

**Representative Cheryl K. Acton** proposes the following substitute bill:

**AVIATION LIABILITY INSURANCE AMENDMENTS**

2021 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Cheryl K. Acton**

Senate Sponsor: \_\_\_\_\_

**LONG TITLE**

**General Description:**

This bill amends provisions related to aircraft liability insurance requirements.

**Highlighted Provisions:**

This bill:

- ▶ establishes requirements for aircraft public liability insurance coverage;
- ▶ if the aircraft owner is an airport tenant, requires an owner of an aircraft to provide proof of public liability insurance; and
- ▶ makes technical changes.

**Money Appropriated in this Bill:**

None

**Other Special Clauses:**

None

**Utah Code Sections Affected:**

AMENDS:

**31A-22-1300**, as last amended by Laws of Utah 1998, Chapter 270

**72-10-117**, as last amended by Laws of Utah 2019, Chapter 431

ENACTS:

**72-10-111.5**, Utah Code Annotated 1953



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

Section 1. Section 31A-22-1300 is amended to read:

**31A-22-1300. Aircraft public liability insurance.**

[Subsections ~~72-10-117~~(5) and (6) apply to aircraft liability insurance.]

Policies containing aircraft public liability insurance coverage for an aircraft shall include minimum coverage of:

- (1) \$50,000 per person for bodily injury or death in any one accident;
- (2) \$50,000 for property damage in any one accident; and
- (3) \$100,000 in any one accident, whether for property damage, or bodily injury or death.

Section 2. Section 72-10-111.5 is enacted to read:

**72-10-111.5. Aircraft public liability insurance requirements -- Proof of public liability insurance.**

An aircraft owner shall:

- (1) maintain public liability insurance coverage for the aircraft that conforms to the requirements described in Section [31A-22-1300](#); and
- (2) if the aircraft owner is a tenant of a public airport, provide a certificate of insurance issued by an insurer licensed in Utah as proof of the owner’s valid public liability insurance covering the aircraft as part of the lease agreement between the aircraft owner and the airport.

Section 3. Section 72-10-117 is amended to read:

**72-10-117. Aircraft landing permits -- Eligible aircraft -- Special licenses -- Rules -- Proof of insurance -- Bonds.**

(1) (a) The county executive of any county may issue ~~[permits]~~ a permit authorizing an aircraft to land on or take off from designated county roads.

(b) ~~[Permits may be issued]~~ The county executive of any county may issue a permit to an aircraft operated:

- (i) as an air ~~[ambulances]~~ ambulance;
- (ii) as a pesticide ~~[applicators]~~ applicator; or
- (iii) by or under contract with a public ~~[utilities]~~ utility and used in connection with inspection, maintenance, installation, operation, construction, or repair of property owned or

57 operated by the public utility.

58 (2) ~~[Permits may also be issued by the county executive]~~ The county executive of any  
59 county may issue a permit under this section to other aircraft under rules made by the  
60 department.

61 (3) (a) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,  
62 the department shall make rules for issuing a special license to:

- 63 (i) an aircraft permitted by a county executive to land on a county road; and
- 64 (ii) a pilot permitted to operate an aircraft licensed under this subsection from a county  
65 road.

66 (b) The rules made under this subsection shall include provisions for the safety of the  
67 flying and motoring public.

68 (4) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
69 department shall make rules for the landing and taking off of aircraft to which permits have  
70 been issued under this section, which may include annual reports of activities of the aircraft.

71 (5) ~~[Prior to obtaining a permit or license to any aircraft]~~ Before obtaining a permit or  
72 license under this section, the applicant shall file with the county executive and the department  
73 ~~[a certificate of insurance executed by an insurance company or association authorized to~~  
74 ~~transact business in this state upon a form prescribed by the department that there is in full~~  
75 ~~force and effect a policy of insurance covering the aircraft for liability against:]~~ proof of public  
76 liability insurance coverage that meets the requirements described in Section [31A-22-1300](#).

- 77 ~~[(a) personal injury or death for any one person in an amount of \$50,000 or more;]~~
- 78 ~~[(b) any one accident in an amount of \$100,000 or more; and]~~
- 79 ~~[(c) property damage in an amount of \$50,000 or more.]~~

80 (6) In addition to the insurance required under this section, either the county executive  
81 or the department may require the posting of a bond to indemnify the county or department  
82 against liability resulting from issuing the permit or license under this section.