



UTAH STATE SENATE

UTAH STATE CAPITOL • COMPLEX 320 STATE CAPITOL
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February 24, 2026

Mr. President:

The Business and Labor Committee reports a favorable recommendation on **1st Sub. H.B. 306**, REINVESTMENT FEE AMENDMENTS, by Representative A. Defay, with the following amendments:

Amendment 1

1 Line 11 through 17:

11 #requires that a homeowners' association deposit 50% of a reinvestment fee into reserve
12 funds;

13 #provides that when a homeowners' association registers with the Department of
14 Commerce, the homeowners' association shall {**provide certain information relating to**
a} state whether or not the homeowners' association imposes a

15 reinvestment fee or a transfer fee; and

16 #makes technical changes.

17 **Money Appropriated in this Bill:**

2 Line 231 through 237:

231 covenant;[~~and~~]

232 (b) a majority of voting interests in the association, or a higher percentage if required in
233 the organizational documents, approves the reinvestment fee[-]; and

234 (c) **if the association is not a large master planned development,** the association
deposits at least 50% of the reinvestment fee into reserve funds.

235 (11) After a vote approving the reinvestment fee described in Subsection (10)(b), an
236 association may set the amount of a reinvestment fee only:

Bill Number
HB0306S01

Action Class
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Action Code
SCRAMD

237 (a) in accordance with the terms of the declaration or a reinvestment fee covenant; and

3 *Line 267 through 275:*

267 owner's financing, refinancing, or sale of the owner's unit;[~~and~~]

268 (e) a registration fee [~~set by~~]that the department sets in accordance with Section
269 63J-1-504[~~;~~]; and

270 (f) {if} a statement of whether or not the association of unit owners imposes a
reinvestment fee or a transfer fee in

271 accordance with Section 57-1-46 {, the amount of the reinvestment fee or transfer fee }

272 {that an association of unit owners imposes} :

273 (4) (a) An association of unit owners shall annually renew the registration of the
274 association of unit owners described in Subsection (2).

275 (b) The department may impose and set the amount of a renewal registration fee in

4 *Line 352 through 360:*

352 owner's financing, refinancing, or sale of the owner's lot;[~~and~~]

353 (e) a registration fee [~~set by~~]that the department sets in accordance with Section
354 63J-1-504[~~;~~]; and

355 (f) {if} a statement of whether or not the association imposes a reinvestment fee or a
transfer fee in accordance with

356 Section 57-1-46 {, the amount of the reinvestment fee or transfer fee that an association
}

357 {imposes} :

358 (4) (a) An association shall annually renew the association's registration described in
359 Subsection (2).

360 (b) The department may impose and set the amount of a renewal registration fee in

Respectfully,

Evan J. Vickers
Chair

Voting: 5-0-3

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