



Utah 2025 End of Legislative Session Report

The CAI Utah Legislative Action Committee (UT LAC) actively advocated on behalf of the approximately [644,000 Utahns living in 208,800 homes in more than 3,650 community associations across the Beehive State](#) during the 2025 state legislative session. The State Legislative Session began on January 21 and adjourned on March 7, 2025. The Utah Legislative Action Committee tracked 24 bills of relevance to community associations in 2025. Below is a brief overview:

SB 201 - REAL ESTATE AMENDMENTS

The LAC worked with the sponsor and stakeholders to introduce and **support** this bill with compromise amendments as it made its way through the legislature.

This bill establishes a set of rules to govern how associations, should they choose to allow rentals in the community, handle fees charged to owners of rental units, as well as how fees can be contested. Importantly, this bill does not require associations to accept rentals, only that when they do, they follow a new set of rules and regulations. Additionally, the bill allows the association to require the maintenance of turf in an area less than 8 feet wide in instances of erosion control. The bill also creates a mechanism for the association to appoint a representative for transactions involving common elements, for owners to bring written notice to developers when they intend to engage in actions related to construction defects.

Status: Successfully PASSED. Effective May 7, 2025.

HB 217 - HOMEOWNERS' ASSOCIATION AMENDMENTS (STATE OMBUDSMAN PROGRAM)

HB 217 creates a community association ombudsman program for Utah, the Office of the Homeowners' Association Ombudsman. UT LAC actively worked to amend this bill throughout the 2025 legislative session. Through swift advocacy, the LAC collaborated with lawmakers to improve the bill when it became clear that it had the momentum to pass. The final product includes better public policy and additional protections for Utah's community associations than the original introduction due to the LAC's efforts.

Once this ombudsman program is formed, the Office of the Homeowners' Association Ombudsman will have the power to hear and investigate complaints and render nonbinding advisory opinions and will not be able to render formal judgements or issue penalties.

Complainants must pay a \$150 filing fee and are liable for up to a \$1000 civil penalty if they knowingly file a false request for an advisory opinion, and would then be prohibited from filing another request for two years. These protections from vexatious complainants is a hard-won concession that the LAC made sure was included in the final bill. The office is set to expire on July 1, 2030. This sunset provision is also the result of the tireless advocacy by UT LAC to protect both community association homeowner interests and taxpayer funds.

HB 217 also contains a number of other provisions, including requiring that association boards meet to vote before assessing a fine or charge on a homeowner, and limiting late fees to either \$50 or 10% of the assessment amount, whichever is greater. The bill also puts new requirements for disclosure on declarants, including disclosing the fiscal health of the association to lot owners.

Status: PASSED. Effective May 7, 2025.

HB 337 – PROPERTY MANAGER REQUIREMENTS

The LAC successfully amended this bill to provide clarifying amendments for community association managers in Utah. As a result, the final bill specifically exempts common interest association managers from the property manager licensing requirement.

This bill updates the existing licensure program for all individuals engaged in property management. Common association managers are exempt from the licensing requirement, as well as assistants to managers and individuals who are just performing a bookkeeping function. The state's Real Estate Commission is responsible for setting licensing fees and training course curriculum, provided the manager receives 24 hours of training. Additionally, managers are required to be associated with a real estate trust account, unless they have a security bond that protects at least 30% of estimated client funds. This clarifying amendment ensures that all managers of homeowners associations, condominiums, and cooperatives are not inadvertently swept under Utah's property management requirements.

Status: PASSED. Effective May 7, 2025.

HB 86 - HOMEOWNERS' ASSOCIATION REQUIREMENTS

The LAC **opposed** this bill when it was introduced due to it originally mandating attorney fees be paid on top of the increased penalty to the association. While the LAC still was not in favor of the bill when it was passed, the financial burden has been mitigated somewhat.

This bill increases the damages a homeowner may seek against an association in cases of failing to provide requested records from \$500 to \$1,000, while also giving judges flexibility on whether or not to additionally award attorney's fees. The bill states that declarants cannot use association funds to defend the association against a lawsuit brought by unit owners during a period of declarant control, and sets mandatory turnover to association control either when the final lot is

sold and the declarant no longer possesses any development right, or 7 years after which a declarant ceases to offer lots.

Status: PASSED. Effective May 7, 2025.

HB 119 - SOLAR PANEL RESTRICTIONS IN HOMEOWNERS' ASSOCIATIONS AMENDMENTS

Under this legislation, unless an association votes by more than 67% to prohibit solar panels, solar panels are allowed to be installed on homes. An association may still enact reasonable rules and regulations on size, location, and manner of placement, so long as installation costs are not increased by more than 5% and efficiency is not decreased by more than 5%.

Status: PASSED. Effective May 7, 2025.

HB 262 - HOA BOARD EDUCATION AMENDMENTS

This bill would create a board member education program for Utah's community associations in line with the recommendations from [CAI's Board Member Education Public Policy](#). This public policy contains, should a state choose to implement a board member education mandate, model course topics covering essential areas of knowledge for community association board members. UT LAC introduced and supported this bill along with its legislative partners. The LAC will continue to lead conversations with state legislators on this importance industry topic during future legislative sessions.

Status: Unsuccessfully DIED in House.

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