

Department of Planning and Budget 2009 Fiscal Impact Statement

1. Bill Number: SB1169

House of Origin ☐ Introduced ☒ Substitute ☐ Engrossed
Second House ☐ In Committee ☐ Substitute ☐ Enrolled

2. Patron: Watkins

3. Committee: Commerce and Labor

4. Title: Virginia Consumer Protection Act; foreclosure rescues

5. Summary: The bill provides that the prohibition on fraudulent acts or practices committed by a supplier in a consumer transaction involving residential real property owned and occupied as the primary dwelling unit of the owner applies when the supplier of service to avoid or prevent foreclosure charges or receives a fee (i) prior to the full and complete performance of the services it has agreed to perform, if the transaction does not involve the sale or transfer of residential real property, or (ii) prior to the settlement on the sale or transfer of residential real property, if the transaction involves the sale or transfer of the property. Currently, any practice where a supplier of a foreclosure avoidance or prevention service is to be paid a fee prior to the settlement on a sale of residential real property is prohibited, regardless of whether the fee is charged or collected as part of the transaction involving a sale of the property.

6. Fiscal Impact Estimates: The bill does not have a fiscal impact.

7. Budget Amendment Necessary: No.

8. Fiscal Implications: None.

9. Specific Agency or Political Subdivisions Affected: Department of Agriculture and Consumer Services.

10. Technical Amendment Necessary: No.

11. Other Comments: None.

Date: 2/5/2009 dpbkbs

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cc: Secretary of Agriculture and Consumer Services