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**MUNICIPAL OVERSIGHT OF RENTAL
DWELLINGS**

2008 GENERAL SESSION
STATE OF UTAH

Chief Sponsor: Gage Froerer

Senate Sponsor: Michael G. Waddoups

LONG TITLE

General Description:

This bill modifies a Utah Municipal Code provision relating to rental dwellings.

Highlighted Provisions:

This bill:

- ▶ eliminates a provision exempting owners of buildings with two or fewer rental dwellings from regulatory business license or inspection requirements;
- ▶ eliminates a provision authorizing a municipality to impose a reasonable inspection fee for the inspection of a rental dwelling;
- ▶ prohibits a municipality from:
 - imposing a fee on or after September 1, 2008 for the inspection of a rental dwelling;
 - interfering with the ability of an owner of a rental dwelling to contract with a tenant concerning the payment of utility and municipal service costs;
 - requiring the owner of a rental dwelling to retrofit a rental dwelling with or install in a rental dwelling a safety feature not required at the time the rental dwelling was constructed, except as required under the Utah Uniform Building Standards Act for a structural change to the rental dwelling, or as required in an ordinance adopted before January 1, 2008; and
- ▶ makes technical changes.

Monies Appropriated in this Bill:

None

30 **Other Special Clauses:**

31 None

32 **Utah Code Sections Affected:**

33 AMENDS:

34 **10-8-4**, as last amended by Laws of Utah 1997, Chapter 267

35 **10-8-85.5**, as last amended by Laws of Utah 2000, Chapter 172



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

38 Section 1. Section **10-8-4** is amended to read:

39 **10-8-4. Special taxes and licenses.**

40 (1) Municipal legislative bodies may:

41 (a) subject to Subsection (2) [~~and except as provided in Subsection 10-8-85.5(3)~~], fix
42 the amount, terms, and manner of issuing licenses; and

43 (b) consistent with general law, provide the manner and form in which special taxes are
44 levied and collected.

45 (2) (a) Municipal legislative bodies may not discriminate between resident community
46 businesses and nonresident community businesses in establishing license requirements.

47 (b) Municipal legislative bodies may not impose motor vehicle delivery license fees on
48 persons or entities who:

49 (i) are licensed as dealers in another municipality; or

50 (ii) do not have a permanent business location in the municipality.

51 Section 2. Section **10-8-85.5** is amended to read:

52 **10-8-85.5. "Rental dwelling" defined -- Municipality may require a business**
53 **license or a regulatory business license and inspections -- Exception.**

54 (1) As used in this section, "rental dwelling" means a building or portion of a building
55 that is:

56 (a) used or designated for use as a residence by one or more persons; and

57 (b) (i) available to be rented, loaned, leased, or hired out for a period of one month or

58 longer; or

59 (ii) arranged, designed, or built to be rented, loaned, leased, or hired out for a period of
60 one month or longer.

61 (2) (a) The legislative body of a municipality may by ordinance require the owner of a
62 rental dwelling located within the municipality:

63 (i) to obtain a business license pursuant to Section 10-1-203; or

64 [~~(ii) except as provided in Subsection (3):~~]

65 (ii) (A) to obtain a regulatory business license to operate and maintain the rental
66 dwelling; and

67 (B) to allow inspections of the rental dwelling as a condition of obtaining a regulatory
68 business license.

69 (b) A municipality may not require an owner of multiple rental dwellings or multiple
70 buildings containing rental dwellings to obtain more than one regulatory business license for the
71 operation and maintenance of those rental dwellings.

72 (c) (i) Notwithstanding Subsection (2)(b), a municipality may, until August 31, 2008,
73 impose upon an owner subject to Subsection (2)(a) a reasonable inspection fee for the
74 inspection of each rental dwelling owned by that owner.

75 (ii) Beginning September 1, 2008, a municipality may not charge a fee for the inspection
76 of a rental dwelling.

77 (d) If a municipality's inspection of a rental dwelling, allowed under Subsection
78 (2)(a)(ii)(B), approves the rental dwelling for purposes of a regulatory business license, a
79 municipality may not inspect that rental dwelling during the next 36 months, unless the
80 municipality has reasonable cause to believe that a condition in the rental dwelling is in violation
81 of an applicable law or ordinance.

82 (3) A municipality may not [~~impose the requirements of Subsection (2)(a)(ii) on the~~
83 ~~owner of a building containing two or fewer rental dwellings.];~~

84 (a) interfere with the ability of an owner of a rental dwelling to contract with a tenant
85 concerning the payment of the cost of a utility or municipal service provided to the rental

86 dwelling; or

87 (b) except as required under Title 58, Chapter 56, Utah Uniform Building Act, for a
88 structural change to the rental dwelling, or as required in an ordinance adopted before January
89 1, 2008, require the owner of a rental dwelling to retrofit the rental dwelling with or install in
90 the rental dwelling a safety feature that was not required when the rental dwelling was
91 constructed.

92 (4) Nothing in this section shall be construed to affect the rights and duties established
93 under Title 57, Chapter 22, Utah Fit Premises Act, or to restrict a municipality's ability to
94 enforce its generally applicable health ordinances or building code, a local health department's
95 authority under Title 26A, Chapter 1, Local Health Departments, or the Utah Department of
96 Health's authority under Title 26, Utah Health Code.