

HB0138S01 compared with HB0138

~~deleted text~~ shows text that was in HB0138 but was deleted in HB0138S01.

Inserted text shows text that was not in HB0138 but was inserted into HB0138S01.

DISCLAIMER: This document is provided to assist you in your comparison of the two bills. Sometimes this automated comparison will NOT be completely accurate. Therefore, you need to read the actual bills. This automatically generated document could contain inaccuracies caused by: limitations of the compare program; bad input data; or other causes.

Representative Jeremy A. Peterson proposes the following substitute bill:

GOOD LANDLORD PROGRAM AMENDMENTS

2018 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Steve Eliason

Senate Sponsor: _____

LONG TITLE

General Description:

This bill amends provisions related to the Good Landlord Program.

Highlighted Provisions:

This bill:

- ▶ prohibits a municipality from imposing a disproportionate rental fee on a residential rental unit that is subject to an association; and
- ▶ makes technical and conforming changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

HB0138S01 compared with HB0138

AMENDS:

10-1-203.5, as last amended by Laws of Utah 2017, Chapter 136

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

Section 1. Section **10-1-203.5** is amended to read:

10-1-203.5. Disproportionate rental fee -- Good landlord training program -- Fee reduction.

(1) As used in this section:

(a) "Business" means the rental of one or more residential units within a municipality.

(b) "Disproportionate rental fee" means a fee adopted by a municipality to recover its disproportionate costs of providing municipal services to residential rental units compared to similarly-situated owner-occupied housing.

(c) "Disproportionate rental fee reduction" means a reduction of a disproportionate rental fee as a condition of complying with the requirements of a good landlord training program.

(d) "Exempt business" means the rental of a residential unit [~~within a single structure that contains~~] that:

(i) contains within a single structure:

~~[(i)]~~ (A) no more than four residential units; and

~~[(ii)]~~ (B) one unit occupied by the owner~~[-];~~ or

(ii) is subject to an association under Title 57, Chapter 8, Condominium Ownership Act, or Title 57, Chapter 8a, Community Association Act.

(e) "Exempt landlord" means a residential landlord who demonstrates to a municipality:

(i) completion of any live good landlord training program offered by any other Utah city that offers a good landlord program;

(ii) that the residential landlord has a current professional designation of "property manager"; or

(iii) compliance with a requirement described in Subsection (6).

(f) "Good landlord training program" means a program offered by a municipality to encourage business practices that are designed to reduce the disproportionate cost of municipal

HB0138S01 compared with HB0138

services to residential rental units by offering a disproportionate rental fee reduction for any residential landlord who:

- (i) (A) completes a landlord training program provided by the municipality; or
- (B) is an exempt landlord;

(ii) implements measures to reduce crime in rental housing as specified in a municipal ordinance or policy; and

(iii) operates and manages rental housing in accordance with an applicable municipal ordinance.

(g) "Municipal services" means:

- (i) public utilities;
- (ii) police;
- (iii) fire;
- (iv) code enforcement;
- (v) storm water runoff;
- (vi) traffic control;
- (vii) parking;
- (viii) transportation;
- (ix) beautification; or
- (x) snow removal.

(h) "Municipal services study" means a study of the cost of all municipal services to rental housing that:

- (i) are reasonably attributable to the rental housing; and
- (ii) exceed the municipality's cost to serve similarly-situated, owner-occupied housing.

(i) "Residential landlord" means:

(i) the owner of record of residential real property that is leased or rented to another; or

(ii) a third-party provider that has an agreement with the owner of record to manage the owner's real property.

(2) The legislative body of a municipality may charge and collect a disproportionate rental fee on a business that causes disproportionate costs to municipal services if the municipality:

- (a) has performed a municipal services study; and

HB0138S01 compared with HB0138

(b) adopts a disproportionate rental fee that does not exceed the amount that is justified by the municipal services study on a per residential rental unit basis.

(3) A municipality may not:

(a) impose a disproportionate rental fee on an exempt business;

(b) require a residential landlord to deny tenancy to an individual based on the individual's criminal history unless a halfway house, as that term is defined in Section 51-9-412, is located within the municipality;

(c) without cause and notice, require a residential landlord to submit to a random building inspection;

(d) unless agreed to by a residential landlord and in compliance with state and federal law, collect from a residential landlord or retain:

(i) a tenant's consumer report, as defined in 15 U.S.C. Sec. 1681a, in violation of 15 U.S.C. Sec. 1681b as amended;

(ii) a tenant's criminal history record information in violation of Section 53-10-108; or

(iii) a copy of an agreement between the residential landlord and a tenant regarding the tenant's term of occupancy, rent, or any other condition of occupancy;

(e) require that any documents required from the landlord be notarized; or

(f) prohibit a residential landlord from passing on to the tenant the license or disproportionate fee.

(4) Nothing in this section shall limit:

(a) a municipality's right to audit and inspect an exempt residential landlord's records to ensure compliance with a disproportionate rental fee reduction program; or

(b) the right of a municipality with a short-term or vacation rental ordinance to review an owner's rental agreement to verify compliance with the municipality's ordinance.

(5) Notwithstanding Section 10-11-2, a residential landlord may provide the name and address of a person to whom all correspondence regarding the property shall be sent. If the landlord provides the name and address in writing, the municipality shall provide all further correspondence regarding the property to the designated person. The municipality may also provide copies of notices to the residential landlord.

(6) In addition to a requirement or qualification described in Subsection (1)(e), a municipality may recognize a good landlord training program described in its ordinance.

HB0138S01 compared with HB0138

(7) (a) If a municipality adopts a good landlord program, the municipality shall provide an appeal procedure affording due process of law to a residential landlord who is denied a disproportionate rental fee reduction.

(b) A municipality may not adopt a new disproportionate rental fee unless the municipality provides a disproportionate rental fee reduction.

(8) A property manager who represents an owner of property that qualifies for a municipal disproportionate rental fee may not be restricted from simultaneously representing another owner of property that does not qualify for a municipal disproportionate rental fee.

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~~Legislative Review Note~~

~~Office of Legislative Research and General Counsel~~