

1 **Local Regulation of Business Entities Amendments**

2025 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Calvin R. Musselman**

House Sponsor: Thomas W. Peterson

3 **LONG TITLE**

4 **General Description:**

5 This bill enacts provisions related to local classification and approval of new and unlisted  
6 business uses.

7 **Highlighted Provisions:**

8 This bill:

- 9 ▶ defines terms; and
- 10 ▶ requires each municipality and county to enact a land use regulation establishing a  
11 process for reviewing a business use not listed as an approved use in existing ordinances.

12 **Money Appropriated in this Bill:**

13 None

14 **Other Special Clauses:**

15 None

16 **Utah Code Sections Affected:**

17 ENACTS:

18 **10-9a-507.5**, Utah Code Annotated 1953

19 **17-27a-506.5**, Utah Code Annotated 1953

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

22 Section 1. Section **10-9a-507.5** is enacted to read:

23 **10-9a-507.5 . Classification of new and unlisted business uses.**

24 (1) As used in this section:

25 (a) "Classification request" means a request to determine whether a proposed business  
26 use aligns with an existing land use specified in a municipality's land use ordinances.

27 (b) "New or unlisted business use" means a business activity that does not align with an  
28 existing land use specified in a municipality's land use ordinances.

29 (2)(a) Each municipality shall incorporate into the municipality's land use ordinances a  
30 process for reviewing and approving a new or unlisted business use and designating

31 an appropriate zone or zones for an approved use.

32 (b) The process described in Subsection (2)(a) shall:

33 (i) detail how an applicant may submit a classification request;

34 (ii) establish a procedure for the municipality to review a classification request,  
 35 including:

36 (A) providing a land use authority with criteria to determine whether a proposed  
 37 use aligns with an existing use; and

38 (B) allowing an applicant to proceed under the regulations of an existing use if a  
 39 land use authority determines a proposed use aligns with that existing use;

40 (iii) provide that if a use is determined to be a new or unlisted business use:

41 (A) the applicant shall submit an application for approval of the new or unlisted  
 42 business use to the legislative body for review;

43 (B) the legislative body shall consider and determine whether to approve or deny  
 44 the new or unlisted business use; and

45 (C) ~~Ŝ → [the legislative body shall issue an approval or denial of the new or~~  
 45a ~~unlisted] ←Ŝ~~

46 ~~Ŝ → [business use within 60 days after the day on which the applicant~~  
 46a ~~submits an] ←Ŝ~~

47 ~~Ŝ → [application for approval if the applicant responds promptly to requests~~  
 47a ~~for] ←Ŝ~~

48 ~~Ŝ → [additional information and appears at required hearings;]~~

48a ~~the legislative body shall approve or deny the new or unlisted business use,~~

48b ~~within a time frame the legislative body establishes by ordinance, if the~~

48c ~~applicant responds to requests for additional information within a time frame~~

48d ~~established by the municipality and appears at required hearings; ←Ŝ~~

49 (iv) provide that if the legislative body approves a proposed new or unlisted business  
 50 use, the legislative body shall designate an appropriate zone or zones for the  
 51 approved use; and

52 (v) provide that if the legislative body denies a proposed new or unlisted business  
 53 use, or if an applicant disagrees with the land use authority's classification of the  
 54 proposed use, the legislative body shall:

55 (A) notify the applicant in writing of each reason for the classification or denial;

56 and

57 (B) offer the applicant an opportunity to challenge the classification or denial  
 58 through an administrative appeal process established by the municipality.

59 (3) Each municipality shall amend each land use ordinance that contains a list of approved  
 60 or prohibited business uses to include a reference to the process for petitioning to  
 61 approve a new or unlisted business use, as described in Subsection (2).

62 Section 2. Section **17-27a-506.5** is enacted to read:

63 **17-27a-506.5 . Classification of new and unlisted business uses.**

64 (1) As used in this section:

65 (a) "Classification request" means a request to determine whether a proposed business  
 66 use aligns with an existing land use specified in a county's land use ordinances.

67 (b) "New or unlisted business use" means a business activity that does not align with an  
 68 existing land use specified in a county's land use ordinances.

69 (2)(a) Each county shall incorporate into the county's land use ordinances a process for  
 70 reviewing and approving a new or unlisted business use and designating an  
 71 appropriate zone or zones for an approved use.

72 (b) The process described in Subsection (2)(a) shall:

73 (i) detail how an applicant may submit a classification request;

74 (ii) establish a procedure for the county to review a classification request, including:

75 (A) providing a land use authority with criteria to determine whether a proposed  
 76 use aligns with an existing use; and

77 (B) allowing an applicant to proceed under the regulations of an existing use if a  
 78 land use authority determines a proposed use aligns with that existing use;

79 (iii) provide that if a use is determined to be a new or unlisted business use:

80 (A) the applicant shall submit an application for approval of the new or unlisted  
 81 business use to the legislative body for review;

82 (B) the legislative body shall consider and determine whether to approve or deny  
 83 the new or unlisted business use; and

84 (C) ~~Ŝ→ [the legislative body shall issue an approval or denial of the new or~~  
 84a ~~unlisted.] ←Ŝ~~

85 ~~Ŝ→ [business use within 60 days after the day on which the applicant~~

85a ~~submits an.] ←Ŝ~~

86 ~~Ŝ→ [application for approval if the applicant responds promptly to requests~~

86a ~~for.] ←Ŝ~~

87 ~~Ŝ→ [additional information and appears at required hearings;]~~

87a the legislative body shall approve or deny the new or unlisted business use,  
87b within a time frame the legislative body establishes by ordinance, if the  
87c applicant responds to requests for additional information within a time frame  
87d established by the county and appears at required hearings; ←§

88 (iv) provide that if the legislative body approves a proposed new or unlisted business  
89 use, the legislative body shall designate an appropriate zone or zones for the  
90 approved use; and

91 (v) provide that if the legislative body denies a proposed new or unlisted business  
92 use, or if an applicant disagrees with a land use authority's classification of the  
93 proposed use, the legislative body shall:

94 (A) notify the applicant in writing of each reason for the classification or denial;  
95 and

96 (B) offer the applicant an opportunity to challenge the classification or denial  
97 through an administrative appeal process established by the county.

98 (3) Each county shall amend each land use ordinance that contains a list of approved or  
99 prohibited business uses to include a reference to the process for petitioning to approve a  
100 new or unlisted business use, as described in Subsection (2).

101 Section 3. **Effective Date.**

102 This bill takes effect on May 7, 2025.