

1 **BUSINESS LICENSE FEE AMENDMENTS**

2 2000 GENERAL SESSION

3 STATE OF UTAH

4 **Sponsor: John L. Valentine**

5 AN ACT RELATING TO THE MUNICIPAL CODE; MODIFYING THE BUSINESS LICENSE
6 REQUIREMENTS A MUNICIPALITY MAY IMPOSE ON THE OWNER OF A RENTAL
7 DWELLING; AND MAKING TECHNICAL CHANGES.

8 This act affects sections of Utah Code Annotated 1953 as follows:

9 AMENDS:

10 **10-8-85.5**, as enacted by Chapter 267, Laws of Utah 1997

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

12 Section 1. Section **10-8-85.5** is amended to read:

13 **10-8-85.5. "Rental dwelling" defined -- Municipality may require a business license**
14 **or a regulatory business license and inspections -- Exception.**

15 (1) As used in this section, "rental dwelling" means a building or portion of a building that
16 is:

17 (a) used or designated for use as a residence by one or more persons; and

18 (b) (i) available to be rented, loaned, leased, or hired out for a period of one month or
19 longer; or

20 (ii) arranged, designed, or built to be rented, loaned, leased, or hired out for a period of one
21 month or longer.

22 (2) (a) [~~Except as provided in Subsection (3), the~~] The legislative body of a municipality
23 may by ordinance require the owner of a rental dwelling located within the municipality;

24 (i) to obtain a business license pursuant to Section 10-1-203; or~~[-]~~

25 (ii) except as provided in Subsection (3):

26 [(i)] (A) to obtain a regulatory business license to operate and maintain the rental dwelling;
27 and

28 [(ii)] (B) to allow inspections of the rental dwelling as a condition of obtaining a regulatory
29 business license.

30 (b) A municipality may not require an owner of multiple rental dwellings or multiple
31 buildings containing rental dwellings to obtain more than one regulatory business license for the
32 operation and maintenance of those rental dwellings.

33 (c) Notwithstanding Subsection (2)(b), a municipality may impose upon an owner subject
34 to Subsection (2)(a) a reasonable inspection fee for the inspection of each rental dwelling owned
35 by that owner.

36 (d) If a municipality's inspection of a rental dwelling, allowed under Subsection
37 (2)(a)(ii)(B), approves the rental dwelling for purposes of a regulatory business license, a
38 municipality may not inspect that rental dwelling during the next 36 months, unless the
39 municipality has reasonable cause to believe that a condition in the rental dwelling is in violation
40 of an applicable law or ordinance.

41 (3) A municipality may not impose the requirements of Subsection (2)(a)(ii) on the owner
42 of a building containing two or fewer rental dwellings.

43 (4) Nothing in this section shall be construed to affect the rights and duties established
44 under Title 57, Chapter 22, Utah Fit Premises Act, or to restrict a municipality's ability to enforce
45 its generally applicable health ordinances or building code, a local health department's authority
46 under Title 26A, Chapter 1, Local Health Departments, or the Utah Department of Health's
47 authority under Title 26, Utah Health Code.

Legislative Review Note
as of 1-13-00 11:44 AM

A limited legal review of this legislation raises no obvious constitutional or statutory concerns.

Office of Legislative Research and General Counsel