

Senator Wayne A. Harper proposes the following substitute bill:

AVIATION LIABILITY INSURANCE AMENDMENTS

2021 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Cheryl K. Acton

Senate Sponsor: Wayne A. Harper

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;
- ▶ requires an owner of an aircraft to provide proof of public liability insurance as part of a lease agreement with a term of six months or more between the aircraft owner and a public airport; 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:



26 72-10-111.5, Utah Code Annotated 1953



27
28 *Be it enacted by the Legislature of the state of Utah:*

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

30 **31A-22-1300. Aircraft public liability insurance.**

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

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

- 34 (1) \$50,000 per person for bodily injury or death in any one accident;
- 35 (2) \$50,000 for property damage in any one accident; and
- 36 (3) \$100,000 in any one accident, whether for property damage, or bodily injury or
37 death.

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

39 **72-10-111.5. Aircraft public liability insurance requirements -- Proof of public**
40 **liability insurance.**

41 (1) Subject to Subsection (2), an aircraft owner shall:

- 42 (a) maintain public liability insurance coverage for the aircraft that conforms to the
43 requirements described in Section 31A-22-1300; and
- 44 (b) provide a certificate of insurance issued by an insurer as proof of the owner's valid
45 public liability insurance covering the aircraft as part of any lease agreement with a term of six
46 months or more between the aircraft owner and a public airport.

47 (2) Subsection (1) applies to an aircraft only if the aircraft is:

- 48 (a) an operable fixed-wing aircraft; and
- 49 (b) used for flight.

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

51 **72-10-117. Aircraft landing permits -- Eligible aircraft -- Special licenses -- Rules**
52 **-- Proof of insurance -- Bonds.**

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

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

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

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

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

67 (i) an aircraft permitted by a county executive to land on a county road; and
68 (ii) a pilot permitted to operate an aircraft licensed under this subsection from a county
69 road.

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

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

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

81 [~~(a) personal injury or death for any one person in an amount of \$50,000 or more;~~]

82 [~~(b) any one accident in an amount of \$100,000 or more; and]~~

83 [~~(c) property damage in an amount of \$50,000 or more.]~~

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