

RULES – IMPLEMENTATION

APRIL 16, 2024

COMMERCIAL AUTOMOBILE

LI-CA-2024-102

UTAH REVISED INCREASED LIABILITY LIMITS RULE TO BE IMPLEMENTED

KEY MESSAGE

We are implementing revisions made in Commercial Automobile rules filing [CA-2024-RUM1](#) in response to 2023 Utah Laws ___ (former H.B. 113).

BACKGROUND

In circular [LI-CA-2023-116](#), we informed you, in part, that we anticipated revisions to various Commercial Auto rules to reflect the new minimum limits for financial responsibility.

ISO ACTION

In response 2023 Utah Laws ___ (former H.B. 113), we have revised the Utah increased limit factors for combined single limit liability coverage per accident provided in Rule **300.B.** to delete factors for the \$80,000 policy limit and insert factors for a \$90,000 policy limit.

Refer to the attached explanatory material for complete details about the filing.

For more information on the status of filings in a particular state, including filed and approved documents, associated circulars and links to Print Ready Manuals and Commercial Lines Manual, please feel free to access our [Filings](#) feature within the ISOnet Circulars product.

EFFECTIVE DATE

The ISO revision is subject to the following rule of application:

These changes are applicable to all policies written on or after January 1, 2025.

COMPANY ACTION

If you have authorized us to file on your behalf and decide:

- To use our revision and effective date, you are not required to file anything with the Insurance Department.
- To use our revision with a different effective date, to use our revision with modification, or to not use our revision, you must make an appropriate submission with the Insurance Department.

For guidance on submission requirements, consult the ISO State Filing Handbook.

WE WILL SUBMIT THIS REVISION TO THE INSURANCE DEPARTMENT ON NOVEMBER 27, 2024. IF STATE FILING REQUIREMENTS DICTATE THAT YOU MAKE A SUBMISSION WITH THE INSURANCE DEPARTMENT, DO NOT SUBMIT IT PRIOR TO THIS DATE.

In all correspondence with the Insurance Department on this revision, you should refer to ISO Filing Number [CA-2024-RUM1](#) and SERFF Tracking Number [ISOF-134051362](#), NOT this circular number. Communications with the regulator concerning a filing affecting multiple lines of business (i.e., CL, PL, AL filing designation) should specify the line(s) of business that you are addressing.

RATING SOFTWARE IMPACT

New attributes being introduced with this revision:

- New, additional factors are being introduced.
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POLICYHOLDER NOTIFICATION

If you decide to implement this revision, you should check all applicable laws for the state(s) to which this revision applies to determine whether or not a specific policyholder notice requirement may apply. Please note that circular [LI-CL-2024-016](#) contains the ISO Guide To Renewals With Changed Conditions For Commercial Lines, which is available only as a guide to assist participating companies in complying with various conditional renewal statutes or regulations, for the major commercial lines of insurance serviced by ISO. The information in the Guide does not necessarily reflect all requirements or exceptions that may apply, and it is not intended as a substitute for your review of all applicable statutes and regulations concerning policyholder notification.

REVISION DISTRIBUTION

We will issue a Notice to Manualholders with an edition date of 1-25 (or the earliest possible subsequent date), along with any new and/or revised manual pages.

RELATED FORMS REVISION

We are announcing in a separate circular the implementation of a corresponding forms revision. Please refer to the Reference(s) block for identification of that circular.

RELATED LOSS COSTS REVISION

We are announcing in a separate circular the implementation of a corresponding loss costs revision. Please refer to the Reference(s) block for identification of that circular.

REFERENCE(S)

- [LI-CA-2024-103](#) (04/16/2024) Utah Revised Uninsured Motorists Loss Costs To Be Implemented
 - [LI-CA-2024-101](#) (04/16/2024) Utah Revised Commercial Automobile Endorsements To Be Implemented
 - [LI-CL-2024-016](#) (03/12/2024) Commercial Lines Revised Lead Time Requirements Listing
 - [LI-CA-2023-116](#) (03/31/2023) Utah Former H.B. 113 Regarding Financial Responsibility Under Review
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ATTACHMENT(S)

Filing [CA-2024-RUM1](#)

ACKNOWLEDGMENT OF ACTUARIAL QUALIFICATIONS

The American Academy of Actuaries' "Qualifications Standards for Actuaries Issuing Statements of Actuarial Opinion in the United States" requires that an actuary issuing a Statement of Actuarial Opinion should include an acknowledgment with the opinion that he/she has met the qualification standards of the AAA. ISO considers this rules filing a Statement of Actuarial Opinion; therefore, we are including the following acknowledgment:

I, Kevin Hughes, am a Director and Actuary for ISO. I am responsible for the content of this Statement of Actuarial Opinion. I am a member of the American Academy of Actuaries and I meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein.

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Revisions to Utah Commercial Automobile Rules

About This Filing

This filing is being made in response to 2023 Utah Laws ___ (former H.B. 113).

Revised Rules

We are revising the Utah exception to Rule 300. Increased Liability Limits.

We have used a format of ~~striking-through~~ deletions, underlining additions and inserting a revision bar in the left margin to indicate changes.

Related Filing(s)

- ◆ CA-2024-OUM1 (Forms)
- ◆ CA-2024-RLC1 (Loss Costs)

Background

2023 Utah Laws ___ (former H.B. 113), which became effective May 3, 2023, in part, amends the minimum motor vehicle financial responsibility requirements contained in UTAH CODE ANN. § 31A-22-304 as follows:

- ◆ For split limit policies issued or renewed on or after January 1, 2025, the limits are increased from \$25,000 to \$30,000 because of liability for bodily injury to or death of one person, arising out of the use of a motor vehicle in any one accident, and from \$15,000 to \$25,000 because of liability for injury to, or destruction of, property of others arising out of the use of a motor vehicle in any one accident.
- ◆ For single limit policies issued or renewed on or after January 1, 2025, the limits are increased from \$80,000 to \$90,000 in any one accident whether arising from bodily injury to or the death of others, or from destruction of, or damage to, the property of others.

Currently, Rule 300. Increased Liability Limits, in part, includes increased limit factors for a combined single limit of liability of \$80,000 per accident, the sum of the \$65,000 bodily injury and \$15,000 property damage minimum required liability limits per accident. The \$65,000 bodily injury limit per accident is unchanged in the legislation described in this section.

Explanation of Changes

In response to 2023 Utah Laws ____ (former H.B. 113), we are revising the Utah increased limit factors for combined single limit liability coverage per accident provided in Rule 300.B. to delete factors for the \$80,000 policy limit and insert factors for a \$90,000 policy limit.

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300. INCREASED LIABILITY LIMITS

The following is added to Paragraph B.:

Combined Single Limit Of Liability (000s)	1. Light And Medium Trucks	2. Heavy Trucks And Truck- tractors	3. Extra- heavy Trucks And Truck- tractors	4. Trucks, Tractors And Trailers Zone-rated	5. All Other Risks
25	0.72	0.70	0.67	0.65	0.72
9080	0.980.96	0.980.95	0.970.94	0.970.93	0.980.96
100	1.00	1.00	1.00	1.00	1.00
125	1.05	1.05	1.06	1.07	1.04
150	1.09	1.10	1.11	1.13	1.08
200	1.15	1.18	1.18	1.24	1.14
250	1.20	1.25	1.25	1.32	1.19
300	1.24	1.31	1.30	1.40	1.23
350	1.28	1.36	1.35	1.47	1.26
400	1.32	1.41	1.39	1.53	1.29
500	1.38	1.50	1.47	1.64	1.34
600	1.43	1.57	1.54	1.74	1.39
750	1.49	1.67	1.62	1.86	1.44
1,000	1.58	1.79	1.73	2.02	1.51
1,500	1.72	1.98	1.90	2.25	1.62
2,000	1.83	2.12	2.02	2.41	1.70
2,500	1.91	2.23	2.12	2.54	1.76
3,000	1.99	2.33	2.20	2.66	1.82
5,000	2.21	2.62	2.47	3.01	1.97
7,500	2.40	2.89	2.73	3.34	2.11
10,000	2.56	3.12	2.96	3.62	2.23

Table 300.B. Increased Liability Limits