

Department of Planning and Budget

2021 Fiscal Impact Statement

1. Bill Number: HB1908

House of Origin	<input checked="" type="checkbox"/> Introduced	<input type="checkbox"/> Substitute	<input type="checkbox"/> Engrossed
Second House	<input type="checkbox"/> In Committee	<input type="checkbox"/> Substitute	<input type="checkbox"/> Enrolled

2. Patron: Helmer

3. Committee: General Laws

4. Title: Virginia Residential Landlord and Tenant Act; noncompliance with rental agreement; prohibition, etc.

5. Summary: Prohibits a landlord who owns more than four rental dwelling units or more than a 10 percent interest in more than four rental dwelling units in the Commonwealth from taking any adverse action against an applicant for tenancy based solely on payment history or an eviction for nonpayment of rent that occurred during a closure of the United States government when such applicant was a directly affected individual, defined as an individual who was furloughed or otherwise did not receive payments as a result of a closure of the United States government and was (i) an employee of the United States government, (ii) an independent contractor of the United States government, or (iii) an employee of a company under contract with the United States government. If such a landlord denies an applicant for tenancy, the bill requires the landlord to provide the applicant written notice of the denial and of the applicant's right to assert that his failure to qualify was based solely on payment history or an eviction based on nonpayment of rent that occurred during the proscribed period when such applicant was a directly affected individual. If a landlord does receive a response from the applicant asserting such a right, and the landlord relied upon a consumer or tenant screening report, the landlord must make a good faith effort to contact the generator of the report to ascertain whether such determination was due solely to the applicant for tenancy's payment history or an eviction for nonpayment that occurred during the proscribed period and that such applicant was a directly affected individual. The bill permits an applicant for tenancy to recover damages of up to \$1,000, along with attorney fees, from landlords who do not comply with these requirements.

6. Budget Amendment Necessary: No.

7. Fiscal Impact Estimates: Preliminary.

8. Fiscal Implications: The Department of Housing and Community Development has no oversight or administrative obligations regarding the Virginia Residential Landlord and Tenant Act. The department does update and publish on its website the Landlord Tenant Handbook. Any legislative changes made to the Act will be updated, but the department can do so using current resources. This bill may impact the court system.

Enactment eight in the introduced budget bill, HB1800/SB1100, provides that, beginning January 1, 2021, no landlord shall terminate a residential tenancy, or take any action to obtain possession of a dwelling unit, for non-payment of rent due to lost income or additional expenses resulting from the declared state of emergency until such time the declared state of emergency ends, with certain exceptions prescribed in the language. Any conflict that may exist between the provisions of these amendments and the provisions of this proposed legislation would default to the adopted budget language.

9. Specific Agency or Political Subdivisions Affected: Department of Housing and Community Development; courts.

10. Technical Amendment Necessary: No.

11. Other Comments: None.