

1 **RENTAL PROPERTY DISCLOSURE REQUIREMENTS**

2 2024 GENERAL SESSION

3 STATE OF UTAH

4 **Chief Sponsor: R. Neil Walter**

5 Senate Sponsor: _____

6

7 **LONG TITLE**

8 **General Description:**

9 This bill modifies the duties of a residential property owner.

10 **Highlighted Provisions:**

11 This bill:

12 ▶ requires that an owner of residential rental property provide each prospective renter
13 a written disclosure describing any defects in the residential rental unit that:

- 14 • would materially affect the renter's decision to rent the property; and
- 15 • a renter could not reasonably discover in an inspection of the property.

16 **Money Appropriated in this Bill:**

17 None

18 **Other Special Clauses:**

19 None

20 **Utah Code Sections Affected:**

21 AMENDS:

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

23

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

25 Section 1. Section **57-22-4** is amended to read:

26 **57-22-4. Owner's duties.**

27 (1) To protect the physical health and safety of the ordinary renter, an owner:



- 28 (a) may not rent the premises unless they are safe, sanitary, and fit for human
29 occupancy; and
- 30 (b) shall:
- 31 (i) maintain common areas of the residential rental unit in a sanitary and safe condition;
32 (ii) maintain electrical systems, plumbing, heating, and hot and cold water;
33 (iii) maintain any air conditioning system in an operable condition;
34 (iv) maintain other appliances and facilities as specifically contracted in the rental
35 agreement; ~~and~~
- 36 (v) for buildings containing more than two residential rental units, provide and
37 maintain appropriate receptacles for garbage and other waste and arrange for its removal,
38 except to the extent that the renter and owner otherwise agree[-]; and
- 39 (vi) before entering into a rental agreement with a prospective renter, provide a written
40 disclosure to the prospective renter describing any defects in the residential rental unit that:
- 41 (A) would materially affect a reasonable renter's decision to enter into a rental
42 agreement with the owner; and
- 43 (B) a renter could not discover through a reasonable inspection.
- 44 (2) Except as otherwise provided in the rental agreement, an owner shall provide the
45 renter at least 24 hours prior notice of the owner's entry into the renter's residential rental unit.
- 46 (3) (a) Before an owner accepts an application fee or any other payment from a
47 prospective renter, the owner shall disclose in writing to the prospective renter:
- 48 (i) a good faith estimate of:
- 49 (A) the rent amount; and
- 50 (B) the amount of each fixed, non-rent expense that is part of the rental agreement;
- 51 (ii) the type of each use-based, non-rent expense that is part of the rental agreement;
52 (iii) the day on which the residential rental unit is scheduled to be available;
- 53 (iv) the criteria that the owner will consider in determining the prospective renter's
54 eligibility as a renter in the residential rental unit, including criteria related to the prospective
55 renter's criminal history, credit, income, employment, or rental history; and
- 56 (v) the requirements and process for the prospective renter to recover money the
57 prospective renter pays in relation to the residential rental unit, as described in Subsection (4).
- 58 (b) An owner may satisfy the written disclosure requirement described in Subsection

59 (3)(a)(i) through a rental application, deposit agreement, or written summary.

60 (4) (a) A prospective renter may make a written demand to the owner of a residential
61 rental unit requesting the return of money the prospective renter paid in relation to the rental of
62 the residential rental unit, if:

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

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

67 (ii) the prospective renter:

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

70 (B) at the time the prospective renter makes the written demand, has not signed the
71 rental agreement or taken possession of the residential rental unit.

72 (b) If a prospective renter makes a written demand in accordance with Subsection
73 (4)(a), the owner shall return all money the prospective renter paid the owner within five
74 business days after the day on which the owner receives the written demand.

75 (5) An owner may not charge a renter:

76 (a) a late fee that exceeds the greater of:

77 (i) 10% of the rent agreed to in the rental agreement; or

78 (ii) \$75; or

79 (b) a fee, fine, assessment, interest, or other cost:

80 (i) in an amount greater than the amount agreed to in the rental agreement; or

81 (ii) that is not included in the rental agreement, unless:

82 (A) the rental agreement is on a month-to-month basis; and

83 (B) the owner provides the renter a 15-day notice of the charge.

84 (6) Before an owner and a prospective renter enter into a rental agreement, the owner
85 shall:

86 (a) provide the prospective renter a written inventory of the condition of the residential
87 rental unit, excluding ordinary wear and tear;

88 (b) furnish the renter a form to document the condition of the residential rental unit and
89 then allow the resident a reasonable time after the renter's occupancy of the residential rental

90 unit to complete and return the form; or

91 (c) provide the prospective renter an opportunity to conduct a walkthrough inspection
92 of the residential rental unit.

93 (7) At or before the commencement of the rental term under a rental agreement, an
94 owner shall:

95 (a) disclose in writing to the renter:

96 (i) the owner's name, address, and telephone number; or

97 (ii) (A) the name, address, and telephone number of any person authorized to manage
98 the residential rental unit; or

99 (B) the name, address, and telephone number of any person authorized to act for and on
100 behalf of the owner for purposes of receiving notice under this chapter or performing the
101 owner's duties under this chapter or under the rental agreement, if the person authorized to
102 manage the residential rental unit does not have authority to receive notice under this chapter;
103 and

104 (b) provide the renter:

105 (i) an executed copy of the rental agreement, if the rental agreement is a written
106 agreement; and

107 (ii) a copy of any rules and regulations applicable to the residential rental unit.

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

110 (9) A renter may not use an owner's failure to comply with a requirement of Subsection
111 (2), (3), (4), (5), (6), or (7) as a basis:

112 (a) to excuse the renter's compliance with a rental agreement; or

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

114 Section 2. **Effective date.**

115 This bill takes effect on May 1, 2024.