

1 **CONFESSION OF JUDGMENT AMENDMENTS**

2 2020 GENERAL SESSION

3 STATE OF UTAH

4 **Chief Sponsor: Kirk A. Cullimore**

5 House Sponsor: _____

7 **LONG TITLE**

8 **General Description:**

9 This bill modifies the Agreements to Confess Judgments Act.

10 **Highlighted Provisions:**

11 This bill:

- 12 ▶ allows parties to enter into a confession of judgment before a default except in
13 employment contracts and certain consumer credit contracts; and
14 ▶ provides that the default event for a confession of judgment is the default giving rise
15 to the underlying action.

16 **Money Appropriated in this Bill:**

17 None

18 **Other Special Clauses:**

19 None

20 **Utah Code Sections Affected:**

21 AMENDS:

22 **78B-23-102**, as enacted by Laws of Utah 2019, Chapter 132

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

25 Section 1. Section **78B-23-102** is amended to read:

26 **78B-23-102. Certain agreements to confess judgment void.**

27 (1) Except as provided in Subsection (2), parties may execute an agreement or



28 stipulation to confess judgment before a default giving rise to an action.

29 ~~[An]~~ (2) (a) In an employment contract or a consumer credit contract that is not a
30 consumer credit contract involving real estate, an agreement or stipulation to confess judgment
31 is void if the agreement or stipulation is executed:

32 ~~[(1)]~~ (i) on or after May 14, 2019; and

33 ~~[(2)]~~ (ii) before a default giving rise to an action in which the judgment under the
34 agreement or stipulation is to be confessed.

35 (b) To satisfy the requirements of Subsection (2)(a)(ii), the parties need only execute
36 the agreement or stipulation after the default giving rise to the underlying action and not after
37 any subsequent default on the agreement or stipulation.