

Representative Gay Lynn Bennion proposes the following substitute bill:

SHORT-TERM RENTAL AMENDMENTS

2024 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Gay Lynn Bennion

Senate Sponsor: _____

LONG TITLE

General Description:

This bill enacts provisions regarding short-term residential rentals.

Highlighted Provisions:

This bill:

▶ requires municipalities and counties that allow short-term rentals and have adopted an ordinance or regulation requiring a permit for a short-term rental to consider ordinances or regulations to promote the health, safety, and welfare of short-term rental occupants;

▶ requires the issuance of a permit by a municipality or county and that the State Tax Commission issue a sales tax license to operate the short-term rental;

▶ provides considerations for a municipality or county issuing a short-term rental permit;

▶ authorizes municipalities and counties to enact ordinances to ensure compliance with applicable requirements; and

▶ imposes requirements and limitations on a licensed and permitted owner of a short-term rental.

Money Appropriated in this Bill:

None



26 **Other Special Clauses:**

27 None

28 **Utah Code Sections Affected:**

29 ENACTS:

30 **10-9a-538**, Utah Code Annotated 1953

31 **17-27a-534**, Utah Code Annotated 1953

32 **57-31-101**, Utah Code Annotated 1953

33 **57-31-201**, Utah Code Annotated 1953

34 **57-31-202**, Utah Code Annotated 1953



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

37 Section 1. Section **10-9a-538** is enacted to read:

38 **10-9a-538. Short-term rentals.**

39 (1) As used in this section, "short-term rental" means the same as that term is defined
40 in Section [57-31-101](#).

41 (2) A municipality that allows short-term rentals within the municipality and has
42 adopted an ordinance or regulation requiring a permit for a short-term rental shall include in the
43 ordinance or regulation provisions the municipality considers appropriate to promote the public
44 health, public safety, and general welfare of the short-term rental occupants.

45 (3) In issuing a permit for a short-term rental, a municipality shall comply with Title
46 57, Chapter 31, Short-term Rentals.

47 Section 2. Section **17-27a-534** is enacted to read:

48 **17-27a-534. Short-term rentals.**

49 (1) As used in this section, "short-term rental" means the same as that term is defined
50 in Section [57-31-101](#).

51 (2) A county that allows short-term rentals within an unincorporated area of the county
52 and has adopted an ordinance or regulation requiring a permit for a short-term rental shall
53 include in the ordinance or regulation provisions the county considers appropriate to promote
54 the public health, public safety, and general welfare of the short-term rental occupants.

55 (3) In issuing a permit for a short-term rental, a county shall comply with Title 57,
56 Chapter 31, Short-term Rentals.

57 Section 3. Section 57-31-101 is enacted to read:

58 **CHAPTER 31. SHORT-TERM RENTALS**

59 **Part 1. General Provisions**

60 **57-31-101. Definitions.**

61 As used in this chapter:

62 (1) "Owner" means the individual who:

63 (a) owns the property that is operated as a short-term rental; or

64 (b) owns the largest percentage of an interest in a corporation, limited liability
65 company, partnership, or other entity that owns the property that is operated as a short-term
66 rental.

67 (2) (a) "Short-term rental" means any of the following, offered for use as residential
68 lodging, in exchange for compensation, for a period of less than 30 consecutive days:

69 (i) a single-family residence;

70 (ii) a unit of a multi-family residence that is a duplex, triplex, or fourplex;

71 (iii) a town home;

72 (iv) a condominium unit;

73 (v) an accessory dwelling unit, as defined in Section [10-9a-103](#); or

74 (vi) a bedroom, with an egress window, within a structure described in Subsections
75 (3)(a)(i) through (v).

76 (b) "Short-term rental" does not include:

77 (i) a unit within a qualified low-income building, as defined in Section 42(c), Internal
78 Revenue Code;

79 (ii) a structure for which a certificate of occupancy has not been issued;

80 (iii) a space within a structure for which a certificate of occupancy has not been issued;

81 (iv) a structure or unit that is sublet;

82 (v) a hotel;

83 (vi) a motel; or

84 (vii) an inn.

85 Section 4. Section 57-31-201 is enacted to read:

86 **Part 2. Short-term Rental Requirements**

87 **57-31-201. Permits -- Designated local contact -- Course requirement.**

88 (1) (a) An owner may not operate a residential property as a short-term rental unless:

89 (i) as applicable:

90 (A) the municipality in which the proposed short-term rental is located issues the
91 owner a permit to operate the short-term rental; or

92 (B) the county in whose unincorporated area the proposed short-term rental is located
93 issues the owner a permit to operate the short-term rental; and

94 (ii) the State Tax Commission issues the owner a sales and use tax license for the
95 short-term rental.

96 (b) A municipality or county that issues a permit to operate a short-term rental shall
97 require the owner of the short-term rental to:

98 (i) designate as a local contact for the short-term rental an individual who resides
99 within a distance from the short-term rental as determined by the municipality or county;

100 (ii) certify that:

101 (A) the owner will, during the entire period of operation of the short-term rental,
102 maintain a local contact for the short-term rental; and

103 (B) the individual designated as a local contact for the short-term rental has not been
104 designated as a local contact for a limited number of other short-term rentals, as determined by
105 the municipality or county;

106 (c) A municipality or county that issues a permit to allow an owner to operate a
107 short-term rental shall consider whether:

108 (i) the owner and the designated local contact have completed a short-term rental
109 education course that is:

110 (A) provided by a college, university, or professional organization; and

111 (B) approved by the municipality or county that issues the permit; and

112 (ii) the applicable municipal or county requirements for obtaining a permit for a
113 short-term rental are met.

114 (2) A municipality or county may revoke a permit to authorize the operation of a
115 short-term rental if:

116 (a) an owner fails to maintain for the short-term rental an individual as a local contact
117 who lives within a distance of the short-term rental, as determined by the municipality or
118 county; or

119 (b) an individual designated as a local contact for the short-term rental is designated at
120 the same time as a local contact for a limited number of other short-term rentals, as determined
121 by the municipality or county.

122 (3) A municipality or county may enact ordinances to ensure compliance with the
123 requirements of this part.

124 (4) An owner shall ensure that the name and telephone number of the designated local
125 contact is posted in a conspicuous place within the short-term rental.

126 (5) An owner shall include the owner's short-term rental permit number in any listing
127 or advertisement that offers the short-term rental for reservation or occupancy.

128 Section 5. Section **57-31-202** is enacted to read:

129 **57-31-202. Safety requirements -- Limitations.**

130 (1) (a) Subject to Subsection (1)(b) and except as provided in Subsection (1)(c), an
131 owner may not allow more than four occupants in a short-term rental described in Subsections
132 57-31-101(3)(a)(i) through (v).

133 (b) An owner may allow three additional occupants in a short-term rental described in
134 Subsection (1)(a) for each additional bedroom after the first bedroom in the short-term rental.

135 (c) A municipality or county may exempt a specific short-term rental unit from the
136 occupancy limitation provided in Subsection (1)(b).

137 (2) An owner shall ensure that a short-term rental has:

138 (a) interconnected functioning smoke alarms, with a smoke alarm in each sleeping
139 area, a smoke alarm in each hallway leading to a sleeping area, and at least one smoke alarm on
140 each level;

141 (b) a carbon monoxide alarm on each level; and

142 (c) a fire extinguisher on each level with a minimum classification of 2A10BC.

143 (3) Except as provided in Subsection (4), an owner may not:

144 (a) subdivide an area within a short-term rental into multiple short-term rental units; or

145 (b) accommodate more than one reservation at a time in a single short-term rental.

146 (4) The municipality or county that issues the permit to a property owner may, after
147 inspection of the property, issue an exemption to the requirements of Subsection (3).

148 Section 6. **Effective date.**

149 This bill takes effect on May 1, 2024.

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