies the requirements~~
2286 ~~of Subsection (1). The director of the Department of Health is considered to have found the~~
2287 ~~applicant to comply with Subsection (1) unless he delivers to the commissioner a finding of~~
2288 ~~noncompliance within 90 days after receiving the application from the commissioner.~~]

4304 (3) The requirements of this section do not apply to a contractor or subcontractor
 4305 described in Subsection (2) if:

4306 (a) the application of this section jeopardizes the receipt of federal funds;

4307 (b) the contract is a sole source contract; or

4308 (c) the contract is an emergency procurement.

4309 (4) A person that intentionally uses change orders, contract modifications, or multiple
 4310 contracts to circumvent the requirements of this section is guilty of an infraction.

4311 (5) (a) A contractor that is subject to the requirements of this section shall demonstrate
 4312 to the director that the contractor has and will maintain an offer of qualified health insurance
 4313 coverage for the contractor's employees and the employees' dependents by submitting to the
 4314 director a written statement that:

4315 (i) ~~Ŝ→ [certifies that]~~ ~~←Ŝ~~ the contractor offers qualified health insurance coverage ~~Ŝ→ [in~~
 4315a accordance] that complies ~~←Ŝ~~
 4316 with Section [26-40-115](#);

4317 (ii) is from:

4318 (A) an actuary selected by the contractor or the contractor's insurer; or

4319 (B) an underwriter who is responsible for developing the employer group's premium
 4320 rates; and

4321 (iii) was created within one year before the day on which the statement is submitted.

4322 (b) A contractor that is subject to the requirements of this section shall:

4323 (i) place a requirement in each of the contractor's subcontracts that a subcontractor that
 4324 is subject to the requirements of this section shall obtain and maintain an offer of qualified
 4325 health insurance coverage for the subcontractor's employees and the employees' dependents
 4326 during the duration of the subcontract; and

4327 (ii) obtain from a subcontractor that is subject to the requirements of this section a
 4328 written statement that:

4329 (A) ~~Ŝ→ [certifies that]~~ ~~←Ŝ~~ the subcontractor offers qualified health insurance coverage
 4329a ~~Ŝ→ [in~~
 4330 accordance] that complies ~~←Ŝ~~ with Section [26-40-115](#);

4331 (B) is from an actuary selected by the subcontractor or the subcontractor's insurer, or an
 4332 underwriter who is responsible for developing the employer group's premium rates; and

4333 (C) was created within one year before the day on which the contractor obtains the
 4334 statement.

4459 written statement that:

4460 ~~[(b) If a subcontractor of the contractor is subject to Subsection (2)(b), the contractor~~
4461 ~~shall:]~~

4462 (i) ~~§→ [certifies that] ←§~~ the contractor offers qualified health insurance coverage §→ [in
4462a accordance] that complies ←§
4463 with Section 26-40-115;

4464 (ii) is from:

4465 (A) an actuary selected by the contractor or the contractor's insurer; or

4466 (B) an underwriter who is responsible for developing the employer group's premium
4467 rates; and

4468 (iii) was created within one year before the day on which the statement is submitted.

4469 (b) A contractor that is subject to the requirements of this section shall:

4470 (i) place a requirement in [the subcontract that the subcontractor] each of the
4471 contractor's subcontracts that a subcontractor that is subject to the requirements of this section
4472 shall obtain and maintain an offer of qualified health insurance coverage for the subcontractor's
4473 employees and the employees' dependents during the duration of the subcontract; and

4474 ~~[(ii) certify to the executive director that the subcontractor has and will maintain an~~
4475 ~~offer of qualified health insurance coverage for the subcontractor's employees and the~~
4476 ~~employees' dependents during the duration of the prime contract.]~~

4477 (ii) obtain from a subcontractor that is subject to the requirements of this section a
4478 written statement that:

4479 (A) ~~§→ [certifies that] ←§~~ the subcontractor offers qualified health insurance coverage
4479a ~~§→ [in~~
4480 accordance] that complies ←§ with Section 26-40-115;

4481 (B) is from an actuary selected by the subcontractor or the subcontractor's insurer, or an
4482 underwriter who is responsible for developing the employer group's premium rates; and

4483 (C) was created within one year before the day on which the contractor obtains the
4484 statement.

4485 (c) (i) (A) A contractor [who fails to meet the requirements of] that fails to maintain an
4486 offer of qualified health insurance coverage as described in Subsection (5)(a) during the
4487 duration of the contract is subject to penalties in accordance with administrative rules adopted
4488 by the division under Subsection (6).

4489 (B) A contractor is not subject to penalties for the failure of a subcontractor to [meet

4955 section is guilty of an infraction.

4956 (5) (a) A contractor subject to [~~Subsection (2)~~] the requirements of this section shall
 4957 demonstrate to the department that the contractor has and will maintain an offer of qualified
 4958 health insurance coverage for the contractor's employees and the employees' dependents during
 4959 the duration of the contract[-] by submitting to the department a written statement that:

4960 [~~(b) If a subcontractor of the contractor is subject to Subsection (2), the contractor~~
 4961 ~~shall:-]~~

4962 (i) ~~§→ [certifies that] ←§~~ the contractor offers qualified health insurance coverage ~~§→ [in~~
 4962a ~~accordance] that complies ←§~~ with Section [26-40-115](#);

4963 (ii) is from:

4964 (A) an actuary selected by the contractor or the contractor's insurer; or

4965 (B) an underwriter who is responsible for developing the employer group's premium
 4966 rates; and

4967 (iii) was created within one year before the day on which the statement is submitted.

4968 (b) A contractor that is subject to the requirements of this section shall:

4970 (i) place a requirement in [the subcontract that the subcontractor] each of the
 4971 contractor's subcontracts that a subcontractor that is subject to the requirements of this section
 4972 shall obtain and maintain an offer of qualified health insurance coverage for the subcontractor's
 4973 employees and the employees' dependents during the duration of the subcontract; and

4974 [~~(ii) certify to the department that the subcontractor has and will maintain an offer of~~
 4975 ~~qualified health insurance coverage for the subcontractor's employees and the employees'~~
 4976 ~~dependents during the duration of the prime contract.]~~

4977 (ii) obtain from a subcontractor that is subject to the requirements of this section a
 4978 written statement that:

4979 (A) ~~§→ [certifies that] ←§~~ the subcontractor offers qualified health insurance coverage
 4979a ~~§→ [in~~ accordance] that complies ←§ with Section [26-40-115](#);

4980 (B) is from an actuary selected by the subcontractor or the subcontractor's insurer, or an
 4981 underwriter who is responsible for developing the employer group's premium rates; and

4982 (C) was created within one year before the day on which the contractor obtains the
 4983 statement.

4984 (c) (i) (A) A contractor [~~who fails to meet the requirements of] that fails to maintain an~~

5110 (F) a political subdivision of another state; or

5111 (c) the contract or agreement is:

5112 (i) for the purpose of disbursing grants or loans authorized by statute;

5113 (ii) a sole source contract; or

5114 (iii) an emergency procurement.

5115 ~~[(4)(a) This section does not apply to a change order as defined in Section~~

5116 ~~63G-6a-103, or a modification to a contract, when the contract does not meet the initial~~

5117 ~~threshold required by Subsection (2).]~~

5118 ~~[(b)] (4) A person [who] that intentionally uses change orders [or], contract~~

5119 ~~modifications, or multiple contracts to circumvent the requirements of [Subsection (2)] this~~

5120 ~~section is guilty of an infraction.~~

5121 (5) (a) A contractor subject to ~~[Subsection (2)(b)(i)]~~ the requirements of this section

5122 shall demonstrate to the department that the contractor has and will maintain an offer of

5123 qualified health insurance coverage for the contractor's employees and the employees'

5124 dependents during the duration of the contract[-] by submitting to the department a written

5125 statement that:

5126 ~~[(b) If a subcontractor of the contractor is subject to Subsection (2)(b), the contractor~~
5127 ~~shall:]~~

5128 (i) ~~§→ [certifies that] ←§~~ the contractor offers qualified health insurance coverage §→ [in
5128a accordance] that complies ←§

5129 with Section 26-40-115;

5130 (ii) is from:

5131 (A) an actuary selected by the contractor or the contractor's insurer; or

5132 (B) an underwriter who is responsible for developing the employer group's premium
5133 rates; and

5134 (iii) was created within one year before the day on which the statement is submitted.

5135 (b) A contractor that is subject to the requirements of this section shall:

5136 (i) place a requirement in ~~[the subcontract that the subcontractor]~~ each of the

5137 contractor's subcontracts that a subcontractor that is subject to the requirements of this section

5138 shall obtain and maintain an offer of qualified health insurance coverage for the subcontractor's

5139 employees and the employees' ~~[dependants]~~ dependents during the duration of the subcontract;

5140 and

5141 ~~[(ii) certify to the department that the subcontractor has and will maintain an offer of~~
 5142 ~~qualified health insurance coverage for the subcontractor's employees and the employees'~~
 5143 ~~dependents during the duration of the prime contract.]~~

5144 (ii) obtain from a subcontractor that is subject to the requirements of this section a
 5145 written statement that:

5146 (A) ~~§→ [certifies that] ←§~~ the subcontractor offers qualified health insurance coverage
 5146a §→ [in
 5147 accordance] that complies ←§ with Section [26-40-115](#);

5148 (B) is from an actuary selected by the subcontractor or the subcontractor's insurer, or an
 5149 underwriter who is responsible for developing the employer group's premium rates; and

5150 (C) was created within one year before the day on which the contractor obtains the
 5151 statement.

5152 (c) (i) (A) A contractor ~~[who fails to meet the requirements of]~~ that fails to maintain an
 5153 offer of qualified health insurance coverage described in Subsection (5)(a) during the duration
 5154 of the contract is subject to penalties in accordance with administrative rules adopted by the
 5155 department under Subsection (6).

5156 (B) A contractor is not subject to penalties for the failure of a subcontractor to ~~[meet~~
 5157 ~~the requirements of]~~ obtain and maintain an offer of qualified health insurance coverage
 5158 described in Subsection (5)(b)(i).

5159 (ii) (A) A subcontractor ~~[who fails to meet the requirements of]~~ that fails to obtain and
 5160 maintain an offer of qualified health insurance coverage described in Subsection (5)(b) during
 5161 the duration of the [contract] subcontract is subject to penalties in accordance with
 5162 administrative rules adopted by the department under Subsection (6).

5163 (B) A subcontractor is not subject to penalties for the failure of a contractor to ~~[meet~~
 5164 ~~the requirements of]~~ maintain an offer of qualified health insurance coverage described in
 5165 Subsection (5)(a).

5166 (6) The department shall adopt administrative rules:

5167 (a) in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act;

5168 (b) in coordination with:

5169 (i) the Department of Environmental Quality in accordance with Section [19-1-206](#);

5170 (ii) a public transit district in accordance with Section [17B-2a-818.5](#);

5171 (iii) the State Building Board in accordance with Section ~~[[63A-5-205](#)]~~ [63A-5-205.5](#);