

Kay J. Christofferson proposes the following substitute bill:

Recovery Operations Amendments

2026 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Kay J. Christofferson

Senate Sponsor: Todd Weiler

LONG TITLE

General Description:

This bill distinguishes recovery operations from normal towing operations and creates requirements for the operation and payment of recovery operators.

Highlighted Provisions:

This bill:

- defines terms;
- clarifies that an insurer who covers a vehicle that is recovered as part of a recovery operation is the insurer who pays the recovery operator;
- creates a process for an insurer and a recovery operator to dispute an amount due for a recovery operation;
- requires motor vehicle liability policies for commercial vehicles to include coverage for recovery operations;
- requires tow truck motor carrier rotations to identify tow truck motor carriers that are qualified to perform recovery operations; and
- makes technical changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

This bill provides a special effective date.

Utah Code Sections Affected:

AMENDS:

72-1-102, as last amended by Laws of Utah 2025, Chapter 373

72-9-604, as last amended by Laws of Utah 2025, Chapter 378

ENACTS:

31A-22-323, Utah Code Annotated 1953

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

Section 1. Section **31A-22-323** is enacted to read:

31A-22-323 . Insurer obligations -- Recovery operations -- Arbitration.

(1) As used in this section:

(a) "Commercial vehicle" means the same as that term is defined in Section 72-9-102.

(b) "Motor carrier" means the same as that term is defined in Section 72-9-102.

(c) "Motor vehicle" means the same as that term is defined in Section 41-1a-102.

(d) "Non-consent police generated tow" means the towing of a vehicle, vessel, or outboard motor made at the request of a peace officer, a person acting on behalf of a law enforcement agency, or a highway authority under:

(i) Section 41-1a-1101;

(ii) Section 41-6a-210;

(iii) Section 41-6a-527;

(iv) Section 41-6a-1405;

(v) Section 41-6a-1406;

(vi) Section 41-6a-1408;

(vii) Section 73-18-20.1; or

(viii) another provision of law.

(e) "Power unit" means a motor vehicle that is a commercial vehicle.

(f) "Recovery operation" means the same as that term is defined in Section 72-1-102.

(g) "Recovery operator" means a tow truck motor carrier that performs a recovery operation.

(h) "Tow truck motor carrier" means the same as that term is defined in Section 72-9-102.

(2) A motor carrier shall pay the costs associated with a recovery operation from the motor vehicle insurance policy issued for the power unit.

(3) A commercial liability insurer that provides a rider described in Subsection (7)(a) that insures a vehicle or cargo recovered as part of a recovery operation shall pay the recovery operator directly for all reasonable and necessary services involved in the recovery operation.

(4)(a) A commercial liability insurer that provides a rider described in Subsection (7)(a) that insures a vehicle recovered as part of a recovery operation shall, within 60 days after the day on which the insurer receives an invoice with documentation of the services performed for the recovery operation:

- 63 (i) pay the recovery operator the full amount invoiced by the recovery operator; or
64 (ii) pay the lesser of:
65 (A) 75% of the total of the invoiced amount; or
66 (B) \$40,000.
- 67 (b) An insurer may dispute the amount invoiced by a recovery operator as described in
68 Subsection (4)(a) within 60 days after the day on which the insurer receives an
69 invoice from the recovery operator.
- 70 (5) Before commencing arbitration as described in Subsection (6), the insurer and the
71 recovery operator shall attempt to resolve a dispute through mediation.
- 72 (6)(a) A dispute regarding the reasonableness or necessity of an unpaid amount shall be
73 resolved by binding arbitration.
- 74 (b) Arbitration under this Subsection (6) shall:
75 (i) be conducted in accordance with Title 78B, Chapter 11, Utah Uniform Arbitration
76 Act;
77 (ii) be limited to a determination of the reasonableness and necessity of the disputed
78 amount; and
79 (iii) be initiated by a written demand for arbitration served on the opposing party.
- 80 (c) If arbitration is initiated, the insurer shall post a bond or other security, in a form
81 acceptable to the arbitrator, in an amount that is equal to the difference of the total
82 invoiced amount and the amount paid by the insurer under Subsection (4)(a).
- 83 (d) Upon receipt of proof of the bond or other security described in Subsection (6)(c),
84 the recovery operator shall immediately release the recovered vehicle and any
85 associated cargo to the insurer or the insurer's authorized agent.
- 86 (e) The arbitrator shall issue a written decision and award determining the amount, if
87 any, payable from the bond or other security.
- 88 (f) An arbitration award issued under this Subsection (6) is:
89 (i) final and binding; and
90 (ii) subject to judicial review as provided in Title 78B, Chapter 11, Utah Uniform
91 Arbitration Act.
- 92 (g) If the arbitrator determines that all or a portion of the disputed charges are not
93 reasonable or not necessary, the insurer is not liable for the amount the arbitrator
94 determines not reasonable or not necessary, and the arbitrator shall order the release
95 of any remaining bond or other security to the insurer.
- 96 (h) If the total amount posted by the insurer as described in Subsection (6)(c) exceeds

97 the final amount that an arbitrator determines to be reasonable and necessary as
 98 described in Subsection (6)(e), the recovery operator shall return to the insurer the
 99 difference of the amount paid by the insurer and the final amount decided by the
 100 arbitrator.

101 (i) Nothing in this Subsection (6) authorizes a recovery operator to withhold release of a
 102 recovered vehicle or cargo after compliance with Subsection (6)(c).

103 (7)(a) In addition to any other coverage required by this title, a motor carrier operating in
 104 this state shall obtain a motor vehicle liability insurance policy for a power unit that
 105 includes a separate coverage rider providing coverage for costs associated with a
 106 recovery operation.

107 (b) The rider requirement described in Subsection (7)(a) applies to commercial vehicles
 108 covered by:

109 (i) a liability-only insurance policy; or

110 (ii) a full coverage insurance policy, if the policy does not include at least \$40,000 of
 111 coverage for a recovery operation.

112 (c) The recovery coverage described in Subsection (7)(a) applies only to a recovery
 113 operation that is a non-consent police generated tow.

114 (d) The minimum coverage limit for recovery coverage required under this Subsection
 115 (7) is \$40,000 per recovery operation.

116 (e) An insurer may offer, and a motor carrier may purchase, recovery coverage in excess
 117 of the minimum amount required under Subsection (7)(d).

118 (8) If a recovery operator charges more than the maximum rates established by the
 119 Department of Transportation by rule as described in Section 72-9-603 for recovery
 120 services:

121 (a) a requirement for an insurer to pay a bill described in this section is void; and

122 (b) a bond requirement that applies to the recovery operator is void.

123 Section 2. Section **72-1-102** is amended to read:

124 **72-1-102 . Definitions.**

125 As used in this title:

126 (1) "Circulator alley" means a publicly owned passageway:

127 (a) with a right-of-way width of 20 feet or greater;

128 (b) located within a master planned community;

129 (c) established by the city having jurisdictional authority as part of the street network for
 130 traffic circulation that may also be used for:

- 131 (i) garbage collection;
- 132 (ii) access to residential garages; or
- 133 (iii) access rear entrances to a commercial establishment; and
- 134 (d) constructed with a bituminous or concrete pavement surface.
- 135 (2) "Commission" means the Transportation Commission created under Section 72-1-301.
- 136 (3) "Construction" means the construction, reconstruction, replacement, and improvement
- 137 of the highways, including the acquisition of rights-of-way and material sites.
- 138 (4) "Department" means the Department of Transportation created in Section 72-1-201.
- 139 (5) "Executive director" means the executive director of the department appointed under
- 140 Section 72-1-202.
- 141 (6) "Farm tractor" ~~[has the meaning set forth in]~~ means the same as that term is defined in
- 142 Section 41-1a-102.
- 143 (7) "Federal aid primary highway" means that portion of connected main highways located
- 144 within this state officially designated by the department and approved by the United
- 145 States Secretary of Transportation under ~~[Title 23, Highways, U.S.C.]~~ 23 U.S.C. Sec. 101
- 146 et seq.
- 147 (8) "Fixed guideway" means the same as that term is defined in Section 59-12-102.
- 148 (9)(a) "Fixed guideway capital development" means a project to construct or reconstruct
- 149 a public transit fixed guideway facility that will add capacity to a fixed guideway
- 150 public transit facility.
- 151 (b) "Fixed guideway capital development" includes:
- 152 (i) a project to strategically double track commuter rail lines; and
- 153 (ii) a project to develop and construct public transit facilities and related
- 154 infrastructure pertaining to the Point of the Mountain State Land Authority created
- 155 in Section 11-59-201.
- 156 (10) "Greenfield" means the same as that term is defined in Section 17C-1-102.
- 157 (11) "Highway" means any public road, street, alley, lane, court, place, viaduct, tunnel,
- 158 culvert, bridge, or structure laid out or erected for public use, or dedicated or abandoned
- 159 to the public, or made [-]public in an action for the partition of real property, including
- 160 the entire area within the right-of-way.
- 161 (12) "Highway authority" means the department or the legislative, executive, or governing
- 162 body of a county or municipality.
- 163 (13) "Housing and transit reinvestment zone" means the same as that term is defined in
- 164 Section 63N-3-602.

- 165 (14) "Implement of husbandry" [~~has the meaning set forth in~~] means the same as that term is
166 defined in Section 41-1a-102.
- 167 (15) "Interstate system" means any highway officially designated by the department and
168 included as part of the national interstate and defense highways, as provided in the
169 Federal Aid Highway Act of 1956 and any supplemental acts or amendments.
- 170 (16) "Large public transit district" means the same as that term is defined in Section
171 17B-2a-802.
- 172 (17) "Limited-access facility" means a highway especially designated for through traffic,
173 and over, from, or to which neither owners nor occupants of abutting lands nor other
174 persons have any right or easement, or have only a limited right or easement of access,
175 light, air, or view.
- 176 (18) "Master planned community" means a land use development:
177 (a) designated by the city as a master planned community; and
178 (b) comprised of a single development agreement for a development larger than 500
179 acres.
- 180 (19) "Motor vehicle" [~~has the same meaning set forth in~~] means the same as that term is
181 defined in Section 41-1a-102.
- 182 (20) "Municipality" [~~has the same meaning set forth in~~] means the same as that term is
183 defined in Section 10-1-104.
- 184 (21) "National highway systems highways" means that portion of connected main highways
185 located within this state officially designated by the department and approved by the
186 United States Secretary of Transportation under [~~Title 23, Highways, U.S.C.~~] 23 U.S.C.
187 Sec. 101 et seq.
- 188 (22)(a) "Port-of-entry" means a fixed or temporary facility constructed, operated, and
189 maintained by the department where drivers, vehicles, and vehicle loads are checked
190 or inspected for compliance with state and federal laws as specified in Section
191 72-9-501.
- 192 (b) "Port-of-entry" includes inspection and checking stations and weigh stations.
- 193 (23) "Port-of-entry agent" means a person employed at a port-of-entry to perform the duties
194 specified in Section 72-9-501.
- 195 (24) "Public transit" means the same as that term is defined in Section 17B-2a-802.
- 196 (25) "Public transit facility" means a fixed guideway, transit vehicle, transit station, depot,
197 passenger loading or unloading zone, parking lot, or other facility:
198 (a) leased by or operated by or on behalf of a public transit district; and

- 199 (b) related to the public transit services provided by the district, including:
 200 (i) railway or other right-of-way;
 201 (ii) railway line; and
 202 (iii) a reasonable area immediately adjacent to a designated stop on a route traveled
 203 by a transit vehicle.

204 (26)(a) "Recovery operation" means the specialized process of extracting or stabilizing a
 205 disabled, damaged, or overturned vehicle that:

- 206 (i) cannot move under the vehicle's own power;
 207 (ii) cannot be accessed by a standard tow truck; or
 208 (iii) requires procedures that involve hazard, instability, or environmental complexity.

209 (b) "Recovery operation" includes the process of extracting or stabilizing a damaged
 210 vehicle in an unstable position that could be hazardous to another vehicle, an
 211 individual, or the environment, including a vehicle:

- 212 (i) that is overturned;
 213 (ii) in a ditch or ravine;
 214 (iii) immobilized in mud, sand, snow, or other challenging terrain; or
 215 (iv) partially or fully submerged in water.

216 ~~[(26)]~~ (27) "Right-of-way" means real property or an interest in real property, usually in a
 217 strip, acquired for or devoted to state transportation purposes.

218 ~~[(27)]~~ (28) "Sealed" does not preclude acceptance of electronically sealed and submitted
 219 bids or proposals in addition to bids or proposals manually sealed and submitted.

220 ~~[(28)]~~ (29) "Semitrailer" ~~[has the meaning set forth in]~~ means the same as that term is
 221 defined in Section 41-1a-102.

222 ~~[(29)]~~ (30) "SR" means state route and has the same meaning as state highway as defined in
 223 this section.

224 ~~[(30)]~~ (31) "State highway" means those highways designated as state highways in ~~[Title 72,~~
 225 Chapter 4, Designation of State Highways Act] Chapter 4, Designation of State
 226 Highways Act.

227 ~~[(31)]~~ (32) "State transportation purposes" ~~[has the meaning set forth in]~~ means the same as
 228 that term is defined in Section 72-5-102.

229 ~~[(32)]~~ (33) "State transportation systems" means all streets, alleys, roads, highways,
 230 pathways, and thoroughfares of any kind, including connected structures, airports, aerial
 231 corridor infrastructure, spaceports, public transit facilities, and all other modes and
 232 forms of conveyance used by the public.

- 233 (34) "Towing operation" means the relocation or transport of a vehicle that is in an
 234 accessible position and condition that the vehicle can be loaded or retrieved using
 235 standard towing equipment without the need for a recovery operation.
- 236 [(33)] (35) "Trailer" [has the meaning set forth in] means the same as that term is defined in
 237 Section 41-1a-102.
- 238 [(34)] (36)(a) "Transportation corridor" means the path or proposed path of a
 239 transportation facility that exists or that may exist in the future.
- 240 (b) "Transportation corridor" may include:
 241 (i) the land occupied or that may be occupied by a transportation facility; and
 242 (ii) any other land that may be needed for expanding, operating, or controlling access
 243 to the transportation facility.
- 244 [(35)] (37) "Transportation facility" means:
 245 (a) a highway; or
 246 (b) a fixed guideway.
- 247 [(36)] (38) "Transportation reinvestment zone" means a transportation reinvestment zone
 248 created ~~[pursuant to]~~ in accordance with Section 11-13-227.
- 249 [(37)] (39) "Truck tractor" [has the meaning set forth in] means the same as that term is
 250 defined in Section 41-1a-102.
- 251 [(38)] (40) "UDOT" means the Utah Department of Transportation.
- 252 [(39)] (41) "Vehicle" [has the same meaning set forth in] means the same as that term is
 253 defined in Section 41-1a-102.
- 254 Section 3. Section **72-9-604** is amended to read:
 255 **72-9-604 . Towing procedures -- Local authorities.**
- 256 (1) As used in this section:
 257 (a) "Abandoned" means a vehicle, vessel, or outboard motor for which a party described
 258 in Subsection 41-6a-1406(6)(a) with an interest in the vehicle, vessel, or outboard
 259 motor does not, within 30 days after notice that the vehicle, vessel, or outboard motor
 260 was towed by a towing entity:
 261 (i) pay the relevant fees; and
 262 (ii) remove the vehicle, vessel, or outboard motor from the secure storage facility.
- 263 (b) "Towing entity" means:
 264 (i) a political subdivision of this state;
 265 (ii) a state agency;
 266 (iii) an interlocal agency created under Title 11, Chapter 13, Interlocal Cooperation

- 267 Act; or
- 268 (iv) a special service district created under Title 17D, Chapter 1, Special Service
- 269 District Act.
- 270 (2)(a) Notwithstanding any other provision of law, a political subdivision of this state
- 271 may neither enact nor enforce any ordinance, regulation, or rule pertaining to a tow
- 272 truck motor carrier, tow truck operator, or tow truck that:
- 273 (i) conflicts with:
- 274 (A) any provision of this part;
- 275 (B) Section 41-6a-1401;
- 276 (C) Section 41-6a-1407; or
- 277 (D) rules made by the department under this part; or
- 278 (ii) imposes a maximum rate that deviates from the maximum rates set in rules made
- 279 by the department pursuant to Subsection 72-9-603(16).
- 280 (b) A county or municipal legislative governing body may not charge a fee for the
- 281 storage of an impounded vehicle, vessel, or outboard motor if the county or
- 282 municipality:
- 283 (i) is holding the vehicle, vessel, or outboard motor as evidence; and
- 284 (ii) will not release the vehicle, vessel, or outboard motor to the registered owner, lien
- 285 holder, or the owner's agent even if the registered owner, lien holder, or the
- 286 owner's agent satisfies the requirements to release the vehicle, vessel, or outboard
- 287 motor under Section 41-6a-1406.
- 288 (3) A tow truck motor carrier that has a county or municipal business license for a place of
- 289 business located within that county or municipality may not be required to obtain
- 290 another business license in order to perform a tow truck service in another county or
- 291 municipality if there is not a business location in the other county or municipality.
- 292 (4) A county or municipal legislative or governing body may not require a tow truck motor
- 293 carrier, tow truck, or tow truck operator that has been issued a current, authorized
- 294 towing certificate by the department, as described in Section 72-9-602, to obtain an
- 295 additional towing certificate.
- 296 (5) A county or municipal legislative body may require an annual tow truck safety
- 297 inspection in addition to the inspections required under Sections 53-8-205 and 72-9-602
- 298 if:
- 299 (a) no fee is charged for the inspection; and
- 300 (b) the inspection complies with federal motor carrier safety regulations.

- 301 (6)(a) A tow truck shall be subject to only one annual safety inspection under Subsection
302 (5)(b).
- 303 (b) A county or municipality that requires the additional annual safety inspection shall
304 accept the same inspection performed by another county or municipality.
- 305 (7)(a)(i) If a towing entity uses a towing dispatch vendor described in Section
306 53-1-106.2, the towing entity may charge a fee to cover costs associated with the
307 use of a dispatch vendor as described in Section 53-1-106.2.
- 308 (ii) Except as provided in Subsection (8), a fee described in Subsection (7)(a)(i) may
309 not exceed the actual costs of the dispatch vendor contracted to provide the
310 dispatch service.
- 311 (b)(i) Except as provided in Subsection (7)(b)(ii), if a towing entity does not use a
312 towing dispatch vendor described in Section 53-1-106.2, the towing entity may
313 not charge a fee to cover costs associated with providing towing dispatch and
314 rotation service.
- 315 (ii) A special service district created under Title 17D, Chapter 1, Special Service
316 District Act, that charges a dispatch fee on or before January 1, 2023, may
317 continue to charge a fee related to dispatch costs.
- 318 (iii) Except as provided in Subsection (8), a fee described in Subsection (7)(b)(ii)
319 may not exceed an amount reasonably reflective to the actual costs of providing
320 the towing dispatch and rotation service.
- 321 (c) A towing entity may not charge a fee described in Subsection (7)(a)(i) or (7)(b)(ii)
322 unless the relevant governing body of the towing entity has approved the fee amount.
- 323 (d) In addition to fees set by the department in rules made in accordance with Subsection
324 72-9-603(16), a tow truck operator or a tow truck motor carrier may pass through a
325 fee described in this Subsection (7) to owners, lien holders, or insurance providers of
326 towed vehicles, vessels, or outboard motors.
- 327 (8)(a) In addition to the fees described in Subsection (7), a tow truck operator or tow
328 truck motor carrier may charge an additional fee to absorb unrecovered costs of
329 abandoned vehicles related to the fees described in Subsections (7)(a)(i) and (7)(b)(ii).
- 330 (b) Beginning May 3, 2023, and ending on June 30, 2025, a tow truck operator or tow
331 truck motor carrier may charge a fee described in Subsection (8)(a) in an amount not
332 to exceed an amount greater than 25% of the relevant fee described in Subsection
333 (7)(a)(i) or (7)(b)(ii).
- 334 (c)(i) Beginning January 1, 2025, and annually thereafter, the towing entity shall,

335 based on data provided by the State Tax Commission, determine the percentage of
336 vehicles, vessels, or outboard motors that were abandoned during the previous
337 year by:

338 (A) determining the total number of vehicles, vessels, or outboard motors that
339 were towed as part of a towing entity's towing rotation during the previous
340 calendar year that were also abandoned; and

341 (B) dividing the number described in Subsection (8)(c)(i)(A) by the total number
342 of vehicles, vessels, or outboard motors that were towed as part of the towing
343 entity's towing rotation during the previous calendar year.

344 (ii) No later than March 31, 2025, and each year thereafter, the towing entity shall
345 publish:

346 (A) the relevant fee amount described in Subsection (7)(a)(i) or (7)(b)(ii); and

347 (B) the percentage described in Subsection (8)(c)(i).

348 (iii) Beginning on July 1, 2025, and each year thereafter, a tow truck operator or a
349 tow truck motor carrier may charge a fee authorized in Subsection (8)(a) in an
350 amount equal to the percentage described in Subsection (8)(c)(i) multiplied by the
351 relevant fee amount described in Subsection (7)(a)(i) or (7)(b)(ii).

352 (d) A tow truck operator or tow truck motor carrier shall list on a separate line on the
353 towing invoice any fee described in this Subsection (8).

354 (9) A towing entity may not require a tow truck operator who has received an authorized
355 towing certificate from the department to submit additional criminal background check
356 information for inclusion of the tow truck motor carrier on a rotation.

357 (10) If a tow truck motor carrier is dispatched as part of a towing rotation, the tow truck
358 operator that responds may not respond to the location in a tow truck that is owned by a
359 tow truck motor carrier that is different than the tow truck motor carrier that was
360 dispatched.

361 (11) If a towing entity receives a notice from the department as described in Subsection
362 72-9-602(6), the towing entity shall remove the tow truck motor carrier from the towing
363 entity's towing rotation, contract, or request for proposal as provided in the notice from
364 the department.

365 (12)(a) When creating and managing a towing dispatch rotation, a towing entity shall
366 require each tow truck motor carrier to disclose the tow truck motor carrier's
367 qualifications to perform a recovery operation.

368 (b) When a towing entity requests a dispatch for a towing operation or recovery

- 369 operation, the towing entity shall:
- 370 (i) determine whether the circumstance requires a towing operation or recovery
- 371 operation; and
- 372 (ii) ensure that the tow truck motor carrier that is dispatched has the appropriate
- 373 qualifications to perform the towing operation or recovery operation.

374 **Section 4. Effective Date.**

375 This bill takes effect on May 5, 2027.