

**RESIDENTIAL RENTAL AMENDMENTS**

2023 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Gay Lynn Bennion**

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

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**LONG TITLE**

**General Description:**

This bill enacts provisions related to residential rental payments and fees.

**Highlighted Provisions:**

This bill:

▶ requires an owner of a residential rental unit to:

• provide clear and conspicuous notice of all fees, fines, assessments, or other costs in the rental agreement on one page or on consecutive pages;

• provide certain notice to a renter of increases in rent; and

• terminate a rental agreement without penalty to a renter if, after receiving notice of a rent increase, the renter provides notice of intent to vacate;

▶ provides that if an owner fails to comply with notice requirements for an increase in rent:

• the increase in rent is not effective for 90 days; and

• the owner shall terminate the rental agreement without penalty to the renter unless the renter agrees to the increase in rent;

▶ defines terms; and

▶ makes technical and conforming changes.

**Money Appropriated in this Bill:**

None

**Other Special Clauses:**



28 None

29 **Utah Code Sections Affected:**

30 AMENDS:

31 **57-22-2**, as last amended by Laws of Utah 2017, Chapter 19

32 **57-22-4**, as last amended by Laws of Utah 2021, Chapter 98



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

35 Section 1. Section **57-22-2** is amended to read:

36 **57-22-2. Definitions.**

37 As used in this chapter:

38 (1) "Notice of intent to vacate" means written notice a renter's intent to vacate a  
39 residential rental unit.

40 (2) "Notice of rent increase" means written notice of an increase in rent amount.

41 [(H)] (3) (a) "Owner" means the owner, lessor, or sublessor of a residential rental unit.

42 (b) [A] "Owner" includes a managing agent, leasing agent, or resident manager is  
43 considered an owner for purposes of notice and other communication required or allowed  
44 under this chapter unless the agent or manager specifies otherwise in writing in the rental  
45 agreement.

46 (4) [(2)] "Rental agreement" means any agreement, written or oral, which establishes or  
47 modifies the terms, conditions, rules, or any other provisions regarding the use and occupancy  
48 of a residential rental unit.

49 [(3)] (5) "Rental application" means an application required by an owner as a  
50 prerequisite to the owner entering into a rental agreement for a residential rental unit.

51 [(4)] (6) "Renter" means any person entitled under a rental agreement to occupy a  
52 residential rental unit to the exclusion of others.

53 [(5)] (7) "Residential rental unit" means a renter's principal place of residence and  
54 includes the appurtenances, grounds, and facilities held out for the use of the residential renter  
55 generally, and any other area or facility provided to the renter in the rental agreement. It does  
56 not include facilities contained in a boarding or rooming house or similar facility, mobile home  
57 lot, or recreational property rented on an occasional basis.

58 Section 2. Section **57-22-4** is amended to read:

59           **57-22-4. Owner's duties.**

60           (1) To protect the physical health and safety of the ordinary renter, an owner:

61           (a) may not rent the premises unless they are safe, sanitary, and fit for human  
62 occupancy; and

63           (b) shall:

64           (i) maintain common areas of the residential rental unit in a sanitary and safe condition;

65           (ii) maintain electrical systems, plumbing, heating, and hot and cold water;

66           (iii) maintain any air conditioning system in an operable condition;

67           (iv) maintain other appliances and facilities as specifically contracted in the rental  
68 agreement; and

69           (v) for buildings containing more than two residential rental units, provide and  
70 maintain appropriate receptacles for garbage and other waste and arrange for its removal,  
71 except to the extent that the renter and owner otherwise agree.

72           (2) Except as otherwise provided in the rental agreement, an owner shall provide the  
73 renter at least 24 hours prior notice of the owner's entry into the renter's residential rental unit.

74           (3) (a) Before an owner accepts an application fee or any other payment from a  
75 prospective renter, the owner shall disclose in writing to the prospective renter:

76           (i) a good faith estimate of:

77           (A) the rent amount; and

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

79           (ii) the type of each use-based, non-rent expense that is part of the rental agreement;

80           (iii) the day on which the residential rental unit is scheduled to be available;

81           (iv) the criteria that the owner will consider in determining the prospective renter's  
82 eligibility as a renter in the residential rental unit, including criteria related to the prospective  
83 renter's criminal history, credit, income, employment, or rental history; and

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

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

88           (4) (a) A prospective renter may make a written demand to the owner of a residential  
89 rental unit requesting the return of money the prospective renter paid in relation to the rental of

90 the residential rental unit, if:

91 (i) (A) an amount the owner provides in the good-faith estimate described in  
92 Subsection (3) is different than the amount in the rental agreement; or

93 (B) the rental agreement includes a type of use-based, non-rent expense that was not  
94 disclosed under Subsection (3); and

95 (ii) the prospective renter:

96 (A) makes the written demand within five business days after the day on which the  
97 prospective renter receives the rental agreement; and

98 (B) at the time the prospective renter makes the written demand, has not signed the  
99 rental agreement or taken possession of the residential rental unit.

100 (b) If a prospective renter makes a written demand in accordance with Subsection  
101 (4)(a), the owner shall return all money the prospective renter paid the owner within five  
102 business days after the day on which the owner receives the written demand.

103 (5) (a) An owner may not charge a renter:

104 [~~(a)~~] (i) a late fee that exceeds the greater of:

105 [~~(i)~~] (A) 10% of the rent agreed to in the rental agreement; or

106 [~~(ii)~~] (B) \$75; or

107 [~~(b)~~] (ii) a fee, fine, assessment, interest, or other cost:

108 [~~(i)~~] (A) in an amount greater than the amount agreed to in the rental agreement; or

109 [~~(ii)~~] (B) that is not included in the rental agreement, unless:

110 [~~(A)~~] (I) the rental agreement is on a month-to-month basis; and

111 [~~(B)~~] (II) the owner provides the renter [~~a 15-day~~] 45 days' notice of the charge.

112 (b) An owner shall clearly and conspicuously list the information described in

113 Subsection (5)(a)(ii):

114 (i) in the rental agreement;

115 (ii) without breaks or interruptions; and

116 (iii) (A) on one page; or

117 (B) if the disclosure requires more than one page, on consecutive pages.

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

120 (a) provide the prospective renter a written inventory of the condition of the residential

121 rental unit, excluding ordinary wear and tear;

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

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

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

129 (a) disclose in writing to the renter:

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

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

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

138 (b) provide the renter:

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

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

142 (8) (a) Before increasing the rent amount, an owner shall provide to each affected  
143 renter a notice of increase if the increase in rent amount is at least the lesser of:

144 (i) 10% of the current rent amount; or

145 (ii) \$100.

146 (b) An owner shall provide the notice of rent increase described in Subsection (8)(a) no  
147 later than the longer of:

148 (i) 60 calendar days before the rent increase takes effect; or

149 (ii) a period of time before the rent increase takes effect as designated in the rental  
150 agreement.

151 (c) A notice of rent increase shall include:

152 (i) the amount of the rent increase;

153 (ii) the new total rent; and

154 (iii) the effective date of the rent increase.

155 (d) If a renter intends to vacate a residential rental unit after the renter receives a notice  
156 of rent increase, the renter shall provide to the owner notice of intent to vacate not later than the  
157 end of the time period described in Subsection (8)(b).

158 (e) If an owner receives a notice of intent to vacate within the time period described in  
159 Subsection (8)(d), the owner shall terminate the rental agreement:

160 (i) on the effective date of the rent increase; and

161 (ii) without penalty to the renter.

162 (f) If an owner does not provide the notice of rent increase as required under  
163 Subsection (8)(b):

164 (i) an increase in rent is not effective until 90 days after the day on which the owner  
165 notifies the renter of the rent increase; and

166 (ii) (A) except as provided in Subsection (8)(f)(ii)(B), the owner shall terminate the  
167 rental agreement after 90 days without penalty to the renter; or

168 (B) if a renter agrees to an increase in rent, the owner may not terminate the rental  
169 agreement except as otherwise provided by law or the rental agreement.

170 ~~[(8)]~~ (9) Nothing in this section prohibits any fee, fine, assessment, interest, or cost that  
171 is allowed by law or stated in the rental agreement.

172 ~~[(9)]~~ (10) A renter may not use an owner's failure to comply with a requirement of  
173 Subsection (2), (3), (4), (5), (6), ~~[or]~~ (7), or (8) as a basis:

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

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