{deleted text} shows text that was in HB0180 but was deleted in HB0180S01.

inserted text shows text that was not in HB0180 but was inserted into HB0180S01.

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:

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 {to adopt}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;
- \{\text{prohibits}\}\frac{\text{requires}}{\text{the}\}\text{permit by a} \text{ municipality or county \{\text{issues}\}\}\text{and that the State Tax Commission} \text{issue} a \{\text{permit}\}\text{sales tax license} \text{ to operate the short-term rental} \{\text{ and the State Tax Commission issues a sales tax license}\};

- provides \(\frac{\text{for requirements}\}{\text{considerations}}\) 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 {an} a licensed and permitted owner of a short-term rental.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

ENACTS:

10-9a-538, Utah Code Annotated 1953

17-27a-534, Utah Code Annotated 1953

57-31-101, Utah Code Annotated 1953

57-31-201, Utah Code Annotated 1953

57-31-202, Utah Code Annotated 1953

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

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

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

- (1) As used in this section, "short-term rental" means the same as that term is defined in Section 57-31-101.
- (2) A municipality that allows short-term rentals within the municipality {shall adopt ordinances} and has adopted an ordinance or {regulations} regulation requiring a permit for a short-term rental shall include in the ordinance or regulation provisions the municipality considers appropriate to promote the public health, public safety, and general welfare of the short-term rental occupants.
- (3) In issuing a permit for a short-term rental, a municipality shall comply with Title 57, Chapter 31, Short-term Rentals.

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

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

- (1) As used in this section, "short-term rental" means the same as that term is defined in Section 57-31-101.
- (2) A county that allows short-term rentals within an unincorporated area of the county {shall adopt ordinances} and has adopted an ordinance or {regulations} regulation requiring a permit for a short-term rental shall include in the ordinance or regulation provisions the county considers appropriate to promote the public health, public safety, and general welfare of the short-term rental occupants.
- (3) In issuing a permit for a short-term rental, a county shall comply with Title 57, Chapter 31, Short-term Rentals.

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

CHAPTER 31. SHORT-TERM RENTALS

Part 1. General Provisions

57-31-101. Definitions.

As used in this chapter:

- (1) "One-hour drive distance" means the distance, as determined by the municipality or county issuing a permit under Section 57-31-201, that a vehicle would travel in one hour traveling the applicable speed limit following the most reasonably direct path under normal road and traffic conditions.
- $\frac{1}{1}$ ($\frac{1}{1}$) "Owner" means the individual who:
 - (a) owns the property that is operated as a short-term rental; or
- (b) owns the largest percentage of an interest in a corporation, limited liability company, partnership, or other entity that owns the property that is operated as a short-term rental.
- (\{3\}2) (a) "Short-term rental" means any of the following, offered for use as residential lodging, in exchange for compensation, for a period of less than 30 consecutive days:
 - (i) a single-family residence;
 - (ii) a unit of a multi-family residence that is a duplex, triplex, or fourplex;
 - (iii) a town home;
 - (iv) a condominium unit;
 - (v) an accessory dwelling unit, as defined in Section 10-9a-103; or

- (vi) a bedroom, with an egress window, within a structure described in Subsections (3)(a)(i) through (v).
 - (b) "Short-term rental" does not include:
- (i) a unit within a qualified low-income building, as defined in Section 42(c), Internal Revenue Code;
 - (ii) a structure for which a certificate of occupancy has not been issued;
 - (iii) a space within a structure for which a certificate of occupancy has not been issued;
 - (iv) a structure or unit that is sublet;
 - (v) a hotel;
 - (vi) a motel; or
 - (vii) an inn.

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

Part 2. Short-term Rental Requirements

<u>57-31-201.</u> Permits -- Designated local contact -- Course requirement.

- (1) (a) An owner may not operate a residential property as a short-term rental unless:
- (i) as applicable:
- (A) the municipality in which the proposed short-term rental is located issues the owner a permit to operate the short-term rental; or
- (B) the county in whose unincorporated area the proposed short-term rental is located issues the owner a permit to operate the short-term rental; and
- (ii) the State Tax Commission issues the owner a sales and use tax license for the short-term rental.
- (b) A municipality or county {may issue} that issues a permit {under Subsection (1)(a)(i) only if:
- (i) the owner designates} to operate a short-term rental shall require the owner of the short-term rental to:
- (i) designate as a local contact for the short-term rental an individual who resides within a {one-hour drive } distance from the short-term rental as determined by the municipality or county;
 - (ii) {the owner certifies} certify that:
 - (A) the owner will, during the entire period of operation of the short-term rental,

maintain a local contact for { the short-term rental who resides within a one-hour drive distance of} the short-term rental; and

- (B) the individual designated as a local contact for the short-term rental has not been designated as a local contact for \{\text{more than 19}\}\)a limited number of other short-term rentals\{\text{:}}\\
 \text{(iii}\}\), as determined by the municipality or county;
- (c) A municipality or county that issues a permit to allow an owner to operate a short-term rental shall consider whether:
- <u>(i)</u> the owner and the designated local contact {complete} <u>have completed</u> a short-term rental education course that is:
 - (A) provided by a college, university, or professional organization; and
 - (B) approved by the municipality or county that issues the permit; and
- ({iv}ii) the applicable municipal or county requirements for obtaining a permit for a short-term rental are met.
- (2) A municipality or county {shall} may revoke a {license issued under Subsection (1)(} permit to authorize the operation of a{)(i)} short-term rental if:
- (a) an owner fails to maintain for the short-term rental an individual as a local contact who lives within a {one-hour drive } distance of the short-term rental, as determined by the municipality or county; or
- (b) an individual designated as a local contact for the short-term rental is designated at the same time as a local contact for {more than 19}a limited number of other short-term rentals, as determined by the municipality or county.
- (3) A municipality or county may enact ordinances to ensure compliance with the requirements of this part.
- (4) An owner shall ensure that the name and telephone number of the designated local contact is posted in a conspicuous place within the short-term rental.
- (5) An owner shall include the owner's short-term rental permit number in any listing or advertisement that offers the short-term rental for reservation or occupancy.
 - Section 5. Section 57-31-202 is enacted to read:
 - <u>57-31-202.</u> Safety requirements -- Limitations.
- (1) (a) Subject to Subsection (1)(b) and except as provided in Subsection (1)(c), an owner may not allow more than four occupants in a short-term rental described in Subsections

57-31-101(3)(a)(i) through (v).

- (b) An owner may allow {two} three additional occupants in a short-term rental described in Subsection (1)(a) for each additional bedroom after the first bedroom in the short-term rental.
- (c) A municipality or county may exempt a specific short-term rental unit from the occupancy limitation provided in Subsection (1)(b).
- (2) An owner shall ensure that a short-term rental has \{\(\frac{1}{2}\), on each level where occupants are allowed, at least one\{\}\):
- (a) interconnected functioning smoke {detector,} alarms, with a smoke alarm in each sleeping area, a smoke alarm in each hallway leading to a sleeping area, and at least one smoke alarm on each level;
 - (b) a carbon monoxide {detector,}alarm on each level; and
 - (c) a fire extinguisher {.
 - (3) An} on each level with a minimum classification of 2A10BC.
 - (3) Except as provided in Subsection (4), an owner may not:
- (a) {allow}subdivide an area within a short-term rental { to be subdivided} into multiple short-term rental units; or
 - (b) accommodate more than one reservation at a time in a single short-term rental.
- (4) The municipality or county that issues the permit to a property owner may, after inspection of the property, issue an exemption to the requirements of Subsection (3).

Section 6. Effective date.

This bill takes effect on May 1, 2024.