? Approved for Filing: KMW ? ? 01-23-01 1:07 PM ?

1	RENTAL APPLICATION FEES
2	2001 GENERAL SESSION
3	STATE OF UTAH
4	Sponsor: Greg J. Curtis
5	This act modifies the Real Estate Code to allow a landlord to charge a fee in connection with
6	an application for rental. The act sets certain restrictions with respect to the fee and
7	provides for a private right of action.
8	This act affects sections of Utah Code Annotated 1953 as follows:
9	ENACTS:
10	57-17-6, Utah Code Annotated 1953
11	Be it enacted by the Legislature of the state of Utah:
12	Section 1. Section <b>57-17-6</b> is enacted to read:
13	57-17-6. Rental application fee.
14	(1) Except as provided in Subsections (5) and (6), an owner of a residential dwelling unit
15	or the owner's designated agent may charge a nonrefundable rental application fee or processing
16	fee in connection with an application for rental of the residential dwelling unit after the applicant
17	has been notified of the requirements of Subsection (6).
18	(2) The fee allowed by Subsection (1) may not exceed the actual cost of:
19	(a) verifying the information provided by the applicant in a rental application; and
20	(b) investigating the applicant's criminal background, credit worthiness, ability to pay rent,
21	and previous rental history.
22	(3) If a fee is charged under Subsection (1) and more than one rental application for the
23	same residential dwelling unit has been received by the owner or the owner's designated agent, the
24	owner or the agent shall process the rental applications for that residential dwelling unit in the
25	order of receipt.
26	(4) If a fee is charged under Subsection (1) and the owner of the residential dwelling unit
27	or the owner's designated agent enters into an agreement to rent that unit, the owner or the agent

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shall, within 15 days, return any fees paid by applicants for that unit for whom no investigation or verification has been performed.

- (5) (a) A person whose rental application fee or processing fee has not been returned in accordance with the provisions of Subsection (4) may bring an action in any court of competent jurisdiction to recover three times the amount of the rental application fee or processing fee paid by that person.
- (b) A plaintiff who brings a successful action under Subsection (5)(a) shall be entitled to recover court costs and reasonable attorney's fees as determined by the court.
- (6) A rental application fee or processing fee shall not be charged if, at the time of application, the person submitting the rental application furnishes the owner of the residential dwelling unit or the owner's agent with a certified copy of the applicant's credit report from a licensed credit reporting agency and a Utah state criminal background report on the applicant which have been issued within 60 days from the date of application.

## Legislative Review Note as of 1-5-01 10:37 AM

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

Office of Legislative Research and General Counsel

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