

**State of Utah**  
**Administrative Rule Analysis**  
Revised June 2022

**NOTICE OF PROPOSED RULE**

**TYPE OF RULE:** New \_\_\_; Amendment \_x\_; Repeal \_\_\_; Repeal and Reenact \_\_\_

**Title No. - Rule No. - Section No.**

**Rule or Section Number:**

**R590-276**

**Filing ID: Office Use Only**

**Agency Information**

<b>1. Department:</b>	Insurance
<b>Agency:</b>	Administration
<b>Room number:</b>	Suite 2300
<b>Building:</b>	Taylorville State Office Building
<b>Street address:</b>	4315 S. 2700 W.
<b>City, state and zip:</b>	Taylorville, UT 84129
<b>Mailing address:</b>	PO Box 146901
<b>City, state and zip:</b>	Salt Lake City, UT 84114-6901

**Contact persons:**

<b>Name:</b>	<b>Phone:</b>	<b>Email:</b>
Steve Gooch	801-957-9322	sgooch@utah.gov

**Please address questions regarding information on this notice to the agency.**

**General Information**

**2. Rule or section catchline:**

R590-276. Record Retention for Foreign Insurers, Alien Insurers, Commercially Domiciled Insurers, Foreign Title Insurers, and Foreign Fraternal

**3. Purpose of the new rule or reason for the change (Why is the agency submitting this filing?):**

The rule is being changed in compliance with Executive Order 2021-12. During the review of this rule, the department discovered a number of minor issues that needed to be amended.

**4. Summary of the new rule or change (What does this filing do? If this is a repeal and reenact, explain the substantive differences between the repealed rule and the reenacted rule):**

The majority of the changes are being done to fix style issues to bring the rule text more in line with current rulewriting standards. Other changes make the language of the rule more clear, remove the Enforcement Date section, and update the Severability section to use the department's current language. The changes do not add, remove, or change any regulations or requirements.

**Fiscal Information**

**5. Provide an estimate and written explanation of the aggregate anticipated cost or savings to:**

**A) State budget:**

There is no anticipated cost or savings to the state budget. The changes are largely clerical in nature, and will not change how the department functions.

**B) Local governments:**

There is no anticipated cost or savings to local governments. The changes are largely clerical in nature, and will not affect local governments.

**C) Small businesses ("small business" means a business employing 1-49 persons):**

There is no anticipated cost or savings to small businesses. The changes are largely clerical in nature, and will not affect small businesses.

**D) Non-small businesses ("non-small business" means a business employing 50 or more persons):**

There is no anticipated cost or savings to non-small businesses. The changes are largely clerical in nature, and will not affect non-small businesses.

**E) Persons other than small businesses, non-small businesses, state, or local government entities** ("person" means any individual, partnership, corporation, association, governmental entity, or public or private organization of any character other than an **agency**):

There is no anticipated cost or savings to any other persons. The changes are largely clerical in nature.

**F) Compliance costs for affected persons** (How much will it cost an impacted entity to adhere to this rule or its changes?):

There are no compliance costs for any affected persons. The changes are largely clerical in nature.

**G) Regulatory Impact Summary Table** (This table only includes fiscal impacts that could be measured. If there are inestimable fiscal impacts, they will not be included in this table. Inestimable impacts will be included in narratives above.)

**Regulatory Impact Table**

<b>Fiscal Cost</b>	<b>FY2023</b>	<b>FY2024</b>	<b>FY2025</b>
State Government	\$0	\$0	\$0
Local Governments	\$0	\$0	\$0
Small Businesses	\$0	\$0	\$0
Non-Small Businesses	\$0	\$0	\$0
Other Persons	\$0	\$0	\$0
<b>Total Fiscal Cost</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Fiscal Benefits</b>	<b>FY2023</b>	<b>FY2024</b>	<b>FY2025</b>
State Government	\$0	\$0	\$0
Local Governments	\$0	\$0	\$0
Small Businesses	\$0	\$0	\$0
Non-Small Businesses	\$0	\$0	\$0
Other Persons	\$0	\$0	\$0
<b>Total Fiscal Benefits</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Net Fiscal Benefits</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**H) Department head comments on fiscal impact and approval of regulatory impact analysis:**

The Commissioner of Insurance, Jonathan T. Pike, has reviewed and approved this regulatory impact analysis.

**Citation Information**

**6. Provide citations to the statutory authority for the rule. If there is also a federal requirement for the rule, provide a citation to that requirement:**

Section 31A-2-201	Section 31A-14-205.5	Section 31A-23a-412

**Incorporations by Reference Information**

**7. Incorporations by Reference** (if this rule incorporates more than two items by reference, please include additional tables):

**A) This rule adds, updates, or removes the following title of materials incorporated by references** (a copy of materials incorporated by reference must be submitted to the Office of Administrative Rules; *if none, leave blank*):

<b>Official Title of Materials Incorporated (from title page)</b>	
<b>Publisher</b>	
<b>Issue Date</b>	
<b>Issue or Version</b>	

**B) This rule adds, updates, or removes the following title of materials incorporated by references** (a copy of materials incorporated by reference must be submitted to the Office of Administrative Rules; *if none, leave blank*):

<b>Official Title of Materials Incorporated (from title page)</b>	
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<b>Publisher</b>	
<b>Issue Date</b>	
<b>Issue or Version</b>	

**Public Notice Information**

**8. The public may submit written or oral comments to the agency identified in box 1.** (The public may also request a hearing by submitting a written request to the agency. See Section 63G-3-302 and Rule R15-1 for more information.)

**A) Comments will be accepted until:** **01/03/2023**

**B) A public hearing (optional) will be held:**

<b>On (mm/dd/yyyy):</b>	<b>At (hh:mm AM/PM):</b>	<b>At (place):</b>

**9. This rule change MAY become effective on:** **01/10/2023**

NOTE: The date above is the date the agency anticipates making the rule or its changes effective. It is NOT the effective date.

**Agency Authorization Information**

**To the agency:** Information requested on this form is required by Sections 63G-3-301, 302, 303, and 402. Incomplete forms will be returned to the agency for completion, possibly delaying publication in the *Utah State Bulletin* and delaying the first possible effective date.

<b>Agency head or designee and title:</b>	Steve Gooch, Public Information Officer	<b>Date:</b>	<b>11/04/2022</b>
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**R590. Insurance, Administration.**

**R590-276. Record Retention for Foreign Insurers, Alien Insurers, Commercially Domiciled Insurers, Foreign Title Insurers, and Foreign Fraternal.**

**R590-276-1. Authority.**

This rule is promulgated by the commissioner pursuant to [~~Subsections 31A-2-201, 31A-14-205.5(5)(a), and 31A-23a-412(5), which authorize the commissioner to adopt a rule to specify the length of time a foreign insurer, alien insurer, commercially domiciled insurer, foreign title insurer, or foreign fraternal must maintain books and records for inspection by the commissioner~~]Sections 31A-2-201, 31A-14-205.5, and 31A-23a-412.

**R590-276-2. [Scope.**

~~This rule applies to all foreign insurers, alien insurers, commercially domiciled insurers, foreign title insurers, and foreign fraternal licensed to do business in Utah.~~

**R590-276-3. [Purpose and Scope.**

~~[The purpose of this rule is to notify foreign insurers, alien insurers, commercially domiciled insurers, foreign title insurers and foreign fraternal of the books and records retention requirements.]~~

~~(1) The purpose of this rule is to establish record retention requirements for:~~

~~(a) a foreign insurer;~~

~~(b) an alien insurer;~~

~~(c) a commercially domiciled insurer;~~

~~(d) a foreign title insurer; and~~

~~(e) a foreign fraternal.~~

~~(2) This rule applies to a foreign insurer, alien insurer, commercially domiciled insurer, foreign title insurer, or foreign fraternal licensed to do business in Utah.~~

**R590-276-3. Definitions.**

~~Terms used in this rule are defined in Section 31A-1-301.~~

**R590-276-4. Retention Requirements.**

(1) Except as provided in Subsection (2), the retention requirement for the books and records of an insurer or fraternal subject to Title 31A, Chapter 14, Foreign Insurers, is three years plus the current year.

(2)(a) The retention requirement for the books and records of a foreign title insurer~~[s books and records]~~, including records related to title search, examination, and underwriting used for determining insurability, is 15 years, pursuant to Subsection 31A-20-110(1).

(b) The retention requirement for books and records related to escrow transactions involving real property is ~~[3-]~~three years plus the current year, pursuant to ~~[Section-]~~Subsection 31A-23a-412(5).

(3) All books and records shall be made available during normal business hours.

(4) Nothing in this section prohibits electronically stored books and records.

**R590-276-5. ~~[Enforcement Date.~~**

~~\_\_\_\_\_The commissioner will begin enforcing the provisions of this rule 45 days from the rule's effective date.~~

**~~R590-276-6.] Severability.~~**

~~[If any provision of this rule or its application to any persons or circumstances is for any reason held to be invalid, the remainder of the rule and the application of the provision to other persons or circumstances shall not be affected thereby.]~~If any provision of this rule, Rule R590-276, or its application to any person or situation is held invalid, such invalidity does not affect any other provision or application of this rule that can be given effect without the invalid provision or application. The remainder of this rule shall be given effect without the invalid provision or application.

**KEY: insurance, record retention**

**Date of Enactment or Last Substantive Amendment: April 23, 2018**

**Authorizing, and Implemented or Interpreted Law: 31A-2-201; 31A-14-205.5(5)(a); 31A-23a-412(5)**