



House of Representatives *State of Utah*

UTAH STATE CAPITOL COMPLEX • 350 STATE CAPITOL
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February 3, 2016

Mr. Speaker:

The Business and Labor Committee reports a favorable recommendation on **1st Sub. S.B. 22**, FORECLOSURE OF RESIDENTIAL RENTAL PROPERTY, by Senator W. Harper, with the following amendments:

1. Page 4, Line 108 through Page 5, Line 121:

- 108 (a) "Bona fide residential rental agreement" means an agreement, for a property
109 secured by a trust deed:
110 (i) that was the result of an arm's-length transaction;
111 (ii) established before:
112 (A) the trustee records a notice of default for the property under Section 57-1-24; or
113 (B) the trustee or beneficiary files an action to foreclose the trust property under
 Title
114 78B, Chapter 6, Part 9, Mortgage Foreclosure;
115 (iii) that provides an individual the right to exclusive use and occupancy of the
116 residential property:
117 (A) on an at-will basis; or
118 (B) for a period specified by the agreement **that is no longer than twelve**
 months ; and
119 (iv) that requires the individual to pay rent in an amount that:
120 (A) is not substantially less than fair market rent for the property; or
121 (B) is less than fair market rent due to a federal, state, or local subsidy.

Bill Number



SB0022S01

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2. Page 8, Lines 229 through 240:

- 229 (a) "Bona fide residential rental agreement" means an agreement, for a property
230 secured by a mortgage:
231 (i) that was the result of an arm's-length transaction;
232 (ii) established before the filing of an action to foreclose the mortgage under Part 9,
233 Mortgage Foreclosure;
234 (iii) that provides an individual the right to exclusive use and occupancy of the
235 residential property:
236 (A) on an at-will basis; or
237 (B) for a period specified by the agreement **that is no longer than twelve**
 months ; and
238 (iv) that requires the individual to pay rent in an amount that:
239 (A) is not substantially less than fair market rent for the property; or
240 (B) is less than fair market rent due to a federal, state, or local subsidy.

Respectfully,

Val L. Peterson
Committee Chair

Voting: 10-0-4

3 SB0022.HC1.WPD 2/3/16 3:47 pm JWade/JTW SJ/AJS

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