# 2016 SESSION

**ENROLLED** 

[S 377]

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## VIRGINIA ACTS OF ASSEMBLY - CHAPTER

2 An Act to amend and reenact §§ 55-225.12 and 55-248.27 of the Code of Virginia, relating to landlord 3 and tenant law; tenant remedies.

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#### Approved

#### Be it enacted by the General Assembly of Virginia: 6

7 1. That §§ 55-225.12 and 55-248.27 of the Code of Virginia are amended and reenacted as follows: 8 § 55-225.12. Tenant's assertion; rent escrow; dwelling units.

9 A. The tenant may assert that there exists upon the dwelling unit, a condition or conditions which 10 constitute a material noncompliance by the landlord with the rental agreement or with provisions of law, or which if not promptly corrected, will constitute a fire hazard or serious threat to the life, health or 11 12 safety of occupants thereof, including but not limited to, a lack of heat or hot or cold running water, 13 except if the tenant is responsible for payment of the utility charge and where the lack of such heat or hot or cold running water is the direct result of the tenant's failure to pay the utility charge; or a lack of 14 15 light, electricity or adequate sewage disposal facilities; or an infestation of rodents; or the existence of paint containing lead pigment on surfaces within the dwelling, provided that the landlord has notice of 16 such paint. The tenant may file such an assertion in a general district court wherein the dwelling unit is 17 located by a declaration setting forth such assertion and asking for one or more forms of relief as 18 19 provided for in subsection  $\in D$ .

B. Prior to the granting of any relief, the tenant shall show to the satisfaction of the court that: 20

21 1. Prior to the commencement of the action the landlord was served a written notice by the tenant of the conditions described in subsection A, or was notified of such conditions by a violation or 22 23 condemnation notice from an appropriate state or municipal agency, and that the landlord has refused, or 24 having a reasonable opportunity to do so, has failed to remedy the same. For the purposes of this 25 subsection, what period of time shall be deemed to be unreasonable delay is left to the discretion of the 26 court except that there shall be a rebuttable presumption that a period in excess of 30 days from receipt 27 of the notification by the landlord is unreasonable; and

28 2. The tenant has paid into court the amount of rent called for under the rental agreement, within 29 five days of the date due thereunder, unless or until such amount is modified by subsequent order of the 30 court under this chapter; and.

31 3. C. It shall be sufficient answer or rejoinder to such a declaration pursuant to subsection A if the 32 landlord establishes to the satisfaction of the court that the conditions alleged by the tenant do not in 33 fact exist, or such conditions have been removed or remedied, or such conditions have been caused by 34 the tenant or members of his family or his or their invitees or licensees, or the tenant has unreasonably 35 refused entry to the landlord to the dwelling unit for the purpose of correcting such conditions.

C. D. Any court shall make findings of fact on the issues before it and shall issue any order that 36 37 may be required. Such an order may include, but is not limited to, any one or more of the following:

38 1. Terminating the rental agreement upon the request of the tenant or ordering the dwelling unit 39 surrendered to the landlord if the landlord prevails on a request for possession pursuant to an unlawful 40 detainer properly filed with the court;

41 2. Ordering all moneys already accumulated in escrow disbursed to the landlord or to the tenant in 42 accordance with this chapter; 43

3. Ordering that the escrow be continued until the conditions causing the complaint are remedied;

44 4. Ordering that the amount of rent, whether paid into the escrow account or paid to the landlord, be 45 abated as determined by the court in such an amount as may be equitable to represent the existence of the condition or conditions found by the court to exist. In all cases where the court deems that the 46 tenant is entitled to relief under this chapter, the burden shall be upon the landlord to show cause why 47 48 there should not be an abatement of rent;

49 5. Ordering any amount of moneys accumulated in escrow disbursed to the tenant where the landlord 50 refuses to make repairs after a reasonable time or to the landlord or to a contractor chosen by the landlord in order to make repairs or to otherwise remedy the condition. In either case, the court shall in 51 its order insure that moneys thus disbursed will be in fact used for the purpose of making repairs or 52 53 effecting a remedy;

54 6. Referring any matter before the court to the proper state or municipal agency for investigation and 55 report and granting a continuance of the action or complaint pending receipt of such investigation and 56 report. When such a continuance is granted, the tenant shall deposit with the court rent payments within SB377ER

five days of the date due under the rental agreement, subject to any abatement under this section, which 57 58 become due during the period of the continuance, to be held by the court pending its further order;

59 7. In the court's discretion, ordering escrow funds disbursed to pay a mortgage on the property upon 60 which the dwelling unit is located in order to stay a foreclosure; or

61 8. In the court's discretion, ordering escrow funds disbursed to pay a creditor to prevent or satisfy a 62 bill to enforce a mechanic's or materialman's lien.

63 Notwithstanding any provision of this subsection, where an escrow account is established by the 64 court and the condition or conditions are not fully remedied within six months of the establishment of such account, and the landlord has not made reasonable attempts to remedy the condition, the court shall 65 66 award all moneys accumulated in escrow to the tenant. In such event, the escrow shall not be 67 terminated, but shall begin upon a new six-month period with the same result if, at the end thereof, the 68 condition or conditions have not been remedied.

69 D. E. The initial hearing on the tenant's assertion filed pursuant to subsection A shall be held within 70 15 calendar days from the date of service of process on the landlord, except that the court shall order an earlier hearing where emergency conditions are alleged to exist upon the premises, such as failure of 71 heat in winter, lack of adequate sewage facilities or any other condition which constitutes an immediate 72 73 threat to the health or safety of the inhabitants of the dwelling unit. The court, on motion of either party 74 or on its own motion, may hold hearings subsequent to the initial proceeding in order to further 75 determine the rights and obligations of the parties. Distribution of escrow moneys may only occur by 76 order of the court after a hearing of which both parties are given notice as required by law or upon 77 motion of both the landlord and tenant or upon certification by the appropriate inspector that the work 78 required by the court to be done has been satisfactorily completed. 79

### § 55-248.27. Tenant's assertion; rent escrow.

80 A. The tenant may assert that there exists upon the leased premises, a condition or conditions which constitute a material noncompliance by the landlord with the rental agreement or with provisions of law, 81 or which if not promptly corrected, will constitute a fire hazard or serious threat to the life, health or 82 safety of occupants thereof, including but not limited to, a lack of heat or hot or cold running water, 83 84 except if the tenant is responsible for payment of the utility charge and where the lack of such heat or 85 hot or cold running water is the direct result of the tenant's failure to pay the utility charge; or of light, electricity or adequate sewage disposal facilities; or an infestation of rodents, except if the property is a 86 one-family dwelling; or of the existence of paint containing lead pigment on surfaces within the 87 dwelling, provided that the landlord has notice of such paint. The tenant may file such an assertion in a 88 89 general district court wherein the premises are located by a declaration setting forth such assertion and asking for one or more forms of relief as provided for in subsection C D. 90 91

B. Prior to the granting of any relief, the tenant shall show to the satisfaction of the court that:

92 1. Prior to the commencement of the action the landlord was served a written notice by the tenant of 93 the conditions described in subsection A, or was notified of such conditions by a violation or 94 condemnation notice from an appropriate state or municipal agency, and that the landlord has refused, or having a reasonable opportunity to do so, has failed to remedy the same. For the purposes of this 95 96 subsection, what period of time shall be deemed to be unreasonable delay is left to the discretion of the 97 court except that there shall be a rebuttable presumption that a period in excess of thirty days from 98 receipt of the notification by the landlord is unreasonable; and

99 2. The tenant has paid into court the amount of rent called for under the rental agreement, within 100 five days of the date due thereunder, unless or until such amount is modified by subsequent order of the 101 court under this chapter; and.

102 3. C. It shall be sufficient answer or rejoinder to such a declaration pursuant to subsection A if the 103 landlord establishes to the satisfaction of the court that the conditions alleged by the tenant do not in 104 fact exist, or such conditions have been removed or remedied, or such conditions have been caused by 105 the tenant or members of his family or his or their invitees or licensees, or the tenant has unreasonably 106 refused entry to the landlord to the premises for the purpose of correcting such conditions.

107 C. D. Any court shall make findings of fact on the issues before it and shall issue any order that 108 may be required. Such an order may include, but is not limited to, any one or more of the following:

109 1. Terminating the rental agreement upon the request of the tenant or ordering the premises 110 surrendered to the landlord if the landlord prevails on a request for possession pursuant to an unlawful 111 detainer properly filed with the court;

2. Ordering all moneys already accumulated in escrow disbursed to the landlord or to the tenant in 112 113 accordance with this chapter; 114

3. Ordering that the escrow be continued until the conditions causing the complaint are remedied;

115 4. Ordering that the amount of rent, whether paid into the escrow account or paid to the landlord, be 116 abated as determined by the court in such an amount as may be equitable to represent the existence of the condition or conditions found by the court to exist. In all cases where the court deems that the 117

118 tenant is entitled to relief under this chapter, the burden shall be upon the landlord to show cause why 119 there should not be an abatement of rent;

5. Ordering any amount of moneys accumulated in escrow disbursed to the tenant where the landlord
refuses to make repairs after a reasonable time or to the landlord or to a contractor chosen by the
landlord in order to make repairs or to otherwise remedy the condition. In either case, the court shall in
its order insure that moneys thus disbursed will be in fact used for the purpose of making repairs or
effecting a remedy;

6. Referring any matter before the court to the proper state or municipal agency for investigation and
report and granting a continuance of the action or complaint pending receipt of such investigation and
report. When such a continuance is granted, the tenant shall deposit with the court rents within five days
of date due under the rental agreement, subject to any abatement under this section, which become due
during the period of the continuance, to be held by the court pending its further order;

130 7. In its discretion, ordering escrow funds disbursed to pay a mortgage on the property in order to 131 stay a foreclosure; *or* 

132 8. In its discretion, ordering escrow funds disbursed to pay a creditor to prevent or satisfy a bill to133 enforce a mechanic's or materialman's lien.

Notwithstanding any provision of this subsection, where an escrow account is established by the court and the condition or conditions are not fully remedied within six months of the establishment of such account, and the landlord has not made reasonable attempts to remedy the condition, the court shall award all moneys accumulated in escrow to the tenant. In such event, the escrow shall not be terminated, but shall begin upon a new six-month period with the same result if, at the end thereof, the condition or conditions have not been remedied.

140 D. E. The initial hearing on the tenant's assertion filed pursuant to subsection A shall be held within 141 fifteen calendar days from the date of service of process on the landlord as authorized by § 55-248.12, 142 except that the court shall order an earlier hearing where emergency conditions are alleged to exist upon 143 the premises, such as failure of heat in winter, lack of adequate sewage facilities or any other condition 144 which constitutes an immediate threat to the health or safety of the inhabitants of the leased premises. 145 The court, on motion of either party or on its own motion, may hold hearings subsequent to the initial proceeding in order to further determine the rights and obligations of the parties. Distribution of escrow 146 147 moneys may only occur by order of the court after a hearing of which both parties are given notice as 148 required by law or upon motion of both the landlord and tenant or upon certification by the appropriate 149 inspector that the work required by the court to be done has been satisfactorily completed. If the tenant 150 proceeds under this subsection, he may not proceed under any other section of this article as to that 151 breach.