

MUNICIPAL OVERSIGHT OF RENTAL DWELLINGS

2008 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Gage Froerer

Senate Sponsor: Michael G. Waddoups

LONG TITLE

General Description:

This bill modifies a Utah Municipal Code provision relating to rental dwellings.

Highlighted Provisions:

This bill:

- ▶ eliminates a provision exempting owners of buildings with two or fewer rental dwellings from regulatory business license or inspection requirements;
- ▶ eliminates a provision authorizing a municipality to impose a reasonable inspection fee for the inspection of a rental dwelling;
- ▶ prohibits a municipality from:

- imposing a fee ~~H→~~ on or after September 1, 2008 ~~←H~~ for the inspection of a rental dwelling;

- interfering with the ability of an owner of a rental dwelling to contract with a tenant concerning the payment of utility and municipal service costs;

~~H→ [—•— regulating the practice of submetering, ratio utility billing, or other utility cost allocation method;] ←H~~

- requiring the owner of a rental dwelling to retrofit a rental dwelling with or install in a rental dwelling a safety feature not required at the time the rental dwelling was constructed, ~~H→ [other than a smoke detector; or]~~ except as required under the Utah Uniform Building Standards Act for a structural change to the rental dwelling, or as required in an ordinance adopted before January 1, 2008 ; and

~~[—•— imposing a civil or criminal penalty on the owner of a rental dwelling for a safety device controlled by a tenant; and] ←H~~

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28 ▶ makes technical changes.

29 **Monies Appropriated in this Bill:**

30 None

31 **Other Special Clauses:**

32 None

33 **Utah Code Sections Affected:**

34 AMENDS:

35 **10-8-4**, as last amended by Laws of Utah 1997, Chapter 267

36 **10-8-85.5**, as last amended by Laws of Utah 2000, Chapter 172



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

39 Section 1. Section **10-8-4** is amended to read:

40 **10-8-4. Special taxes and licenses.**

41 (1) Municipal legislative bodies may:

42 (a) subject to Subsection (2) [~~and except as provided in Subsection 10-8-85.5(3)~~], fix
43 the amount, terms, and manner of issuing licenses; and

44 (b) consistent with general law, provide the manner and form in which special taxes are
45 levied and collected.

46 (2) (a) Municipal legislative bodies may not discriminate between resident community
47 businesses and nonresident community businesses in establishing license requirements.

48 (b) Municipal legislative bodies may not impose motor vehicle delivery license fees on
49 persons or entities who:

50 (i) are licensed as dealers in another municipality; or

51 (ii) do not have a permanent business location in the municipality.

52 Section 2. Section **10-8-85.5** is amended to read:

53 **10-8-85.5. "Rental dwelling" defined -- Municipality may require a business
54 license or a regulatory business license and inspections -- Exception.**

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

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

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

59 longer; or

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

62 (2) (a) The legislative body of a municipality may by ordinance require the owner of a
63 rental dwelling located within the municipality:

64 (i) to obtain a business license pursuant to Section 10-1-203; or

65 [~~(ii) except as provided in Subsection (3):~~]

66 (ii) (A) to obtain a regulatory business license to operate and maintain the rental
67 dwelling; and

68 (B) to allow inspections of the rental dwelling as a condition of obtaining a regulatory
69 business license.

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

73 (c) ~~Ĥ→ [f] (i) Notwithstanding Subsection (2)(b), a [f] [A] ←Ĥ municipality~~
73a ~~may Ĥ→ , until August 31, 2008, [f] impose upon an owner~~

74 ~~subject to Subsection (2)(a) a reasonable inspection [f] [not charge a] ←Ĥ fee for the~~
74a ~~inspection of~~

75 ~~Ĥ→ [f] each [f] [a] ←Ĥ rental dwelling Ĥ→ [f] owned by that owner [f] ←Ĥ .~~

75a ~~Ĥ→ (ii) Beginning September 1, 2008, a municipality may not charge a fee for the~~
75b ~~inspection of a rental dwelling. ←Ĥ~~

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

81 (3) A municipality may not [~~impose the requirements of Subsection (2)(a)(ii) on the~~
82 ~~owner of a building containing two or fewer rental dwellings.];~~

83 (a) interfere with the ability of an owner of a rental dwelling to contract with a tenant
84 concerning the payment of the cost of a utility or municipal service provided to the rental
85 dwelling; Ĥ→ or

86 [(b) regulate the practice of submetering, ratio utility billing, or other utility cost
87 allocation method;

88 ~~——~~ (c) (b) except as required under Title 58, Chapter 56, Utah Uniform Building

- 88a **Standards Act, for a structural change to the rental dwelling, or as required in an ordinance**
- 88a1 **adopted before January 1, 2008, ←H** require the owner of a rental dwelling to retrofit the rental
- 88a2 dwelling
- 88b with or install
- 89 in the rental dwelling a safety feature that was not required when the rental dwelling was

90 constructed ~~H→ [; other than a smoke detector; or] .~~

91 ~~[(d) impose a civil or criminal penalty on an owner of a rental dwelling for a safety~~
92 ~~device controlled by a tenant of the rental dwelling.] ←H~~

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

Legislative Review Note
as of 1-10-08 6:47 AM

Office of Legislative Research and General Counsel

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Fiscal Note

2008 General Session

State of Utah

State Impact

Enactment of this bill will not require additional appropriations.

Individual, Business and/or Local Impact

Enactment of this bill likely will not result in direct, measurable costs and/or benefits for individuals, businesses, or local governments.
