Senator Lincoln Fillmore proposes the following substitute bill:

1	RENTAL AMENDMENTS
2	2017 GENERAL SESSION
3	STATE OF UTAH
4	Chief Sponsor: Lincoln Fillmore
5	House Sponsor:
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7	LONG TITLE
8	General Description:
9	This bill modifies provisions related to rental properties to make clarifying amendments
10	regarding awards to any prevailing party for costs and attorney fees.
11	Highlighted Provisions:
12	This bill:
13	 clarifies provisions regarding the prevailing party to whom a court awards costs and
14	reasonable attorney fees:
15	 in an action under the Utah Fit Premises Act; and
16	 in certain proceedings related to a renter's tenancy or detainer.
17	Money Appropriated in this Bill:
18	None
19	Other Special Clauses:
20	None
21	Utah Code Sections Affected:
22	AMENDS:
23	57-22-6, as repealed and reenacted by Laws of Utah 2010, Chapter 352
24	78B-6-811, as renumbered and amended by Laws of Utah 2008, Chapter 3
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26	Be it enacted by the Legislature of the state of Utah:
27	Section 1. Section 57-22-6 is amended to read:
28	57-22-6. Renter remedies for deficient condition of residential rental unit.
29	(1) As used in this section:
30	(a) "Corrective period" means:
31	(i) for a standard of habitability, three calendar days; and
32	(ii) for a requirement imposed by a rental agreement, 10 calendar days.
33	(b) "Deficient condition" means a condition of a residential rental unit that:
34	(i) violates a standard of habitability or a requirement of the rental agreement; and
35	(ii) is not caused by:
36	(A) the renter, the renter's family, or the renter's guest or invitee; and
37	(B) a use that would violate:
38	(I) the rental agreement; or
39	(II) a law applicable to the renter's use of the residential rental unit.
40	(c) "Notice of deficient condition" means the notice described in Subsection (2).
41	(d) "Rent abatement remedy" means the remedy described in Subsection (4)(a)(i).
42	(e) "Renter remedy" means:
43	(i) a rent abatement remedy; or
44	(ii) a repair and deduct remedy.
45	(f) "Repair and deduct remedy" means the remedy described in Subsection (4)(a)(ii).
46	(g) "Standard of habitability" means a standard:
47	(i) relating to the condition of a residential rental unit; and
48	(ii) that an owner is required to ensure that the residential rental unit meets as required
49	under Subsection 57-22-3(1) or Subsection 57-22-4(1)(a) or (b)(i), (ii), or (iii).
50	(2) (a) If a renter believes that the renter's residential rental unit has a deficient
51	condition, the renter may give the owner written notice as provided in Subsection (2)(b).
52	(b) A notice under Subsection (2)(a) shall:
53	(i) describe each deficient condition;
54	(ii) state that the owner has the corrective period, stated in terms of the applicable
55	number of days, to correct each deficient condition;
56	(iii) state the renter remedy that the renter has chosen if the owner does not, within the

57	corrective period, take substantial action toward correcting each deficient condition;
58	(iv) provide the owner permission to enter the residential rental unit to make corrective
59	action; and
60	(v) be served on the owner as provided in:
61	(A) Section 78B-6-805; or
62	(B) the rental agreement.
63	(3) (a) As used in this Subsection (3), "dangerous condition" means a deficient
64	condition that poses a substantial risk of:
65	(i) imminent loss of life; or
66	(ii) significant physical harm.
67	(b) If a renter believes that the renter's residential rental unit has a dangerous condition,
68	the renter may notify the owner of the dangerous condition by any means that is reasonable
69	under the circumstances.
70	(c) An owner shall:
71	(i) within 24 hours after receiving notice under Subsection (3)(b) of a dangerous
72	condition, commence remedial action to correct the dangerous condition; and
73	(ii) diligently pursue remedial action to completion.
74	(d) Notice under Subsection (3)(b) of a dangerous condition does not constitute a
75	notice of deficient condition, unless the notice also meets the requirements of Subsection (2).
76	(4) (a) Subject to Subsection (4)(b), if an owner fails to take substantial action, before
77	the end of the corrective period, toward correcting a deficient condition described in a notice of
78	deficient condition:
79	(i) if the renter chose the rent abatement remedy in the notice of deficient condition:
80	(A) the renter's rent is abated as of the date of the notice of deficient condition to the
81	owner;
82	(B) the rental agreement is terminated;
83	(C) the owner shall immediately pay to the renter:
84	(I) the entire security deposit that the renter paid under the rental agreement; and
85	(II) a prorated refund for any prepaid rent, including any rent the renter paid for the
86	period after the date on which the renter gave the owner the notice of deficient condition; and
87	(D) the renter shall vacate the residential rental unit within 10 calendar days after the

88	expiration of the corrective period; or
89	(ii) if the renter chose the repair and deduct remedy in the notice of deficient condition,
90	and subject to Subsection (4)(c), the renter:
91	(A) may:
92	(I) correct the deficient condition described in the notice of deficient condition; and
93	(II) deduct from future rent the amount the renter paid to correct the deficient
94	condition, not to exceed an amount equal to two months' rent; and
95	(B) shall:
96	(I) maintain all receipts documenting the amount the renter paid to correct the deficient
97	condition; and
98	(II) provide a copy of those receipts to the owner within five calendar days after the
99	beginning of the next rental period.
100	(b) A renter is not entitled to a renter remedy if the renter is not in compliance with all
101	requirements under Section 57-22-5.
102	(c) (i) If a residential rental unit is not fit for occupancy, an owner may:
103	(A) determine not to correct a deficient condition described in a notice of deficient
104	condition; and
105	(B) terminate the rental agreement.
106	(ii) If an owner determines not to correct a deficient condition and terminates the rental
107	agreement under Subsection (4)(c)(i):
108	(A) the owner shall:
109	(I) notify the renter in writing no later than the end of the corrective period; and
110	(II) within 10 calendar days after the owner terminates the rental agreement, pay to the
111	renter:
112	(Aa) any prepaid rent, prorated as provided in Subsection (4)(c)(ii)(B); and
113	(Bb) any deposit due the renter;
114	(B) the rent shall be prorated to the date the owner terminates the rental agreement
115	under Subsection (4)(c)(i); and
116	(C) the renter may not be required to vacate the residential rental unit sooner than 10
117	calendar days after the owner notifies the renter under Subsection (4)(c)(ii)(A)(I).
118	(5) (a) After the corrective period expires, a renter may bring an action in district court

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agreement.

01-24-17 4:13 PM 119 to enforce the renter remedy that the renter chose in the notice of deficient condition. 120 (b) In an action under Subsection (5)(a), the court shall endorse on the summons that 121 the owner is required to appear and defend the action within three business days. 122 (c) If, in an action under Subsection (5)(a), the court finds that the owner unjustifiably 123 refused to correct a deficient condition or failed to use due diligence to correct a deficient 124 condition, the renter is entitled to any damages, in addition to the applicable renter remedy[-125 to:]. 126 (i) any damages; and 127 (ii) court costs and a reasonable attorney fee. 128 (d) An owner who disputes that a condition of the residential rental unit violates a 129 requirement of the rental agreement may file a counterclaim in an action brought against the 130 owner under Subsection (5)(a). 131 (6) An owner may not be held liable under this chapter for a claim for mental suffering 132 or anguish. (7) (a) In an action under this section, the court shall award costs and reasonable 133 134 attorney fees to the prevailing party. 135 (b) Subsection (7)(a) applies retroactively to any action pending on May 9, 2017. 136 Section 2. Section **78B-6-811** is amended to read: 137 78B-6-811. Judgment for restitution, damages, and rent -- Immediate 138 enforcement. 139 (1) (a) A judgment may be entered upon the merits or upon default. 140 (b) A judgment entered in favor of the plaintiff shall include an order for the restitution 141 of the premises as provided in Section 78B-6-812. 142 (c) If the proceeding is for unlawful detainer after neglect or failure to perform any 143 condition or covenant of the lease or agreement under which the property is held, or after 144 default in the payment of rent, the judgment shall also declare the forfeiture of the lease or

- (d) (i) A forfeiture under Subsection (1)(c) does not release a defendant from any obligation for payments on a lease for the remainder of the lease's term.
- 148 (ii) Subsection (1)(d)(i) does not change any obligation on either party to mitigate 149 damages.

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150	(2) The jury or the court, if the proceeding is tried without a jury or upon the
151	defendant's default, shall also assess the damages resulting to the plaintiff from any of the
152	following:
153	(a) forcible entry;
154	(b) forcible or unlawful detainer;
155	(c) waste of the premises during the defendant's tenancy, if waste is alleged in the
156	complaint and proved at trial;
157	(d) the amounts due under the contract, if the alleged unlawful detainer is after default
158	in the payment of amounts due under the contract; and
159	(e) the abatement of the nuisance by eviction as provided in Sections 78B-6-1107
160	through 78B-6-1114.
161	(3) The judgment shall be entered against the defendant for the rent, for three times the
162	amount of the damages assessed under Subsections (2)(a) through (2)(e)[, and for reasonable
163	attorney fees].
164	(4) (a) If the proceeding is for unlawful detainer, execution upon the judgment shall be
165	issued immediately after the entry of the judgment.
166	(b) In all cases, the judgment may be issued and enforced immediately.
167	(5) (a) In an action under this part, the court shall award costs and reasonable attorney
168	fees to the prevailing party.

(b) Subsection (5)(a) applies retroactively to any action pending on May 9, 2017.