

**Senator Patricia W. Jones** proposes the following substitute bill:

**RESIDENTIAL RENTERS' DEPOSITS AMENDMENTS**

2014 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Patricia W. Jones**

House Sponsor: Brad R. Wilson

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**LONG TITLE**

**General Description:**

This bill modifies Title 57, Chapter 17, Residential Renters' Deposits.

**Highlighted Provisions:**

This bill:

- ▶ provides that no later than 30 days after the day on which a renter vacates a rental property, the owner or the owner's agent shall return to the renter the balance of any deposit and the balance of any prepaid rent, and provide an itemized notice of any deductions;
- ▶ establishes a procedure by which a renter may:
  - notify the owner or the owner's agent of the owner or the owner's agent's failure to comply with the provisions of the preceding paragraph; and
  - provide the owner or the owner's agent a five-day opportunity to comply;
- ▶ provides that if the owner or the owner's agent fails to comply within five days after the day on which a notice is served, the renter may recover the full deposit, the full amount of any prepaid rent, and a civil penalty of \$100; and
- ▶ provides that in an action to enforce compliance with the provisions of this bill, a court shall award the renter costs and attorney fees if:
  - the renter is the prevailing party; and



26 • the court determines that the owner or the owner's agent acted in bad faith.

27 **Money Appropriated in this Bill:**

28 None

29 **Other Special Clauses:**

30 None

31 **Utah Code Sections Affected:**

32 AMENDS:

33 **57-17-3**, as enacted by Laws of Utah 1981, Chapter 74

34 REPEALS AND REENACTS:

35 **57-17-5**, as enacted by Laws of Utah 1983, Chapter 208



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

38 Section 1. Section **57-17-3** is amended to read:

39 **57-17-3. Deductions from deposit -- Written itemization -- Time for return.**

40 (1) Upon termination of [the] a tenancy, the owner or the owner's agent may apply  
41 property or money held as a deposit [may be applied, at the owner's or designated agent's  
42 option, to] toward the payment of [accrued] rent, damages to the premises beyond reasonable  
43 wear and tear, other costs and fees provided for in the contract [and], or cleaning of the unit.  
44 [The balance of any deposit and prepaid rent, if any, and a written itemization of any  
45 deductions from the deposit, and reasons therefor, shall be delivered or mailed to the renter  
46 within 30 days after termination of the tenancy or within 15 days after receipt of the renter's  
47 new mailing address, whichever is later. The renter shall notify the owner or designated agent  
48 of the location where payment and notice may be made or mailed. If there is damage to the  
49 rented premises, this period shall be extended to 30 days.]

50 (2) No later than 30 days after the day on which a renter vacates and returns possession  
51 of a rental property to the owner or the owner's agent, the owner or the owner's agent shall  
52 deliver to the renter at the renter's last known address:

53 (a) the balance of any deposit;

54 (b) the balance of any prepaid rent; and

55 (c) if the owner or the owner's agent made any deductions from the deposit or prepaid  
56 rent, a written notice that itemizes and explains the reason for each deduction.

57 (3) If an owner or the owner's agent fails to comply with the requirements described in  
58 Subsection (2), the renter may serve the owner or the owner's agent, in accordance with Section  
59 78B-6-805, a notice that:

60 (a) states:

61 (i) the names of the parties to the rental agreement;

62 (ii) the day on which the renter vacated the rental property;

63 (iii) that the owner or the owner's agent has failed to comply with the requirements  
64 described in Subsection (2); and

65 (vi) the address where the owner or the owner's agent may send the items described in  
66 Subsection (2); and

67 (b) is substantially in the following form:

68 TENANT'S NOTICE TO PROVIDE DEPOSIT DISPOSITION

69 TO: (insert owner or owner's agent's name)

70 RE: (insert address of rental property)

71 NOTICE IS HEREBY GIVEN THAT WITHIN FIVE (5) CALENDAR DAYS

72 pursuant to Utah Code Sections 57-17-3 et seq., the owner or the owner's agent must provide  
73 the tenant, at the address below, a refund of the balance of any security deposit, the balance of  
74 any prepaid rent, and a notice of any deductions from the security deposit or prepaid rent as  
75 allowed by law.

76 NOTICE IS FURTHER GIVEN that failure to comply with this notice will require the  
77 owner refund the entire security deposit, the full amount of any prepaid rent, and a penalty of  
78 \$100. If the entire security deposit, the full amount of any prepaid rent, and the penalty of \$100  
79 is not tendered to the tenant, and the tenant is required to initiate litigation to enforce the  
80 provisions of the statute, the owner may be liable for the tenant's court costs and attorney fees.

81 Tenant's Name(s): \_\_\_\_\_

82 Mailing Address \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

83 This is a legal document. Please read and comply with the document's terms.

84 Dated this \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_\_

85 Return of Service

86 On this \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_\_ I swear and attest that I served this notice

87 in compliance with Utah Code Sections 78B-6-805 et seq. by:

88 Delivering the notice to the owner or the owner's agent personally at the address  
89 provided in the lease agreement or to the owner's registered agent; or

90 Mailing the notice by registered or certified mail addressed to the owner or the  
91 owner's agent at the address provided in the lease agreement or to the owner's registered agent;  
92 or

93 After finding no suitable person to serve, posting the notice at a conspicuous place  
94 at the address provided in the lease agreement.

95 The owner's address to which the service was effected is:

96 Address \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_  
97 (server's signature)

98 Self-authentication Declaration

99 Pursuant to Utah Code Section 46-5-101, I declare under criminal penalty of the State of Utah  
100 that the foregoing is true and correct.

101 Executed this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

102 (server's signature)

103 (4) Within 5 days after the day on which the notice described in Subsection (3) is  
104 served, the owner or the owner's agent shall comply with the requirements described in  
105 Subsection (2).

106 Section 2. Section 57-17-5 is repealed and reenacted to read:

107 **57-17-5. Failure to return deposit or prepaid rent or to give required notice --**

108 **Recovery of deposit, penalty, costs, and attorney fees.**

109 (1) If an owner or the owner's agent fails to comply with the requirements described in  
110 Subsection 57-17-4(4), the renter may:

111 (a) recover from the owner:

112 (i) if the owner or the owner's agent failed to timely return the balance of the renter's  
113 deposit, the full deposit;

114 (ii) if the owner or the owner's agent failed to timely return the balance of the renter's  
115 prepaid rent, the full amount of the prepaid rent; and

116 (iii) a civil penalty of \$100; and

117 (b) file an action in district court to enforce compliance with the provisions of this  
118 section.

119           (2) If a renter files an action in accordance with Subsection (1)(b), the court shall  
120 award the renter costs and attorney fees if:

121           (a) the renter is the prevailing party; and

122           (b) the court determines that the owner or the owner's agent acted in bad faith.

123           (3) A renter is not entitled to relief under this section if the renter fails to serve a notice  
124 in accordance with Subsection [57-17-3\(3\)](#).

125           (4) This section does not preclude an owner or a renter from recovering other damages  
126 to which the owner or the renter is entitled.