

House Political Subdivisions Committee

1/30/2025

Bill: 1st substitute SB 23 – First Home Investment Zone Amendments

Sponsor: Senator Wayne A. Harper

Floor Sponsor: Representative Stephen L. Whyte

UASD Position: Tracking

This Bill modifies provisions affecting first home investment zones.

Discussion: Senator Harper said the Legislature has previously passed legislation that allows an area of high density housing to be created near intersections and public transit stops in an effort to help create other areas that are designated for first time homeowners called first home investment zones. These investment zones are intended to be for owner occupied residences. In order for some municipalities to utilize these types of zones, the formulas in state Statute need to be adjusted. This Bill makes those adjustments. The sponsor said that the 1st substitute, which was adopted by the Committee, makes small logistical changes and adds clarifying language. The Wasatch Front Regional Council, the Utah Association of Realtors, and the Utah League of Cities and Towns spoke in support of the Bill. Representative Walter expressed appreciation that this is permissive and not mandatory. During summation, the sponsor said that 50% of the housing in these zones is required to be owner occupied for at least 25 years. Representative Bennion asked why the percentage isn't higher. Senator Harper said that many people wanted that percentage to be lower and that the 50% was a reasonable compromise. He said that more changes can be made next year if needed.

Yeas: 8

Nays: 0

N/V: 2

Outcome: 1st substitute SB 23 passed out of the Committee with a favorable recommendation.

Bill: HB 256 – Municipal Zoning Amendments

Sponsor: Representative R. Neil Walter

Floor Sponsor: TBD

UASD Position: Support

This Bill modifies provisions related to the authority of municipalities and counties regarding short-term rentals.

Discussion: HB 256 specifically addresses the authority of counties and municipalities regarding short-term rentals. It allows a municipality or county that chooses to regulate short-term rentals to use a listing on a short-term rental website as evidence that a property owner violated a municipality or county ordinance or as evidence that the listing violates business licensing or

zoning requirements. A short-term rental website is not obligated to remove a listing or offering unless it has received notice from a municipality or county that the rental is “non-conforming”. The Bill clearly states that rental operators are required to pay the transient room tax. The Bill does not impose any new requirements on short-term rentals. The Utah Association of Realtors, the Utah League of Cities and Towns, and the Washington County Housing Action Coalition spoke in support of the Bill.

Yeas: 8
Nays: 0
N/V: 2

Outcome: HB 256 passed out of the Committee with a favorable recommendation.