

# HB0316S01 compared with HB0316

~~{deleted text}~~ shows text that was in HB0316 but was deleted in HB0316S01.

inserted text shows text that was not in HB0316 but was inserted into HB0316S01.

**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 Gay Lynn Bennion proposes the following substitute bill:

## RESIDENTIAL RENTAL AMENDMENTS

2023 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Gay Lynn Bennion**

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

---

### LONG TITLE

#### General Description:

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

#### Highlighted Provisions:

This bill:

- ▶ requires an owner of ~~{a}~~certain residential rental ~~{unit}~~units 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:~~

## HB0316S01 compared with HB0316

- the ~~an exception to provisions related to notice of~~ increase in rent ~~is not~~ effective for 90 days; and
- the owner shall terminate the ~~for residential rental units subject to:~~
  - month-to-month rental agreements; or
  - low-income housing requirements;
  - ▶ provides that an owner's violation of certain statutory provisions only excuses a renter's noncompliance with provisions of a rental agreement ~~without penalty to~~ that are the ~~renter unless~~ subject of the ~~renter agrees to the increase in rent~~ violation;
  - ▶ defines terms; and
  - ▶ makes technical and conforming changes.

### Money Appropriated in this Bill:

None

### Other Special Clauses:

None

### Utah Code Sections Affected:

AMENDS:

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

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

---

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

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

#### **57-22-2. Definitions.**

As used in this chapter:

(1) "Low-income housing tax credit" means the same as that term is defined in Section 59-2-102.

(~~1~~2) "Notice of intent to vacate" means written notice of a renter's intent to vacate a residential rental unit.

(~~2~~3) "Notice of rent increase" means written notice of an increase in rent amount.

(~~1~~) (~~3~~4) (a) "Owner" means the owner, lessor, or sublessor of a residential rental unit.

## HB0316S01 compared with HB0316

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

~~(14)~~(5) [(2)] "Rental agreement" means any agreement, written or oral, which establishes or modifies the terms, conditions, rules, or any other provisions regarding the use and occupancy of a residential rental unit.

[(3)] ~~(15)~~(6) "Rental application" means an application required by an owner as a prerequisite to the owner entering into a rental agreement for a residential rental unit.

[(4)] ~~(16)~~(7) "Renter" means any person entitled under a rental agreement to occupy a residential rental unit to the exclusion of others.

[(5)] ~~(17)~~(8) "Residential rental unit" means a renter's principal place of residence and includes the appurtenances, grounds, and facilities held out for the use of the residential renter generally, and any other area or facility provided to the renter in the rental agreement. It does not include facilities contained in a boarding or rooming house or similar facility, mobile home lot, or recreational property rented on an occasional basis.

Section 2. 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

## HB0316S01 compared with HB0316

renter at least 24 hours prior notice of the owner's entry into the renter's residential rental unit.

(3) (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:

(i) a good faith estimate of:

(A) the rent amount; and

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

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

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

(iv) the criteria that the owner will consider in determining the prospective 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

(v) 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 the owner of a residential rental unit requesting the return of money the prospective renter paid in relation to the rental of the residential rental unit, if:

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

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

(ii) the prospective renter:

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

(B) at the time the prospective renter makes 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 within five business days after the day on which the owner receives the written demand.

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

## HB0316S01 compared with HB0316

~~{(a)}{i}~~ a late fee that exceeds the greater of:

~~{(i)}{A}~~ 10% of the rent agreed to in the rental agreement; or

~~{(ii)}{B}~~ \$75; or

~~{(b)}{ii}~~ a fee, fine, assessment, interest, or other cost:

~~{(i)}{A}~~ in an amount greater than the amount agreed to in the rental agreement;

or

~~{(ii)}{B}~~ that is not included in the rental agreement, unless:

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

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

~~{ (b) An owner shall clearly and conspicuously list the information described in Subsection (5)(a)(ii):~~

~~— (i) in the rental agreement;~~

~~— (ii) without breaks or interruptions; and~~

~~— (iii) (A) on one page; or~~

~~— (B) if the disclosure requires more than one page, on consecutive pages;~~

~~‡~~ (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.

(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

(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

## HB0316S01 compared with HB0316

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.

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

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

(ii) \$100.

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

(i) ~~60;~~90 calendar days before the rent increase takes effect; or

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

(c) A notice of rent increase shall include:

(i) the amount of the rent increase;

(ii) the new total rent; and

(iii) the effective date of the rent increase.

(d) If a renter intends to vacate a residential rental unit after the renter receives a notice of rent increase, ~~notwithstanding anything to the contrary in the rental agreement,~~ the renter shall provide to the owner notice of intent to vacate not later than ~~60 days before~~ the end of the time period described in Subsection (8)(b).

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

(i) on the effective date of the rent increase, ~~or an earlier date requested by the renter;~~

and

(ii) without penalty to the renter.

~~(f) If an owner does not provide the notice of rent increase as required under~~

## HB0316S01 compared with HB0316

### Subsection (8)(b):

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

~~\_\_\_\_\_ (ii) (A) except as provided in Subsection (8)(f)(ii)(B), the owner shall terminate; This~~

### Subsection (8) does not apply if:

(i) the rental agreement ~~{after 90 days without penalty to the renter}~~ is on a month-to-month basis; or

(~~{B}~~ii) ~~{if a renter agrees}~~ the increase in rent is due to an increase in ~~{rent, the owner may not terminate the rental agreement except as otherwise provided by law or the rental agreement}~~ maximum rents allowed:

(A) to qualify for a low-income housing tax credit; or

(B) under 24 C.F.R. Sec. 92.252.

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

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

~~(a) to excuse the renter's compliance with a provision of a rental agreement except the provision that is the subject of the violation; or~~

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