

**Senator Evan J. Vickers** proposes the following substitute bill:

**RESIDENTIAL BUILDING INSPECTION AMENDMENTS**

2024 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Evan J. Vickers**

House Sponsor: Calvin R. Musselman

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**LONG TITLE**

**General Description:**

This bill amends provisions relating to third-party inspection firms.

**Highlighted Provisions:**

This bill:

- ▶ authorizes a person seeking a building permit to hire a third-party inspection firm to perform an inspection of the person's property;
- ▶ requires that a local regulator that issues a building permit pay any cost associated with the person seeking a building permit hiring a third-party inspection firm;
- ▶ establishes a process and standards that govern a local regulator's payment of third-party inspection firm costs;
- ▶ requires that a local regulator issue a certificate of occupancy to the owner of real property after the third-party inspection firm complies with certain requirements;
- ▶ exempts a local regulator from liability for any inspection performed by a third-party inspection firm;
- ▶ grants rulemaking authority to the Division of Facilities Construction and Management;
- ▶ amends provisions relating to disciplinary proceedings for a licensed inspector; and
- ▶ defines terms.



26 **Money Appropriated in this Bill:**

27 None

28 **Other Special Clauses:**

29 None

30 **Utah Code Sections Affected:**

31 AMENDS:

32 **15A-1-202**, as last amended by Laws of Utah 2021, First Special Session, Chapter 3

33 **58-56-9**, as last amended by Laws of Utah 2018, Chapter 229

34 ENACTS:

35 **15A-1-105**, Utah Code Annotated 1953



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

38 Section 1. Section **15A-1-105** is enacted to read:

39 **15A-1-105. Third-party inspection firms.**

40 (1) As used in this section:

41 (a) "Code" means:

42 (i) the State Construction Code; or

43 (ii) an approved code.

44 (b) "Inspection" means a comprehensive assessment of the physical condition of a  
45 piece of real property or the real property's components.

46 (c) "Local regulator" means a political subdivision of the state that is empowered to  
47 engage in the regulation of construction, alteration, remodeling, building, repair, and other  
48 activities subject to the code.

49 (d) "Third-party inspection firm" means a licensed, independent entity, with no interest  
50 in the outcome of an inspection, that a client engages to conduct an inspection.

51 (2) Subject to the provisions of this section:

52 (a) a person may hire a third-party inspection firm to conduct an inspection on real  
53 property that the person owns; and

54 (b) the local regulator shall pay the cost of the inspection the third-party inspection  
55 firm performs after the local regulator issues a building permit for the property and collects the  
56 building permit fee.

57 (3) Before the local regulator pays the cost of an inspection in accordance with  
58 Subsection (2):

59 (a) the third-party inspection firm shall provide proof of payment to the local regulator;  
60 and

61 (b) the local regulator shall ensure that the cost described in the proof of payment  
62 complies with rules made by the Division of Facilities Construction and Management.

63 (4) Upon completing an inspection, a third-party inspection firm shall submit the  
64 inspection report to the local regulator.

65 (5) After the third-party inspection firm completes the final inspection and submits the  
66 inspection report to the local regulator, the local regulator shall issue the certificate of  
67 occupancy to the owner of the real property, if the local regulator determines that, based on the  
68 inspection report, the property meets the applicable standards.

69 (6) A local regulator is not liable for any inspection performed by a third-party  
70 inspection firm.

71 (7) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
72 Division of Facilities and Construction Management shall:

73 (a) make rules establishing standard reimbursement costs for the services of third-party  
74 inspection firms;

75 (b) establish standards for the approval of a third-party inspection firm; and

76 (c) establish a process by which the Division of Facilities and Construction  
77 Management approves a third-party inspection firm.

78 Section 2. Section **15A-1-202** is amended to read:

79 **15A-1-202. Definitions.**

80 As used in this chapter:

81 (1) "Agricultural use" means a use that relates to the tilling of soil and raising of crops,  
82 or keeping or raising domestic animals.

83 (2) (a) "Approved code" means a code, including the standards and specifications  
84 contained in the code, approved by the division under Section **15A-1-204** for use by a  
85 compliance agency.

86 (b) "Approved code" does not include the State Construction Code.

87 (3) "Building" means a structure used or intended for supporting or sheltering any use

88 or occupancy and any improvements attached to it.

89 (4) "Building permit holder" means a person to whom a local regulator issues a  
90 building permit.

91 [~~4~~] (5) "Code" means:

92 (a) the State Construction Code; or

93 (b) an approved code.

94 [~~5~~] (6) "Commission" means the Uniform Building Code Commission created in  
95 Section [15A-1-203](#).

96 [~~6~~] (7) "Compliance agency" means:

97 (a) an agency of the state or any of its political subdivisions which issues permits for  
98 construction regulated under the codes;

99 (b) any other agency of the state or its political subdivisions specifically empowered to  
100 enforce compliance with the codes; [~~or~~]

101 (c) a third-party inspection firm as defined in Section [15A-1-105](#) approved by the  
102 Division of Facilities Construction and Management that a building permit holder hires; or

103 [~~e~~] (d) any other state agency which chooses to enforce codes adopted under this  
104 chapter by authority given the agency under a title other than this part and Part 3, Factory Built  
105 Housing and Modular Units Administration Act.

106 [~~7~~] (8) "Construction code" means standards and specifications published by a  
107 nationally recognized code authority for use in circumstances described in Subsection  
108 [15A-1-204](#)(1), including:

109 (a) a building code;

110 (b) an electrical code;

111 (c) a residential one and two family dwelling code;

112 (d) a plumbing code;

113 (e) a mechanical code;

114 (f) a fuel gas code;

115 (g) an energy conservation code;

116 (h) a swimming pool and spa code; and

117 (i) a manufactured housing installation standard code.

118 [~~8~~] (9) "Construction project" means the same as that term is defined in Section

119 38-1a-102.

120 [~~(9)~~] (10) "Executive director" means the executive director of the Department of  
121 Commerce.

122 [~~(10)~~] (11) "Legislative action" includes legislation that:

- 123 (a) adopts a new State Construction Code;
- 124 (b) amends the State Construction Code; or
- 125 (c) repeals one or more provisions of the State Construction Code.

126 [~~(11)~~] (12) "Local regulator" means a political subdivision of the state that is  
127 empowered to engage in the regulation of construction, alteration, remodeling, building, repair,  
128 and other activities subject to the codes.

129 [~~(12)~~] (13) "Membrane-covered frame structure" means a nonpressurized building with  
130 a structure composed of a rigid framework to support a tensioned membrane that provides a  
131 weather barrier.

132 [~~(13)~~] (14) "Not for human occupancy" means use of a structure for purposes other  
133 than protection or comfort of human beings, but allows people to enter the structure for:

- 134 (a) maintenance and repair; and
- 135 (b) the care of livestock, crops, or equipment intended for agricultural use which are  
136 kept there.

137 [~~(14)~~] (15) "Opinion" means a written, nonbinding, and advisory statement issued by  
138 the commission concerning an interpretation of the meaning of the codes or the application of  
139 the codes in a specific circumstance issued in response to a specific request by a party to the  
140 issue.

141 [~~(15)~~] (16) "Remote yurt" means a membrane-covered frame structure that:

- 142 (a) is no larger than 710 square feet;
- 143 (b) is not used as a permanent residence;
- 144 (c) is located in an unincorporated county area that is not zoned for residential,  
145 commercial, industrial, or agricultural use;
- 146 (d) does not have plumbing or electricity;
- 147 (e) is set back at least 300 feet from any river, stream, lake, or other body of water; and
- 148 (f) is registered with the local health department.

149 [~~(16)~~] (17) "State regulator" means an agency of the state which is empowered to

150 engage in the regulation of construction, alteration, remodeling, building, repair, and other  
151 activities subject to the codes adopted pursuant to this chapter.

152 Section 3. Section **58-56-9** is amended to read:

153 **58-56-9. Qualifications of inspectors -- Contract for inspection services.**

154 (1) An inspector employed by a local regulator, state regulator, or compliance agency  
155 to enforce the codes shall:

156 (a) (i) meet minimum qualifications as established by the division in collaboration with  
157 the commission;

158 (ii) be certified by a nationally recognized organization which promulgates  
159 construction codes; or

160 (iii) pass an examination developed by the division in collaboration with the  
161 commission;

162 (b) be currently licensed by the division as meeting those minimum qualifications; and

163 (c) be subject to ~~revocation or suspension of the inspector's license or being placed on~~  
164 ~~probation if found guilty of~~ disciplinary or other action if the licensee engages in unlawful or  
165 unprofessional conduct.

166 (2) A local regulator, state regulator, ~~or~~ compliance agency, or building permit holder  
167 as defined in Section 15A-1-202 may contract for the services of a licensed inspector not  
168 regularly employed by the regulator or agency.

169 (3) In accordance with Section 58-1-401, the division may:

170 (a) refuse to issue a license to an applicant;

171 (b) refuse to renew the license of a licensee;

172 (c) revoke, suspend, restrict, or place on probation the license of a licensee;

173 (d) issue a public or private reprimand;

174 (e) issue a citation to a licensee; and

175 (f) issue a cease and desist order.

176 Section 4. **Effective date.**

177 This bill takes effect on May 1, 2024.