

**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 costs and attorney fees to the prevailing party if the court determines that the opposing party acted in bad faith.



26 **Money Appropriated in this Bill:**

27 None

28 **Other Special Clauses:**

29 None

30 **Utah Code Sections Affected:**

31 AMENDS:

32 **57-17-3**, as enacted by Laws of Utah 1981, Chapter 74

33 REPEALS AND REENACTS:

34 **57-17-5**, as enacted by Laws of Utah 1983, Chapter 208



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

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

38 **57-17-3. Deductions from deposit -- Written itemization -- Time for return.**

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

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

- 52 (a) the balance of any deposit;
- 53 (b) the balance of any prepaid rent; and
- 54 (c) if the owner or the owner's agent made any deductions from the deposit or prepaid  
55 rent, a written notice that itemizes and explains the reason for each deduction.

56 (3) If an owner or the owner's agent fails to comply with the requirements described in

57 Subsection (2), the renter may serve the owner or the owner's agent, in accordance with  
58 Subsection (4), a notice that:

- 59 (a) states:
- 60 (i) the names of the parties to the rental agreement;
- 61 (ii) the day on which the renter vacated the rental property;
- 62 (iii) that the owner or the owner's agent has failed to comply with the requirements  
63 described in Subsection (2); and

- 64 (vi) the address where the owner or the owner's agent may send the items described in  
65 Subsection (2); and
- 66 (b) is substantially in the following form:

67 TENANT'S NOTICE TO PROVIDE DEPOSIT DISPOSITION

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

69 RE: (insert address of rental property)

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

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

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

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

81 Mailing Address \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

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

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

84 Return of Service

85 On this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_, I swear and attest that I served this notice  
86 in compliance with Utah Code Section [57-17-3](#) by:

87 \_\_\_\_\_  
Delivering a copy to the owner or the owner's agent personally at the address

88 provided in the lease agreement;

89 Leaving a copy with a person of suitable age and discretion at the address  
90 provided in the lease agreement because the owner or the owner's agent was absent from the  
91 address provided in the lease agreement;

92 Affixing a copy in a conspicuous place at the address provided in the lease  
93 agreement because a person of suitable age or discretion could not be found at the address  
94 provided in the lease agreement; or

95 Sending a copy through registered or certified mail to the owner or the owner's  
96 agent at the address provided in the lease agreement.

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

98 Address City State Zip  
99 (server's signature)

100 Self-Authentication Declaration

101 Pursuant to Utah Code Section [46-5-101](#), I declare under criminal penalty of the State of Utah  
102 that the foregoing is true and correct.

103 Executed this day of , 20 .

104 (server's signature)

105 (4) A notice described in Subsection (3) shall be served:

106 (a) (i) by delivering a copy to the owner or the owner's agent personally at the address  
107 provided in the lease agreement;

108 (ii) if the owner or the owner's agent is absent from the address provided in the lease  
109 agreement, by leaving a copy with a person of suitable age and discretion at the address  
110 provided in the lease agreement; or

111 (iii) if a person of suitable age or discretion cannot be found at the address provided in  
112 the lease agreement, by affixing a copy in a conspicuous place at the address provided in the  
113 lease agreement; or

114 (b) by sending a copy through registered or certified mail to the owner or the owner's  
115 agent at the address provided in the lease agreement;

116 (5) Within five business days after the day on which the notice described in Subsection  
117 (3) is served, the owner or the owner's agent shall comply with the requirements described in  
118 Subsection (2).

119 Section 2. Section [57-17-5](#) is repealed and reenacted to read:

120 **57-17-5. Failure to return deposit or prepaid rent or to give required notice --**

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

122 (1) If an owner or the owner's agent fails to comply with the requirements described in  
123 Subsection [57-17-4](#)(4), the renter may:

124 (a) recover from the owner:

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

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

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

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

132 (2) In an action under Subsection (1)(b), the court shall award costs and attorney fees  
133 to the prevailing party if the court determines that the opposing party acted in bad faith.

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

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