

HOA Amendments

2026 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Wayne A. Harper

House Sponsor:

LONG TITLE**General Description:**

This bill amends provisions relating to the Office of the Homeowners' Association Ombudsman.

Highlighted Provisions:

This bill:

- requires that the Office of the Homeowners' Association Ombudsman (office) make public each advisory opinion the office issues;
- requires that the office provide a list of statutes and frequently asked questions that impact persons under the jurisdiction of a homeowners' association;
- requires that the office publish educational materials on the office's website;
- requires that the office direct individuals making a phone call to the office to resources the office creates;
- amends the circumstances under which a lot owner may continue renting a lot in a homeowners' association without a fee; and
- makes technical changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

13-79-103, as enacted by Laws of Utah 2025, Chapter 226

57-8-13.1, as last amended by Laws of Utah 2025, Chapter 226

57-8a-105, as last amended by Laws of Utah 2025, Chapter 226

57-8a-209, as last amended by Laws of Utah 2025, First Special Session, Chapter 15

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

Section 1. Section **13-79-103** is amended to read:

13-79-103 . Duties and jurisdiction of office.

(1) The attorneys of the office shall:

(a) develop and maintain expertise in and understanding of issues and statutes impacting unit owners, lot owners, associations of lot owners, and associations of unit owners; and

(b) upon request:

(i) analyze a complaint from a lot owner, a unit owner, an association of lot owners, or an association of unit owners regarding the conduct of a lot owner, a unit owner, an association of lot owners, or an association of unit owners; and

(ii) provide an advisory opinion as described in Section 13-79-104.

(2)(a) Neither the office nor the office's attorneys may represent private parties, state agencies, local governments, or any other individual or entity in a legal action that arises from or relates to a matter addressed in this chapter.

(b) No attorney of the office may be compelled to testify in a civil action filed concerning the subject matter of any review or advisory opinion arranged through the office.

(3) Except as provided in Section 13-75-105, evidence of a review by the office and the opinions, writings, findings, and determinations of the office are not admissible as evidence in a judicial action or arbitration.

(4) The office[;]

~~[(a)]~~ shall:

(a) [-]analyze a complaint and issue an advisory opinion only for issues relating to a violation of a state statute;[-and]

(b) make public each advisory opinion the office issues in accordance with Subsection (4)(a);

(c) provide, on the office's website:

(i) a list of statutes that impact unit owners, lot owners, associations of lot owners, and associations of unit owners; and

(ii) a list of frequently asked questions that the office receives and answers to those questions;

(d) publish educational materials on the office's website providing, in simple and easy to understand language, a brief overview of state law governing associations of unit owners and associations of lot owners, including:

- (i) a description of the rights and responsibilities provided in Title 57, Chapter 8, Condominium Ownership Act, to a party under the jurisdiction of Title 57, Chapter 8, Condominium Ownership Act;
- (ii) a description of the rights and responsibilities provided in Title 57, Chapter 8a, Community Association Act, to a party under the jurisdiction of Title 57, Chapter 8a, Community Association Act; and
- (iii) instructions regarding how an association of unit owners or an association of lot owners may be organized and dismantled in accordance with this chapter; and
- (e) direct an individual that makes a phone call to the office to the resources described in this Subsection (4).
- [~~(b)~~] (5) The office may not provide any service that requires interpreting the governing documents of an association of lot owners or the governing documents of an association of unit owners, including determining whether a provision of the governing documents is reasonable.
- Section 2. Section **57-8-13.1** is amended to read:
- 57-8-13.1 . Registration with Department of Commerce.**
- (1) As used in this section, "department" means the Department of Commerce created in Section 13-1-2.
- (2) No later than 90 days after the recording of a declaration, an association of unit owners shall register with the department in the manner established by the department.
- (3) The department shall require an association of unit owners registering as required in this section to provide with each registration:
- (a) the name and address of the association of unit owners;
- (b) the name, address, telephone number, and, if applicable, email address of the president of the association of unit owners;
- (c) the name and address of each manager or management committee member;
- (d) the name, address, telephone number, and, if the contact person wishes to use email or facsimile transmission for communicating payoff information, the email address or facsimile number, as applicable, of a primary contact person who has association payoff information that a closing agent needs in connection with the closing of a unit owner's financing, refinancing, or sale of the owner's unit; and
- (e) a registration fee set by the department in accordance with Section 63J-1-504.
- (4)(a) An association of unit owners shall annually renew the registration of the association of unit owners described in Subsection (2).

(b) The department may impose and set the amount of a renewal registration fee in accordance with Section 63J-1-504.

(5) An association of unit owners that has registered under Subsection (2) shall submit to the department an update to the association of unit owners' registration information, in the manner established by the department, within 90 days after a change in any of the information provided under Subsection (3).

(6)(a) During any period of noncompliance with the registration requirement described in Subsection (2) or the requirement for an updated registration described in Subsection (5):

(i) a lien may not arise under Section 57-8-44; and

(ii) an association of unit owners may not enforce an existing lien that arose under Section 57-8-44.

(b) A period of noncompliance with the registration requirement of Subsection (2) or with the updated registration requirement of Subsection (5) does not begin until after the expiration of the 90-day period specified in Subsection (2) or (5), respectively.

(c) An association of unit owners that is not in compliance with the registration requirement described in Subsection (2) may end the period of noncompliance by registering with the department in the manner established by the department under Subsection (2).

(d) An association of unit owners that is not in compliance with the updated registration requirement described in Subsection (5) may end the period of noncompliance by submitting to the department an updated registration in the manner established by the department under Subsection (5).

(e) Except as described in Subsection (6)(f), beginning on the date an association of unit owners ends a period of noncompliance:

(i) a lien may arise under Section 57-8-44 for any event that:

(A) occurred during the period of noncompliance; and

(B) would have given rise to a lien under Section 57-8-44 had the association of unit owners been in compliance with the registration requirements described in this section; and

(ii) an association of unit owners may enforce a lien described in Subsection ~~[(6)(e)]~~ (6)(e)(i) or a lien that existed before the period of noncompliance.

(f) If an owner's unit is conveyed to an independent third party during a period of noncompliance described in this Subsection (6):

- (i) a lien that arose under Section 57-8-44 before the conveyance of the unit became final is extinguished when the conveyance of the unit becomes final; and
- (ii) an event that occurred before the conveyance of the unit became final, and that would have given rise to a lien under Section 57-8-44 had the association of unit owners been in compliance with the registration requirements of this section, may not give rise to a lien under Section 57-8-44 if the conveyance of the unit becomes final before the association of unit owners ends the period of noncompliance.

~~[(7) The department shall publish educational materials on the department's website providing, in simple and easy to understand language, a brief overview of state law governing associations of unit owners, including:]~~

~~[(a) a description of the rights and responsibilities provided in this chapter to any party under the jurisdiction of an association of unit owners; and]~~

~~[(b) instructions regarding how an association of unit owners may be organized and dismantled in accordance with this chapter.]~~

Section 3. Section **57-8a-105** is amended to read:

57-8a-105 . Registration with Department of Commerce.

- (1) As used in this section, "department" means the Department of Commerce created in Section 13-1-2.
- (2)(a) No later than 90 days after the recording of a declaration of covenants, conditions, and restrictions establishing an association, the association shall register with the department in the manner established by the department.
- (b) An association existing under a declaration of covenants, conditions, and restrictions recorded before May 10, 2011, shall, no later than July 1, 2011, register with the department in the manner established by the department.
- (3) The department shall require an association registering as required in this section to provide with each registration:
 - (a) the name and address of the association;
 - (b) the name, address, telephone number, and, if applicable, email address of the chair of the association board;
 - (c) contact information for the manager;
 - (d) the name, address, telephone number, and, if the contact person wishes to use email or facsimile transmission for communicating payoff information, the email address or facsimile number, as applicable, of a primary contact person who has association payoff information that a closing agent needs in connection with the closing of a lot

owner's financing, refinancing, or sale of the owner's lot; and

(e) a registration fee set by the department in accordance with Section 63J-1-504.

(4)(a) An association shall annually renew the association's registration described in Subsection (2).

(b) The department may impose and set the amount of a renewal registration fee in accordance with Section 63J-1-504.

(5) An association that has registered under Subsection (2) shall submit to the department an update to the association's registration information, in the manner established by the department, within 90 days after a change in any of the information provided under Subsection (3).

(6)(a) During any period of noncompliance with the registration requirement described in Subsection (2) or the requirement for an updated registration described in Subsection (5):

(i) a lien may not arise under Section 57-8a-301; and

(ii) an association may not enforce an existing lien that arose under Section 57-8a-301.

(b) A period of noncompliance with the registration requirement of Subsection (2) or with the updated registration requirement of Subsection (5) does not begin until after the expiration of the 90-day period specified in Subsection (2) or (5), respectively.

(c) An association that is not in compliance with the registration requirement described in Subsection (2) may end the period of noncompliance by registering with the department in the manner established by the department under Subsection (2).

(d) An association that is not in compliance with the updated registration requirement described in Subsection (5) may end the period of noncompliance by submitting to the department an updated registration in the manner established by the department under Subsection (5).

(e) Except as described in Subsection (6)(f), beginning on the date an association ends a period of noncompliance:

(i) a lien may arise under Section 57-8a-301 for any event that:

(A) occurred during the period of noncompliance; and

(B) would have given rise to a lien under Section 57-8a-301 had the association been in compliance with the registration requirements described in this section; and

(ii) an association may enforce a lien described in this Subsection (6)(e) or a lien that existed before the period of noncompliance.

(f) If an owner's residential lot is conveyed to an independent third party during a period of noncompliance described in this Subsection (6):

(i) a lien that arose under Section 57-8a-301 before the conveyance of the residential lot became final is extinguished when the conveyance of the residential lot becomes final; and

(ii) an event that occurred before the conveyance of the residential lot became final, and that would have given rise to a lien under Section 57-8a-301 had the association been in compliance with the registration requirements of this section, may not give rise to a lien under Section 57-8a-301 if the conveyance of the residential lot becomes final before the association ends the period of noncompliance.

~~[(7) The department shall publish educational materials on the department's website providing, in simple and easy to understand language, a brief overview of state law governing associations, including:]~~

~~[(a) a description of the rights and responsibilities provided in this chapter to any party under the jurisdiction of an association; and]~~

~~[(b) instructions regarding how an association may be organized and dismantled in accordance with this chapter.]~~

~~[(8)]~~ (7)(a) Unless otherwise expressly exempted, this chapter applies to an association that registers, or renews or updates the association's registration, with the department under this section.

(b) This section applies to an association regardless of when the association is created.

Section 4. Section **57-8a-209** is amended to read:

57-8a-209 . Rental restrictions.

(1)(a) Subject to Subsections (1)(b), (5), (6), and (10), an association may:

(i) create restrictions on the number and term of rentals in an association; or

(ii) prohibit rentals in the association.

(b) Except as provided in Subsection (1)(c), an association that creates a rental restriction or prohibition in accordance with Subsection (1)(a) shall create the rental restriction or prohibition in a recorded declaration of covenants, conditions, and restrictions, or by amending the recorded declaration of covenants, conditions, and restrictions.

(c) An association may establish, by rule, a minimum lease term of six months or less.

(2) If an association prohibits or imposes a restriction on the number and term of rentals or

charges a fee described in Subsection (9)(c), the association shall:

(a) exempt the following from the prohibition, restriction, or fee:

- (i) a lot owner in the military for the period of the lot owner's deployment;
- (ii) a lot occupied by a lot owner's parent, child, or sibling;
- (iii) a lot owner whose employer has relocated the lot owner for two years or less;
- (iv) a lot owned by an entity that is occupied by an individual who:

(A) has voting rights under the entity's organizing documents; and

(B) has a 25% or greater share of ownership, control, and right to profits and losses of the entity; or

(v) a lot owned by a trust or other entity created for estate planning purposes if the trust or other estate planning entity was created for:

(A) the estate of a current resident of the lot; or

(B) the parent, child, or sibling of the current resident of the lot;

(b) allow a lot owner who has a rental in the association before the time the rental restriction described in Subsection ~~[(1)(a) is recorded with the county recorder of the county in which the association is located]~~ (1) becomes effective to continue renting without a fee described in Subsection (9)(c) until:

(i) the lot owner occupies the lot;

(ii) an officer, owner, member, trustee, beneficiary, director, or person holding a similar position of ownership or control of an entity or trust that holds an ownership interest in the lot, occupies the lot; or

(iii) the lot is transferred; and

(c) create, by rule or resolution, procedures to:

(i) determine and track the number of rentals and lots in the association subject to the provisions described in Subsections (2)(a) and (b); and

(ii) ensure consistent administration and enforcement of any rental prohibition, restriction, or fee.

(3) For purposes of Subsection (2)(b)(iii), a transfer occurs when one or more of the following occur:

(a) the conveyance, sale, or other transfer of a lot by deed;

(b) the granting of a life estate in the lot; or

(c) if the lot is owned by a limited liability company, corporation, partnership, or other business entity, the sale or transfer of more than 75% of the business entity's share, stock, membership interests, or partnership interests in a 12-month period.

- (4) This section does not limit or affect residency age requirements for an association that complies with the requirements of the Housing for Older Persons Act, 42 U.S.C. Sec. 3607.
- (5) A declaration of covenants, conditions, and restrictions or amendments to the declaration of covenants, conditions, and restrictions recorded before the transfer of the first lot from the initial declarant may prohibit or restrict rentals without providing for the exceptions, provisions, and procedures required under Subsection (2).
- (6)(a) Subsections (1) through (5) do not apply to:
- (i) an association that contains a time period unit as defined in Section 57-8-3;
 - (ii) any other form of timeshare interest as defined in Section 57-19-2; or
 - (iii) subject to Subsection (6)(b), an association that is formed before May 12, 2009, unless, on or after May 12, 2015, the association:
 - (A) adopts a rental restriction or prohibition; or
 - (B) amends an existing rental restriction or prohibition.
- (b) An association that adopts a rental restriction or amends an existing rental restriction or prohibition before May 9, 2017, is not required to include the exemption described in Subsection (2)(a)(iv).
- (7) Notwithstanding this section, an association may restrict or prohibit rentals without an exception described in Subsection (2) if:
- (a) the restriction or prohibition receives unanimous approval by all lot owners; and
 - (b) when the restriction or prohibition requires an amendment to the association's recorded declaration of covenants, conditions, and restrictions, the association fulfills all other requirements for amending the recorded declaration of covenants, conditions, and restrictions described in the association's governing documents.
- (8) Except as provided in Subsection (9), an association may not require a lot owner who owns a rental lot to:
- (a) obtain the association's approval of a prospective renter;
 - (b) give the association:
 - (i) a copy of a rental application;
 - (ii) a copy of a renter's or prospective renter's credit information or credit report;
 - (iii) a copy of a renter's or prospective renter's background check; or
 - (iv) documentation to verify the renter's age;
 - (c) pay an additional assessment, fine, or fee because the lot is a rental lot;
 - (d) use a lease agreement provided by the association; or

(e) obtain the association's approval of a lease agreement.

(9)(a) A lot owner who owns a rental lot shall give an association the documents described in Subsection (8)(b) if the lot owner is required to provide the documents by court order or as part of discovery under the Utah Rules of Civil Procedure.

(b) If an association's declaration of covenants, conditions, and restrictions lawfully prohibits or restricts occupancy of the lots by a certain class of individuals, the association may require a lot owner who owns a rental lot to give the association the information described in Subsection (8)(b), if:

(i) the information helps the association determine whether the renter's occupancy of the lot complies with the association's declaration of covenants, conditions, and restrictions; and

(ii) the association uses the information to determine whether the renter's occupancy of the lot complies with the association's declaration of covenants, conditions, and restrictions.

(c) An association that permits at least 35% of the lots in the association to be rental lots may charge a lot owner who owns a rental lot a fee of up to \$200 once every 12 months to defray the association's additional administrative expenses directly related to a lot that is a rental lot, as detailed in a notice described in Subsection (12).

(d) An association may require a lot owner who owns a rental lot and the renter of the lot owner's rental lot to sign an addendum to a lease agreement provided by the association.

(e) Before an association may charge a fee described in Subsection (9)(c), an association shall:

(i) provide notice to each lot owner in the association of a board meeting described in Subsection (9)(e)(ii) 15 days before the day on which the association holds the board meeting;

(ii) hold a board meeting to discuss and allow lot members to publicly comment on:

(A) the new administrative expenses that the association intends to cover using the funds from the fee; and

(B) the circumstances that require the association to impose or increase the fee; and

(iii) ensure that during the board meeting described in Subsection (9)(e)(ii), the board approves the fee by a majority vote.

(10) Notwithstanding Subsection (1)(a), an association may not restrict or prohibit the

rental of an internal accessory dwelling unit, as defined in Section 10-21-101 or 17-80-101, constructed within a lot owner's residential lot, if the internal accessory dwelling unit complies with all applicable:

- (a) land use ordinances;
- (b) building codes;
- (c) health codes; and
- (d) fire codes.

(11) The provisions of Subsections (8) through (10) apply to an association regardless of when the association is created.

(12) Within 30 days after the day on which the association imposes a fee described in Subsection (9)(c), an association shall provide to each lot owner impacted by the fee a notice describing:

- (a) the new administrative expenses that the association intends to cover using the funds from the fee; and
- (b) the circumstances that require the association to impose or increase the fee.

(13)(a) A lot owner may contest a fee described in Subsection (9)(c) by providing to the association a written request that the association waive the fee if:

- (i) the association fails to provide the notice described in Subsection (12) within 30 days after the day on which the association imposes the fee; or
- (ii) the notice the association provides to the lot owner does not contain the information required in Subsection (12).

(b) If a lot owner contests a fee under this Subsection (13) by submitting a written request, an association of lot owners shall waive the fee if:

- (i) the association does not provide the notice described in Subsection (12) to the lot owner; or
- (ii) a notice provided by the association does not contain the information required in Subsection (12).

(14)(a) A lot owner of a rental lot may designate, in a written notice to the association, a primary contact individual who is not the lot owner with whom the association may communicate as though the primary contact individual is the lot owner.

(b) If a lot owner designates a primary contact individual under this Subsection (14), the association shall provide the lot owner a written notice that confirms the association has changed the association's records to identify the primary contact individual designated by the lot owner.

371 Section 5. **Effective Date.**
372 This bill takes effect on May 6, 2026.