4 Approved for Filing: KMW 4 4 01-18-00 7:17 AM 4

1	RENTAL APPLICATION FEES
2	2000 GENERAL SESSION
3	STATE OF UTAH
4	Sponsor: Michael G. Waddoups
5	AN ACT RELATING TO REAL ESTATE; ALLOWING A LANDLORD TO CHARGE A FEE
6	IN CONNECTION WITH AN APPLICATION FOR RENTAL; SETTING CERTAIN
7	RESTRICTIONS WITH RESPECT TO THE FEE; AND PROVIDING FOR A PRIVATE RIGHT
8	OF ACTION.
9	This act affects sections of Utah Code Annotated 1953 as follows:
10	ENACTS:
11	57-17-6 , Utah Code Annotated 1953
12	Be it enacted by the Legislature of the state of Utah:
13	Section 1. Section 57-17-6 is enacted to read:
14	57-17-6. Rental application fee.
15	(1) An owner of a residential dwelling unit or the owner's designated agent may charge a
16	nonrefundable rental application fee or processing fee in connection with an application for rental
17	of the residential dwelling unit.
18	(2) The fee allowed by Subsection (1) may not exceed the estimated reasonable cost of:
19	(a) verifying the information provided by the applicant in a rental application; and
20	(b) investigating the applicant's credit worthiness, ability to pay rent, and previous rental
21	<u>history.</u>
22	(3) If a fee is charged under Subsection (1) and more than one rental application for the
23	same residential dwelling unit has been received by the owner or the owner's designated agent, the
24	owner or the agent shall process the rental applications for that residential dwelling unit in the
25	order of receipt.
26	(4) If a fee is charged under Subsection (1) and the owner of the residential dwelling unit
27	or the owner's designated agent enters into an agreement to rent that unit, the owner or the agent

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28	shall, within 15 days, return any fees paid by applicants for that unit for whom no investigation or
29	verification has been performed.
30	(5) (a) A person whose rental application fee or processing fee has not been returned in
31	accordance with the provisions of Subsection (4) may bring an action in any court of competent
32	jurisdiction to recover three times the amount of the rental application fee or processing fee paid
33	by that person.
34	(b) A plaintiff who brings a successful action under Subsection (5)(a) shall be entitled to

recover court costs and reasonable attorney's fees as determined by the court.

Legislative Review Note as of 1-5-00 11:45 AM

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A limited legal review of this legislation raises no obvious constitutional or statutory concerns.

Office of Legislative Research and General Counsel

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