MUNICIPAL RENTAL DWELLING LICENSING
AMENDMENTS
2024 GENERAL SESSION
STATE OF UTAH
Chief Sponsor: Karen Kwan
House Sponsor: Andrew Stoddard
LONG TITLE
General Description:
This bill modifies provisions of the municipal code regarding rental dwellings.
Highlighted Provisions:
This bill:
▶ $\hat{S} \rightarrow [$
owner of a rental dwelling Ŝ→ [to
provide an exemption for] does not apply to $\leftarrow \hat{S}$ an owner who does not receive compensation for
the use
of the rental dwelling.
Money Appropriated in this Bill:
None
Other Special Clauses:
None
Utah Code Sections Affected:
AMENDS:
10-8-85.5, as last amended by Laws of Utah 2023, Chapter 327
Be it enacted by the Legislature of the state of Utah:
Section 1. Section 10-8-85.5 is amended to read:
10-8-85.5. "Rental dwelling" defined Municipality may require a business
license or a regulatory business license and inspections Exception.

S.B. 171

28	(1) As used in this section, "rental dwelling" means a building or portion of a building
29	that is:
30	(a) used or designated for use as a residence by one or more persons; and
31	(b) (i) available to be rented, loaned, leased, or hired out for a period of one month or
32	longer; or
33	(ii) arranged, designed, or built to be rented, loaned, leased, or hired out for a period of
34	one month or longer.
35	(2) (a) [The] Subject to Subsection (2)(e), the legislative body of a municipality may by
36	ordinance require the owner of a rental dwelling located within the municipality:
37	(i) to obtain a business license pursuant to Section 10-1-203; or
38	(ii) (A) to obtain a regulatory business license to operate and maintain the rental
39	dwelling in accordance with Section 10-1-203.5; and
40	(B) to allow inspections of the rental dwelling as a condition of obtaining a regulatory
41	business license.
42	(b) A municipality may not require an owner of multiple rental dwellings or multiple
43	buildings containing rental dwellings to obtain more than one regulatory business license for
44	the operation and maintenance of those rental dwellings.
45	(c) A municipality may not charge a fee for the inspection of a rental dwelling.
46	(d) If a municipality's inspection of a rental dwelling, allowed under Subsection
47	(2)(a)(ii)(B), approves the rental dwelling for purposes of a regulatory business license, a
48	municipality may not inspect that rental dwelling except as provided for in Section 10-1-203.5.
49	(e) An ordinance under Subsection (2)(a) $\hat{S} \rightarrow [$ shall include a provision exempting from the
50	ordinance's licensing requirement] does not apply to $\leftarrow \hat{S}$ an owner of a rental dwelling who
50a	<u>demonstrates</u> $\hat{S} \rightarrow \underline{by a \ signed \ affidavit} \leftarrow \hat{S}$ that the
51	owner does not receive compensation from the use of the owner's rental dwelling.
52	(3) A municipality may not:
53	(a) interfere with the ability of an owner of a rental dwelling to contract with a tenant
54	concerning the payment of the cost of a utility or municipal service provided to the rental
55	dwelling; or
56	(b) except as required under the State Construction Code or an approved code under
57	Title 15A, State Construction and Fire Codes Act, for a structural change to the rental dwelling,
58	or as required in an ordinance adopted before January 1, 2008, require the owner of a rental