



State of Utah

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Insurance Department

JONATHAN T. PIKE
Insurance Commissioner

BULLETIN 2025-8

To: Property and Casualty Insurance Licensees
From: Jonathan T. Pike, Insurance Commissioner
Date: September 8, 2025
Subject: **Change to Utah Code 41-12a-301**

The Department issues this bulletin to make all property and casualty insurance licensees aware of a change that was made by the legislature during the 2025 General Session. Senate Bill 52 ([SB52](#)) made changes to Utah Code § [41-12a-301](#) that address the financial responsibility requirements for motor vehicles.

This new law, effective as of March 25, 2025, impacts how vehicle owners must maintain security, particularly in relation to vehicle registration.

The new language expands the conditions under which a vehicle owner must maintain financial security, adding vehicle registration as a trigger.

The new statutory language is as follows:

(2) Except as provided in Subsection (5):

(a) every resident owner of a motor vehicle shall maintain owner's or operator's security in effect at any time that the motor vehicle is operated on a highway or on a quasi-public road or parking area **or registered** within the state; and

(b) every nonresident owner of a motor vehicle that has been physically present in this state for:

(i) 90 or fewer days during the preceding 365 days shall maintain the type and amount of owner's or operator's security required in his place of residence, in effect continuously throughout the period the motor vehicle remains within Utah; or

(ii) more than 90 days during the preceding 365 days shall thereafter maintain owner's or operator's security in effect continuously throughout the period the motor vehicle remains within Utah.

Based on the new language, the Department highlights the following critical points for the property and casualty insurance industry:

1. **Comprehensive-Only Policies are Ineligible for Registered Vehicles:** The Utah State Tax Commission has determined that due to the language change, a comprehensive-only insurance policy is no longer sufficient to satisfy the financial responsibility requirement for any vehicle registered in Utah. The new language explicitly links the requirement for owner's or operator's security to the act of a vehicle being "registered within the state." As a comprehensive-only policy does not provide the required liability coverage, it is not considered "owner's or operator's security" under this law.
2. **Seasonal Vehicles and Financial Responsibility:** Owners of seasonal vehicles (e.g., recreational vehicles, motorcycles) must also comply with the financial responsibility requirements for the full duration of the vehicle's registration, regardless of whether the vehicle is actively being operated. The previous practice of suspending liability coverage during non-operational periods for a registered vehicle is no longer permissible under the new law.

Property and casualty insurers and their agents should immediately update their systems and procedures to reflect these changes. Specifically, you should:

- Educate all licensed agents about the new requirements.
- Advise policyholders with registered vehicles in Utah that comprehensive-only policies are no longer a valid form of financial responsibility.
- Communicate with customers who have seasonal vehicles to inform them that they must maintain continuous owner's or operator's security for the entire period their vehicle is registered in the state.
- Ensure that any automated systems or processes that check for proof of insurance are aligned with this new requirement.

The Department urges industry to inform policyholders of these changes to ensure compliance with the law and prevent unintentional violations.

For any questions, please contact the Utah Insurance Department at 801-957-9305.

DATED this 8th day of September 2025.



Jonathan T. Pike
Insurance Commissioner