

# HB0068S01 compared with HB0068

~~text~~ shows text that was in HB0068 but was deleted in HB0068S01.

text shows text that was not in HB0068 but was inserted into HB0068S01.

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Representative Marsha Judkins proposes the following substitute bill:

## RENTAL EXPENSES DISCLOSURE REQUIREMENTS

2021 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Marsha Judkins**

Senate Sponsor: \_\_\_\_\_

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### LONG TITLE

#### General Description:

This bill amends an owner's duties under the Utah Fit Premises Act.

#### Highlighted Provisions:

This bill:

- ▶ requires an owner of a residential rental unit to make ~~expense-related~~ certain disclosures to a potential renter before accepting an application fee or any other payment;
- ▶ prohibits an owner from charging a renter under a rental agreement a fee, tax, assessment, interest, or other cost ~~(-)~~;
  - that is not disclosed in the rental agreement, except under certain conditions; or
  - in an amount greater than agreed to in the rental agreement;
- ▶ permits a prospective renter to seek reimbursement from an owner under certain

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conditions;

- ▶ prohibits an owner from charging a late fee that exceeds a certain amount; and
- ▶ makes technical and conforming changes.

### Money Appropriated in this Bill:

None

### Other Special Clauses:

None

### Utah Code Sections Affected:

AMENDS:

**57-22-4**, as last amended by Laws of Utah 2017, Chapter 19

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

Section 1. Section **57-22-4** is amended to read:

#### **57-22-4. Owner's duties.**

- (1) To protect the physical health and safety of the ordinary renter, an owner:
  - (a) may not rent the premises unless they are safe, sanitary, and fit for human occupancy; and
  - (b) shall:
    - (i) maintain common areas of the residential rental unit in a sanitary and safe condition;
    - (ii) maintain electrical systems, plumbing, heating, and hot and cold water;
    - (iii) maintain any air conditioning system in an operable condition;
    - (iv) maintain other appliances and facilities as specifically contracted in the rental agreement; and
    - (v) for buildings containing more than two residential rental units, provide and maintain appropriate receptacles for garbage and other waste and arrange for its removal, except to the extent that the renter and owner otherwise agree.
- (2) Except as otherwise provided in the rental agreement, an owner shall provide the renter at least 24 hours prior notice of the owner's entry into the renter's residential rental unit.
- (3) ~~f~~(a) Before an owner accepts an application fee or any other payment from a prospective renter, the owner shall disclose in writing to the prospective renter:
  - ~~(a) each monthly, incidental, or end of lease fee, tax, assessment, or other cost that the~~

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~~prospective renter will be obligated to pay under the rental agreement as the fee, tax, assessment, or other cost appears in~~ i) a good faith estimate of:

(A) the rent amount; and

(B) the amount of each non-rent related expense that is part of the rental agreement;

~~{b}ii) {if there is an anticipated availability in} the day on which the residential rental unit{, and} is scheduled to be available;~~

~~{c}iii) the criteria that the owner will {review as a condition of accepting}~~ consider in determining the prospective {renter}renter's eligibility as a renter in the residential rental unit, including criteria related to the prospective renter's criminal history, credit, income, employment, or rental history{;

}; and

(iv) the requirements and process for the prospective renter to recover money the prospective renter pays in relation to the residential rental unit, as described in Subsection (4).

(b) An owner may satisfy the written disclosure requirement described in Subsection (3)(a)(i) through a rental application, deposit agreement, or written summary.

(4) (a) A prospective renter may make a written demand to {an}the owner of a residential rental unit requesting the return of money the prospective renter paid {to the owner}in relation to the rental of {a}the residential rental unit, if:

(i) an amount the owner {fails to provide a disclosure to the prospective renter as required under Subsection (3)(a);}provides in the good-faith estimate described in Subsection (3) is different than the amount in the rental agreement; and

(ii) the prospective renter{ pays money to the owner that the owner charged in violation of Subsection (3)(a);};

~~{iii) the prospective renter and the owner do not enter into a rental agreement; and~~

~~(iv) }A) makes the written demand{;~~

~~(A) is delivered to the owner} within {30}five business days after the day on which the prospective renter {pays the money described in Subsection (4)(a)(ii);~~

~~(B) references each fee, tax, assessment, or other cost that}{receives the rental agreement; and~~

(B) at the time the prospective renter {alleges}makes the {owner charged in violation of Subsection (3)(a); and

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~~(C) requests the return of the~~ written demand, has not signed the rental agreement or taken possession of the residential rental unit.

(b) If a prospective renter makes a written demand in accordance with Subsection (4)(a), the owner shall return all money the prospective renter paid the owner ~~as described in Subsection (4)(a)(ii).~~

~~(b) An owner who receives a written demand as described in Subsection (4)(a) shall refund the money described in Subsection (4)(a)(ii) }~~ within ~~seven~~ five business days after the day on which the owner receives the written demand.

(5) An owner may not charge a renter ~~under a~~:

(a) a late fee that exceeds the greater of:

(i) 10% of the rent agreed to in the rental agreement; or

(ii) \$75; or

(b) a fee, ~~tax~~ fine, assessment, interest, or other cost:

(i) in an amount greater than the amount agreed to in the rental agreement; or

(ii) that is not included in the rental agreement, unless:

(~~a~~) A) the ~~tenancy~~ rental agreement is ~~month-to-month~~ on a month-to-month basis; and

(~~b~~) B) the owner provides the renter a 15-day notice of the charge.

(6) Before an owner and a prospective renter enter into a rental agreement, the owner shall:

(a) provide the prospective renter a written inventory of the condition of the residential rental unit, excluding ordinary wear and tear;

(b) furnish the renter a form to document the condition of the residential rental unit and then allow the resident a reasonable time after the renter's occupancy of the residential rental unit to complete and return the form; or

(c) provide the prospective renter an opportunity to conduct a walkthrough inspection of the residential rental unit.

~~(4)~~ (7) At or before the commencement of the rental term under a rental agreement, an owner shall:

(a) disclose in writing to the renter:

(i) the owner's name, address, and telephone number; or

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(ii) (A) the name, address, and telephone number of any person authorized to manage the residential rental unit; or

(B) the name, address, and telephone number of any person authorized to act for and on behalf of the owner for purposes of receiving notice under this chapter or performing the owner's duties under this chapter or under the rental agreement, if the person authorized to manage the residential rental unit does not have authority to receive notice under this chapter; and

(b) provide the renter:

(i) an executed copy of the rental agreement, if the rental agreement is a written agreement; and

(ii) a copy of any rules and regulations applicable to the residential rental unit.

~~[(5)(a) An owner shall disclose in writing to an applicant for a residential rental unit:]~~

~~[(i) if there is an anticipated availability in the residential rental unit; and]~~

~~[(ii) the criteria that the owner will review as a condition of accepting the applicant as a tenant in the residential rental unit, including criteria related to the applicant's criminal history, credit, income, employment, or rental history:]~~

~~[(b) An owner may not accept a rental application from an applicant, or charge an applicant a rental application fee, before the owner complies with the disclosure requirement in Subsection (5)(a).]~~

(8) Nothing in this section prohibits any fee, fine, assessment, [interest](#), or cost that is allowed by law [or stated in the rental agreement](#).

~~[(6) An]~~

(9) A renter may not use an owner's failure to comply with a requirement of Subsection (2), (3), ~~[(4)]~~(4), ~~[(5)]~~or (5) may not: (a) be used by the renter] (5), (6), or (7) as a basis:

(a) to excuse the renter's compliance with a rental agreement; or

~~[(b) give rise to any]~~

(b) to bring a cause of action against the owner.