

Representative Brian S. King proposes the following substitute bill:

WAIVER OF PUNITIVE DAMAGES AMENDMENTS

2023 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Brian S. King

Senate Sponsor: Todd D. Weiler

LONG TITLE

General Description:

This bill addresses agreements to waive or limit liability for punitive damages.

Highlighted Provisions:

This bill:

- ▶ defines terms;
- ▶ prohibits a court from enforcing agreements to waive or limit liability for punitive damages; and
- ▶ provides that certain financial institutions are exempt from the prohibition described above.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

ENACTS:

78B-8-204, Utah Code Annotated 1953

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



26 Section 1. Section **78B-8-204** is enacted to read:

27 **78B-8-204. Agreements to waive or limit punitive damages unenforceable.**

28 (1) As used in this section:

29 (a) "Agreement" means a written, verbal, or implied contract.

30 (b) "Court" means the same as that term is defined in Section [78B-11-102](#).

31 (c) "Insurance" means the same as that term is defined in Section [31A-1-301](#).

32 (2) Except as provided in Subsection (3), a court may not enforce an agreement to
33 waive or limit liability for punitive damages.

34 (3) Subsection (2) does not apply:

35 (a) to an agreement entered into before May 3, 2023;

36 (b) to an agreement entered into to settle or release a claim or cause of action for
37 damages or injury, regardless of whether litigation is pending; or

38 (c) if a party to an agreement is a financial institution or an affiliate of a financial
39 institution under Title V of the Gramm-Leach-Bliley Act, 15 U.S.C. Sec. 6801, et seq., unless
40 the agreement is for the sale or provision of insurance.