

1 VIRGINIA ACTS OF ASSEMBLY — CHAPTER

2 *An Act to amend and reenact §§ 6.1-330.54, 8.01-128, 34-5, 55-226.2, 55-246.1, 55-248.4, 55-248.7:2,*
 3 *55-248.9:1, 55-248.15:1, 55-248.15:2, and 55-248.38:3 of the Code of Virginia and to amend the*
 4 *Code of Virginia by adding a section numbered 16.1-79.1, relating to landlord and tenant laws;*
 5 *landlord and tenant obligations.*

6 [H 407]
 7 Approved

8 **Be it enacted by the General Assembly of Virginia:**

9 **1. That §§ 6.1-330.54, 8.01-128, 34-5, 55-226.2, 55-246.1, 55-248.4, 55-248.7:2, 55-248.9:1,**
 10 **55-248.15:1, 55-248.15:2, and 55-248.38:3 of the Code of Virginia are amended and reenacted and**
 11 **that the Code of Virginia is amended by adding a section numbered 16.1-79.1 as follows:**

12 § 6.1-330.54. Judgment rate of interest.

13 The judgment rate of interest shall be an annual rate of six percent, except that a money judgment
 14 entered in an action arising from a contract shall carry interest at the rate lawfully charged on such
 15 contract, or at six percent annually, whichever is higher. If the contract or other instrument does not fix
 16 an interest rate, the court shall apply the judgment rate of six percent to calculate prejudgment interest
 17 pursuant to § 8.01-382 and to calculate post-judgment interest. The rate of interest for a judgment shall
 18 be the judgment rate of interest in effect at the time of entry of the judgment *on any amounts for which*
 19 *judgment is entered* and shall not be affected by any subsequent changes to the rate of interest stated in
 20 this section.

21 § 8.01-128. Verdict and judgment; damages.

22 A. If it appears that the plaintiff was forcibly or unlawfully turned out of possession, or that it was
 23 unlawfully detained from him, the verdict or judgment shall be for the plaintiff for the premises, or such
 24 part thereof as may be found to have been so held or detained. The verdict or judgment shall also be for
 25 such damages as the plaintiff may prove to have been sustained by him by reason of such forcible or
 26 unlawful entry, or unlawful detention, of such premises, and such rent as he may prove to have been
 27 owing to him, provided such damages and rent claimed shall not exceed the jurisdictional amount of the
 28 court in which the action is tried.

29 B. The plaintiff may, alternatively, receive a final, appealable judgment for possession of the
 30 property unlawfully entered or unlawfully detained and be issued a writ of possession, and continue the
 31 case for up to 90 days to establish final rent and damages. *If the plaintiff elects to proceed under this*
 32 *section, the judge shall hear evidence as to the issue of possession on the initial court date and shall*
 33 *hear evidence on the final rent and damages at the hearing set on the continuance date, unless the*
 34 *plaintiff requests otherwise or the judge rules otherwise. Nothing in this section shall preclude a*
 35 *defendant who appears in court at the initial court date from contesting an unlawful detainer action as*
 36 *otherwise provided by law.*

37 If under this section an appeal is taken as to possession, the entire case shall be considered appealed.
 38 The plaintiff shall, in the instance of a continuance taken under this section, mail to the defendant at the
 39 defendant's last known address at least 15 days prior to the continuance date a notice advising of (i) the
 40 continuance date; (ii) the amounts of final rent and damages; and (iii) that the plaintiff is seeking
 41 judgment for additional sums. A copy of such notice shall be filed with the court.

42 C. No verdict or judgment rendered under this section shall bar any separate concurrent or future
 43 action for any such damages or rent as may not be so claimed.

44 § 16.1-79.1. *Electronic filing of civil cases.*

45 *The general district courts shall accept case data in an electronic format for any civil action filed.*
 46 *The use of the electronic transfer shall be at the option of the plaintiff or the plaintiff's attorney, and if*
 47 *electronic transfer is utilized, the plaintiff or the plaintiff's attorney shall comply with the security and*
 48 *data configuration standards established by the Office of the Executive Secretary of the Supreme Court.*
 49 *If electronic transfer is utilized, the plaintiff or the plaintiff's attorney shall be responsible for filing with*
 50 *the clerk of the general district court the paper copies of any pleading for the proper processing of such*
 51 *civil actions as otherwise required by law.*

52 § 34-5. To what debts exemptions shall not apply.

53 The property exemptions created under this Code shall not be claimed against the following debts:

54 1. For the purchase price of such property or any part thereof. If the property purchased and not paid
 55 for is exchanged for or converted into other property by the debtor, such last named property shall not
 56 be exempted from the payment of such unpaid purchase money.

57 2. For spousal or child support obligations.

58 § 55-226.2. Energy submetering, energy allocation equipment, sewer and water submetering
59 equipment, ratio utility billings systems.

60 A. Energy submetering equipment, energy allocation equipment, water and sewer submetering
61 equipment, or a ratio utility billing system may be used in a commercial or residential building if clearly
62 stated in the rental agreement or lease for the leased premises or dwelling unit. All energy submetering
63 equipment and energy allocation equipment shall meet the requirements and standards established and
64 enforced by the State Corporation Commission pursuant to § 56-245.3.

65 B. If energy submetering equipment, water and sewer submetering equipment, *or* energy allocation
66 equipment, ~~or a ratio utility billing system~~ is used in any building, the owner, manager, or operator of
67 the building shall bill the tenant for electricity, natural gas or water and sewer for the same billing
68 period as the utility serving the building, unless the rental agreement or lease expressly provides
69 otherwise. The owner, manager, or operator of the building may charge and collect from the tenant
70 additional service charges, including, but not limited to, monthly billing fees, account set-up fees or
71 account move-out fees, to cover the actual costs of administrative expenses and billing charged to the
72 building owner, manager, or operator by a third-party provider of such services, provided that such
73 charges are agreed to by the building owner and the tenant in the rental agreement or lease. The
74 building owner may require the tenant to pay a late charge of up to \$5 if the tenant fails to make
75 payment when due, which shall not be less than 15 days following the date of mailing or delivery of the
76 bill sent pursuant to this section.

77 C. *If a ratio utility billing system is used in any building, in lieu of increasing the rent, the owner,*
78 *manager, or operator of the building may employ such a program that utilizes a mathematical formula*
79 *for allocating, among the tenants in a building, the actual or anticipated water, sewer, electrical, or*
80 *natural gas billings billed to the building owner from a third-party provider of the utility service. The*
81 *owner, manager, or operator of the building may charge and collect from the tenant additional service*
82 *charges, including but not limited to monthly billing fees, account set-up fees, or account move-out fees,*
83 *to cover the actual costs of administrative expenses and billings charged to the building owner,*
84 *manager, or operator by a third-party provider of such services, provided that such charges are agreed*
85 *to by the building owner and the tenant in the rental agreement or lease. The building owner may*
86 *require the tenant to pay a late charge of up to \$5 if the tenant fails to make payment when due, which*
87 *shall not be less than 15 days following the date of mailing or delivery of the bill sent pursuant to this*
88 *section. The late charge shall be deemed rent as defined in § 55-248.4 if a ratio utility billing system is*
89 *used in a residential multifamily dwelling unit subject to the Virginia Residential Landlord and Tenant*
90 *Act (§ 55-248.2 et seq.).*

91 D. Energy allocation equipment shall be tested periodically by the owner, operator or manager of the
92 building. Upon the request by a tenant, the owner shall test the energy allocation equipment without
93 charge. The test conducted without charge to the tenant shall not be conducted more frequently than
94 once in a 24-month period for the same tenant. The tenant or his designated representative may be
95 present during the testing of the energy allocation equipment. A written report of the results of the test
96 shall be made to the tenant within 10 working days after the completion of the test.

97 ~~D~~ E. The owner of any building shall maintain adequate records regarding energy submetering
98 equipment, water and sewer submetering equipment, energy allocation equipment, or a ratio utility
99 billing system. A tenant may inspect and copy the records for the leased premises during reasonable
100 business hours at a convenient location within the building. The owner of the building may impose and
101 collect a reasonable charge for copying documents, reflecting the actual costs of materials and labor for
102 copying, prior to providing copies of the records to the tenant.

103 ~~E~~ F. Notwithstanding any enforcement action undertaken by the State Corporation Commission
104 pursuant to its authority under § 56-245.3, tenants and owners shall retain any private right of action
105 resulting from any breach of the rental agreement or lease terms required by this section or § 56-245.3,
106 if applicable, to the same extent as such actions may be maintained for breach of other terms of the
107 rental agreement or lease under Chapter 13 (§ 55-217 et seq.) or Chapter 13.2 (§ 55-248.2 et seq.) of
108 this title, if applicable. The use of energy submetering equipment, water and sewer submetering
109 equipment, energy allocation equipment, or a ratio utility billing system is not within the jurisdiction of
110 the Department of Agriculture and Consumer Services under Chapter 56 (§ 3.2-5600 et seq.) of Title
111 3.2.

112 ~~F~~ G. As used in this section:

113 "Building" means all of the individual units served through the same utility-owned meter within a
114 commercial or residential building that is defined in subsection A of § 56-245.2 as an apartment building
115 or house, office building or shopping center.

116 "Energy allocation equipment" has the same meaning ascribed to such term in subsection A of
117 § 56-245.2.

118 "Energy submetering equipment" has the same meaning ascribed to "submetering equipment" in
119 subsection A of § 56-245.2.

120 "Ratio utility billing system" means a program that utilizes a mathematical formula for allocating,
121 among the tenants in a building, the actual *or anticipated* water, sewer, electrical, or natural gas billings
122 received by *billed to* the building owner from a third-party provider of the utility service. Permitted
123 allocation methods may include formulas based upon square footage, occupancy, number of bedrooms,
124 or some other specific method agreed to by the building owner and the tenant in the rental agreement or
125 lease.

126 "Water and sewer submetering equipment" means equipment used to measure actual water or sewer
127 usage in any dwelling unit or nonresidential rental unit, as defined in subsection A of § 56-245.2, when
128 such equipment is not owned or controlled by the utility or other provider of water or sewer service that
129 provides service to the building in which the dwelling unit or nonresidential rental unit is located.

130 § 55-246.1. Who may recover rent or possession.

131 Notwithstanding any rule of court to the contrary, (i) any person licensed under the provisions of
132 § 54.1-2106.1, (ii) any property manager, or a managing agent of a landlord as defined in § 55-248.4, or
133 (iii) any employee, who is authorized in writing by a corporate officer with the approval of the board of
134 directors, or by a manager, a general partner or a trustee, of a partnership, association, corporation,
135 limited liability company, limited partnership, professional corporation, professional limited liability
136 company, registered limited liability partnership, registered limited liability limited partnership or
137 business trust to sign pleadings as the agent of the business entity may obtain a judgment (±) (a) for
138 possession in the general district court for the county or city wherein the premises, or part thereof, is
139 situated or (±) (b) for rent or damages, *including actual damages for breach of the rental agreement*, in
140 any general district court where venue is proper under § 8.01-259, against any defendant who fails to
141 appear in person or by counsel and is in default if the person seeking such judgment had a contractual
142 agreement with the landlord to manage the premises for which rent or possession is due *and may*
143 *prepare, execute, file, and have served on other parties in any general district court a warrant in debt,*
144 *suggestion for summons in garnishment, garnishment summons, writ of possession, or writ of fieri facias*
145 *arising out of a landlord tenant relationship.*

146 § 55-248.4. Definitions.

147 When used in this chapter, unless expressly stated otherwise:

148 "Action" means recoupment, counterclaim, set off, or other civil suit and any other proceeding in
149 which rights are determined, including without limitation actions for possession, rent, unlawful detainer,
150 unlawful entry, and distress for rent.

151 "Application deposit" means any refundable deposit of money, however denominated, including all
152 money intended to be used as a security deposit under a rental agreement, or property, which is paid by
153 a tenant to a landlord for the purpose of being considered as a tenant for a dwelling unit.

154 "Application fee" means any nonrefundable fee, which is paid by a tenant to a landlord for the
155 purpose of being considered as a tenant for a dwelling unit. An application fee shall not exceed \$50,
156 exclusive of any actual out-of-pocket expenses paid by the landlord to a third party performing
157 background, credit, or other pre-occupancy checks on the applicant. However, where an application is
158 being made for a dwelling unit which is a public housing unit or other housing unit subject to regulation
159 by the Department of Housing and Urban Development, an application fee shall not exceed \$32,
160 exclusive of any actual out-of-pocket expenses paid to a third party by the landlord performing
161 background, credit, or other pre-occupancy checks on the applicant.

162 "Assignment" means the transfer by any tenant of all interests created by a rental agreement.

163 "Authorized occupant" means a person entitled to occupy a dwelling unit with the consent of the
164 landlord, but who has not signed the rental agreement and therefore does not have the rights and
165 obligations as a tenant under the rental agreement.

166 "Building or housing code" means any law, ordinance or governmental regulation concerning fitness
167 for habitation, or the construction, maintenance, operation, occupancy, use or appearance of any structure
168 or that part of a structure that is used as a home, residence or sleeping place by one person who
169 maintains a household or by two or more persons who maintain a common household.

170 "*Commencement date of rental agreement*" means the date upon which the tenant is entitled to
171 occupy the dwelling unit as a tenant.

172 "Dwelling unit" means a structure or part of a structure that is used as a home or residence by one
173 or more persons who maintain a household, including, but not limited to, a manufactured home.

174 "*Effective date of rental agreement*" means the date upon which the rental agreement is signed by
175 the landlord and the tenant obligating each party to the terms and conditions of the rental agreement.

176 "Facility" means something that is built, constructed, installed or established to perform some
177 particular function.

178 "Good faith" means honesty in fact in the conduct of the transaction concerned.

179 "Guest or invitee" means a person, other than the tenant or person authorized by the landlord to
180 occupy the premises, who has the permission of the tenant to visit but not to occupy the premises.

181 "Interior of the dwelling unit" means the inside of the dwelling unit, consisting of interior walls,
182 floor, and ceiling, that enclose the dwelling unit as conditioned space from the outside air.

183 "Landlord" means the owner, lessor or sublessor of the dwelling unit or the building of which such
184 dwelling unit is a part. "Landlord" also includes a managing agent of the premises who fails to disclose
185 the name of such owner, lessor or sublessor. Such managing agent shall be subject to the provisions of
186 § 16.1-88.03.

187 "Managing agent" means a person authorized by the landlord to act on behalf of the landlord under
188 an agreement.

189 "Mold remediation in accordance with professional standards" means mold remediation of that
190 portion of the dwelling unit or premises affected by mold, or any personal property of the tenant
191 affected by mold, performed consistent with guidance documents published by the United States
192 Environmental Protection Agency, the U.S. Department of Housing and Urban Development, the
193 American Conference of Governmental Industrial Hygienists (the Bioaerosols Manual), Standard
194 Reference Guides of the Institute of Inspection, Cleaning and Restoration for Water Damage Restoration
195 and Professional Mold Remediation, or any protocol for mold remediation prepared by an industrial
196 hygienist consistent with said guidance documents.

197 "Natural person," wherever the chapter refers to an owner as a "natural person," includes co-owners
198 who are natural persons, either as tenants in common, joint tenants, tenants in partnership, tenants by the
199 entirety, trustees or beneficiaries of a trust, general partnerships, limited liability partnerships, registered
200 limited liability partnerships or limited liability companies, or any lawful combination of natural persons
201 permitted by law.

202 "Notice" means notice given in writing by either regular mail or hand delivery, with the sender
203 retaining sufficient proof of having given such notice, which may be either a United States postal
204 certificate of mailing or a certificate of service confirming such mailing prepared by the sender.
205 However, a person shall be deemed to have notice of a fact if he has actual knowledge of it, he has
206 received a verbal notice of it, or from all of the facts and circumstances known to him at the time in
207 question, he has reason to know it exists. A person "notifies" or "gives" a notice or notification to
208 another by taking steps reasonably calculated to inform another person whether or not the other person
209 actually comes to know of it. If notice is given that is not in writing, the person giving the notice has
210 the burden of proof to show that the notice was given to the recipient of the notice.

211 "Organization" means a corporation, government, governmental subdivision or agency, business trust,
212 estate, trust, partnership or association, two or more persons having a joint or common interest, or any
213 combination thereof, and any other legal or commercial entity.

214 "Owner" means one or more persons, jointly or severally, in whom is vested:

- 215 1. All or part of the legal title to the property, or
- 216 2. All or part of the beneficial ownership and a right to present use and enjoyment of the premises,
217 and the term includes a mortgagee in possession.

218 "Person" means any individual, group of individuals, corporation, partnership, business trust,
219 association or other legal entity, or any combination thereof.

220 "Premises" means a dwelling unit and the structure of which it is a part and facilities and
221 appurtenances therein and grounds, areas and facilities held out for the use of tenants generally or whose
222 use is promised to the tenant.

223 "Processing fee for payment of rent with bad check" means the processing fee specified in the rental
224 agreement, not to exceed \$50, assessed by a landlord against a tenant for payment of rent with a check
225 drawn by the tenant on which payment has been refused by the payor bank because the drawer had no
226 account or insufficient funds.

227 "Readily accessible" means areas within the interior of the dwelling unit available for observation at
228 the time of the move-in inspection that do not require removal of materials, personal property,
229 equipment or similar items.

230 "Rent" means all money, other than a security deposit, owed or paid to the landlord under the rental
231 agreement, including prepaid rent paid more than one month in advance of the rent due date.

232 "Rental agreement" or "lease agreement" means all agreements, written or oral, and valid rules and
233 regulations adopted under § 55-248.17 embodying the terms and conditions concerning the use and
234 occupancy of a dwelling unit and premises.

235 "Rental application" means the written application or similar document used by a landlord to
236 determine if a prospective tenant is qualified to become a tenant of a dwelling unit. A landlord may
237 charge an application fee as provided in this chapter and may request a prospective tenant to provide
238 information that will enable the landlord to make such determination. The landlord may photocopy each
239 applicant's driver's license or other similar photo identification, containing either the applicant's social

240 security number or control number issued by the Department of Motor Vehicles pursuant to § 46.2-342.
 241 The landlord may require that each applicant provide a social security number issued by the U.S. Social
 242 Security Administration or an individual taxpayer identification number issued by the U.S. Internal
 243 Revenue Service, for the purpose of determining whether each applicant is eligible to become a tenant in
 244 the landlord's dwelling unit.

245 "Roomer" means a person occupying a dwelling unit that lacks a major bathroom or kitchen facility,
 246 in a structure where one or more major facilities are used in common by occupants of the dwelling unit
 247 and other dwelling units. Major facility in the case of a bathroom means toilet, and either a bath or
 248 shower, and in the case of a kitchen means refrigerator, stove or sink.

249 "Security deposit" means any refundable deposit of money that is furnished by a tenant to a landlord
 250 to secure the performance of the terms and conditions of a rental agreement, as a security for damages
 251 to the leased premises, or as a pet deposit. However, such money shall be deemed an application deposit
 252 until the ~~effective commencement~~ date of the rental agreement. Security deposit shall not include a
 253 ~~commercial insurance policy purchased by a landlord on behalf of a tenant to secure the performance by~~
 254 ~~the tenant of the terms and conditions of a rental agreement, generally known as damage insurance.~~
 255 Further, security deposit shall not include a ~~commercial damage insurance policy or renter's insurance~~
 256 ~~policy as those terms are defined in § 55-248.7:2 purchased by a landlord to provide property and~~
 257 ~~casualty insurance coverage for a tenant, generally known as renter's insurance.~~

258 "Single-family residence" means a structure, other than a multi-family residential structure,
 259 maintained and used as a single dwelling unit or any dwelling unit which has direct access to a street or
 260 thoroughfare and shares neither heating facilities, hot water equipment nor any other essential facility or
 261 service with any other dwelling unit.

262 "Sublease" means the transfer by any tenant of any but not all interests created by a rental
 263 agreement.

264 "Tenant" means a person entitled under a rental agreement to occupy a dwelling unit to the exclusion
 265 of others and shall include roomer. Tenant shall not include (i) an authorized occupant, (ii) a guest or
 266 invitee, or (iii) any person who guarantees or cosigns the payment of the financial obligations of a rental
 267 agreement but has no right to occupy a dwelling unit.

268 "Tenant records" means all information, including financial, maintenance, and other records about a
 269 tenant or prospective tenant, whether such information is in written or electronic form or other medium.

270 "Utility" means electricity, natural gas, water and sewer provided by a public service corporation or
 271 such other person providing utility services as permitted under § 56-1.2. If the rental agreement so
 272 provides, a landlord may use submetering equipment or energy allocation equipment as defined in
 273 § 56-245.2, or a ratio utility billing system as defined in § 55-226.2.

274 "Visible evidence of mold" means the existence of mold in the dwelling unit that is visible to the
 275 naked eye by the landlord or tenant in areas within the interior of the dwelling unit readily accessible at
 276 the time of the move-in inspection.

277 "Written notice" means notice given in accordance with § 55-248.6, including any representation of
 278 words, letters, symbols, numbers, or figures, whether (i) printed in or inscribed on a tangible medium or
 279 (ii) stored in an electronic form or other medium, retrievable in a perceivable form, and regardless of
 280 whether an electronic signature authorized by Chapter 42.1 (§ 59.1-479 et seq.) of Title 59.1 is affixed.
 281 The landlord may, in accordance with a written agreement, delegate to a managing agent or other third
 282 party the responsibility of providing any written notice required by this chapter.

283 § 55-248.7:2. Landlord may obtain certain insurance for tenant.

284 A. Damage Insurance. A landlord may require as a condition of tenancy that a tenant *have*
 285 *commercial insurance coverage as specified in the rental agreement to secure the performance by the*
 286 *tenant of the terms and conditions of the rental agreement and pay for the cost of premiums for*
 287 ~~commercial~~ *such insurance coverage, obtained by the landlord, to secure the performance by the tenant*
 288 ~~of the terms and conditions of the rental agreement, generally known as "damage insurance."~~ As
 289 provided in § 55-248.4, such payments shall not be deemed a security deposit, but shall be rent.
 290 However, as provided in § 55-248.9, the landlord cannot require a tenant to pay both security deposits
 291 and the cost of damage insurance premiums, if the *total* amount of any security deposits and damage
 292 insurance premiums exceeds the amount of two months' periodic rent. The landlord shall notify a tenant
 293 in writing that the tenant has the right to obtain a separate policy from the landlord's policy for damage
 294 insurance. If a tenant elects to obtain a separate policy, the tenant shall submit to the landlord written
 295 proof of such coverage and shall maintain such coverage at all times during the term of the rental
 296 agreement. *Where a landlord obtains damage insurance coverage on behalf of a tenant, the insurance*
 297 *policy shall provide coverage for the tenant as an insured. The landlord shall recover from the tenant*
 298 *the actual costs of such insurance coverage and may recover administrative or other fees associated*
 299 *with administration of a damage insurance policy, including a tenant opting out of the insurance*
 300 *coverage provided by the landlord pursuant to this subsection. If a landlord obtains damage insurance*

301 *for his tenants, the landlord shall provide to each tenant, prior to execution of the rental agreement, a*
 302 *summary of the insurance policy or certificate evidencing the coverage being provided and upon request*
 303 *of the tenant make available a copy of the insurance policy.*

304 B. Renter's Insurance. A landlord may require as a condition of tenancy that a tenant *have renter's*
 305 *insurance as specified in the rental agreement that is a combination multi-peril policy containing fire,*
 306 *miscellaneous property, and personal liability coverage insuring personal property located in residential*
 307 *units not occupied by the owner. A landlord may require a tenant to pay for the cost of premiums for*
 308 *property and casualty such insurance, obtained by the landlord, to provide liability such coverage for the*
 309 *tenant and property coverage for the tenant's personal property in the dwelling unit, which is generally*
 310 *known as "renter's insurance as part of rent or as otherwise provided herein." As provided in*
 311 *§ 55-248.4, such payments shall not be deemed a security deposit, but shall be rent. If the landlord*
 312 *requires that such premiums be paid prior to the commencement of the tenancy, the total amount of all*
 313 *security deposits and insurance premiums for damage insurance and renter's insurance shall not exceed*
 314 *the amount of two months' periodic rent. Otherwise, the landlord may add a monthly amount as*
 315 *additional rent to recover the costs of such insurance coverage. The landlord shall notify a tenant in*
 316 *writing that the tenant has the right to obtain a separate policy from the landlord's policy for renter's*
 317 *insurance. If a tenant elects to obtain a separate policy, the tenant shall submit to the landlord written*
 318 *proof of such coverage and shall maintain such coverage at all times during the term of the rental*
 319 *agreement.*

320 C. Where a landlord obtains for a tenant either damage insurance or renter's insurance pursuant to
 321 subsection A or B, the landlord shall name the tenant as a "co-insured," so that the tenant will have
 322 privity of contract with the insurance company. Further, the landlord shall only be reimbursed for the
 323 actual costs of such insurance coverage and shall not be entitled to recover administrative or other fees
 324 associated with the insurance coverage provided to the tenant pursuant to this section. If a landlord
 325 obtains either damage insurance or renter's insurance for his tenants, the landlord shall provide to each
 326 tenant, prior to execution of the rental agreement, a copy of the insurance policies, and a summary
 327 prepared by the insurer explaining the coverage being provided *Where a landlord obtains renter's*
 328 *insurance coverage on behalf of a tenant, the insurance policy shall provide coverage for the tenant as*
 329 *an insured. The landlord shall recover from the tenant the actual costs of such insurance coverage and*
 330 *may recover administrative or other fees associated with the administration of a renter's insurance*
 331 *policy, including a tenant opting out of the insurance coverage provided to the tenant pursuant to this*
 332 *subsection. If a landlord obtains renter's insurance for his tenants, the landlord shall provide to each*
 333 *tenant, prior to execution of the rental agreement, a summary of the insurance policy prepared by the*
 334 *insurer or certificate evidencing the coverage being provided and upon request of the tenant make*
 335 *available a copy of the insurance policy.*

336 § 55-248.9:1. Confidentiality of tenant records.

337 A. No landlord or managing agent shall release information about a tenant or prospective tenant in
 338 the possession of the landlord to a third party unless:

339 1. The tenant or prospective tenant has given prior written consent;
 340 2. The information is a matter of public record as defined in § 2.2-3701;
 341 3. The information is a summary of the tenant's rent payment record, including the amount of the
 342 tenant's periodic rent payment;

343 4. The information is a copy of a material noncompliance notice that has not been remedied or,
 344 termination notice given to the tenant under § 55-248.31 and the tenant did not remain in the premises
 345 thereafter;

346 5. The information is requested by a local, state, or federal law-enforcement or public safety official
 347 in the performance of his duties;

348 6. The information is requested pursuant to a subpoena in a civil case;

349 7. *The information is requested by a local commissioner of the revenue in accordance with*
 350 *§ 58.1-3901;*

351 8. The information is requested by a contract purchaser of the landlord's property; provided the
 352 contract purchaser agrees in writing to maintain the confidentiality of such information;

353 9. The information is requested by a lender of the landlord for financing or refinancing of the
 354 property;

355 10. *The information is requested by the commanding officer, military housing officer, or military*
 356 *attorney of the tenant;*

357 11. The third party is the landlord's attorney; or

358 12. The information is otherwise provided in the case of an emergency.

359 B. A tenant may designate a third party to receive duplicate copies of a summons that has been
 360 issued pursuant to § 8.01-126 and of written notices from the landlord relating to the tenancy. Where
 361 such a third party has been designated by the tenant, the landlord shall mail the duplicate copy of any

362 summons issued pursuant to § 8.01-126 or notice to the designated third party at the same time the
 363 summons or notice is mailed to or served upon the tenant. Nothing in this subsection shall be construed
 364 to grant standing to any third party designated by the tenant to challenge actions of the landlord in
 365 which notice was mailed pursuant to this subsection. The failure of the landlord to give notice to a third
 366 party designated by the tenant shall not affect the validity of any judgment entered against the tenant.

367 § 55-248.15:1. Security deposits.

368 A. A landlord may not demand or receive a security deposit, however denominated, in an amount or
 369 value in excess of two months' periodic rent. Upon termination of the tenancy, such security deposit,
 370 whether it is property or money, plus any accrued interest thereon, held by the landlord as security as
 371 hereinafter provided may be applied solely by the landlord (i) to the payment of accrued rent and
 372 including the reasonable charges for late payment of rent specified in the rental agreement; (ii) to the
 373 payment of the amount of damages which the landlord has suffered by reason of the tenant's
 374 noncompliance with § 55-248.16, less reasonable wear and tear; or (iii) to other damages or charges as
 375 provided in the rental agreement. The security deposit, any accrued interest and any deductions, damages
 376 and charges shall be itemized by the landlord in a written notice given to the tenant, together with any
 377 amount due the tenant within 45 days after termination of the tenancy and delivery of possession.

378 Nothing in this section shall be construed by a court of law or otherwise as entitling the tenant, upon
 379 the termination of the tenancy, to an immediate credit against the tenant's delinquent rent account in the
 380 amount of the security deposit. The landlord shall apply the security deposit in accordance with this
 381 section within the 45-day time period. *However, provided the landlord has given prior written notice in*
 382 *accordance with this section, the landlord may withhold a reasonable portion of the security deposit to*
 383 *cover an amount of the balance due on the water, sewer, or other utility account that is an obligation of*
 384 *the tenant to a third-party provider under the rental agreement for the dwelling unit, and upon payment*
 385 *of such obligations the landlord shall provide written confirmation to the tenant within 10 days*
 386 *thereafter, along with payment to the tenant of any balance otherwise due to the tenant. In order to*
 387 *withhold such funds as part of the disposition of the security deposit, the landlord shall have so advised*
 388 *the tenant of his rights and obligations under this section in (i) a termination notice to the tenant in*
 389 *accordance with this chapter, (ii) a vacating notice to the tenant in accordance with this section, or (iii)*
 390 *a separate written notice to the tenant at least 15 days prior to the disposition of the security deposit.*
 391 *Any written notice to the tenant shall be given in accordance with § 55-248.6.*

392 *The tenant may provide the landlord with written confirmation of the payment of the final water,*
 393 *sewer, or other utility bill for the dwelling unit, in which case the landlord shall refund the security*
 394 *deposit, unless there are other authorized deductions, within the 45-day period, or if the tenant provides*
 395 *such written confirmation after the expiration of the 45-day period, the landlord shall refund any*
 396 *remaining balance of the security deposit held to the tenant within 10 days following the receipt of such*
 397 *written confirmation provided by the tenant. If the landlord otherwise receives confirmation of payment*
 398 *of the final water, sewer, or other utility bill for the dwelling unit, the landlord shall refund the security*
 399 *deposit, unless there are other authorized deductions, within the 45-day period.*

400 The landlord shall notify the tenant in writing of any deductions provided by this subsection to be
 401 made from the tenant's security deposit during the course of the tenancy. Such notification shall be made
 402 within 30 days of the date of the determination of the deduction and shall itemize the reasons in the
 403 same manner as provided in subsection B. Such notification shall not be required for deductions made
 404 less than 30 days prior to the termination of the rental agreement. If the landlord willfully fails to
 405 comply with this section, the court shall order the return of the security deposit and interest thereon to
 406 the tenant, together with actual damages and reasonable attorneys' fees, unless the tenant owes rent to
 407 the landlord, in which case, the court shall order an amount equal to the security deposit and interest
 408 thereon credited against the rent due to the landlord. In the event that damages to the premises exceed
 409 the amount of the security deposit and require the services of a third party contractor, the landlord shall
 410 give written notice to the tenant advising him of that fact within the 45-day period. If notice is given as
 411 prescribed in this paragraph, the landlord shall have an additional 15-day period to provide an
 412 itemization of the damages and the cost of repair. This section shall not preclude the landlord or tenant
 413 from recovering other damages to which he may be entitled under this chapter. The holder of the
 414 landlord's interest in the premises at the time of the termination of the tenancy, regardless of how the
 415 interest is acquired or transferred, is bound by this section and shall be required to return any security
 416 deposit received by the original landlord and any accrued interest that is duly owed to the tenant,
 417 whether or not such security deposit is transferred with the landlord's interest by law or equity,
 418 regardless of any contractual agreements between the original landlord and his successors in interest.

419 B. The landlord shall:

420 1. Accrue interest at an annual rate equal to four percentage points below the Federal Reserve Board
 421 discount rate as of January 1 of each year on all property or money held as a security deposit. However,
 422 no interest shall be due and payable unless the security deposit has been held by the landlord for a

423 period exceeding 13 months ~~after the effective~~ *beginning from the commencement* date of the rental
 424 agreement or after the effective date of any prior written or oral rental agreements with the same tenant,
 425 for continuous occupancy of the same dwelling unit *until termination of the tenancy and delivery of*
 426 *possession*, such security deposit earning interest which begins accruing from the effective date of the
 427 rental agreement, and such interest shall be paid only upon termination of the tenancy, delivery of
 428 possession and return of the security deposit as provided in subsection A;

429 2. Maintain and itemize records for each tenant of all deductions from security deposits provided for
 430 under this section which the landlord has made by reason of a tenant's noncompliance with § 55-248.16
 431 during the preceding two years; and

432 3. Permit a tenant or his authorized agent or attorney to inspect such tenant's records of deductions at
 433 any time during normal business hours.

434 C. Upon request by the landlord to a tenant to vacate, or within five days after receipt of notice by
 435 the landlord of the tenant's intent to vacate, the landlord shall make reasonable efforts to advise the
 436 tenant of the tenant's right to be present at the landlord's inspection of the dwelling unit for the purpose
 437 of determining the amount of security deposit to be returned. If the tenant desires to be present when the
 438 landlord makes the inspection, he shall so advise the landlord in writing who, in turn, shall notify the
 439 tenant of the time and date of the inspection, which must be made within 72 hours of delivery of
 440 possession. Upon completion of the inspection attended by the tenant, the landlord shall furnish the
 441 tenant with an itemized list of damages to the dwelling unit known to exist at the time of the inspection.

442 D. If the tenant has any assignee or sublessee, the landlord shall be entitled to hold a security deposit
 443 from only one party in compliance with the provisions of this section.

444 § 55-248.15:2. Schedule of interest rates on security deposits.

445 A. The interest rate established by § 55-248.15:1 varies annually with the annual rate being equal to
 446 four percentage points below the Federal Reserve Board discount rate as of January 1 of each year. The
 447 purpose of this section is to set out the interest rates applicable under this chapter.

448 B. The rates are as follows:

- 449 1. July 1, 1975, through December 31, 1979, 3.0%.
- 450 2. January 1, 1980, through December 31, 1981, 4.0%.
- 451 3. January 1, 1982, through December 31, 1984, 4.5%.
- 452 4. January 1, 1985, through December 31, 1994, 5.0%.
- 453 5. January 1, 1995, through December 31, 1995, 4.75%.
- 454 6. January 1, 1996, through December 31, 1996, 5.25%.
- 455 7. January 1, 1997, through December 31, 1998, 5.0%.
- 456 8. January 1, 1999, through June 30, 1999, 4.5%.
- 457 9. July 1, 1999, through December 31, 1999, 3.5%.
- 458 10. January 1, 2000, through December 31, 2000, 4.0%.
- 459 11. January 1, 2001, through December 31, 2001, 5.0%.
- 460 12. January 1, 2002, through December 31, 2002, 0.25%.
- 461 13. January 1, 2003, through December 31, 2003, 0%.
- 462 14. January 1, 2004, through December 31, 2004, 1.0%.
- 463 15. January 1, 2005, through December 31, 2005, 2.25%.
- 464 16. January 1, 2006, through December 31, 2006, 4.25%.
- 465 17. January 1, 2007, through December 31, 2007, 5.25%.
- 466 18. January 1, 2008, through December 31, 2008, 0.75%.
- 467 19. January 1, 2009, through December 31, 2009, 0.00%.
- 468 20. *January 1, 2010, through December 31, 2010, 0.00%.*

469 Thereafter, the interest rate shall be determined in accordance with subsection B of § 55-248.15:1.

470 § 55-248.38:3. Disposal of property of deceased tenants.

471 If a tenant, who is the sole occupant of the dwelling unit, dies, and there is no person authorized by
 472 order of the circuit court to handle probate matters for the deceased tenant, the landlord may dispose of
 473 the personal property left in the premises, or in a storage area provided by the landlord, provided the
 474 landlord has given at least 10 days' written notice to (i) the person identified in the rental application,
 475 lease agreement, or other landlord document as the authorized person to contact in the event of the
 476 death *or emergency* of the tenant or (ii) the tenant in accordance with § 55-248.6 if no such person is
 477 identified in the rental application, lease agreement, or other landlord document as the authorized contact
 478 person. The notice given under clause (i) or (ii) shall include a statement that any items of personal
 479 property left in the premises would be treated as abandoned property and disposed of *in accordance*
 480 *with the provisions of § 55-248.38:1*, if not claimed within 30 days ~~in accordance with the provisions of~~
 481 ~~§ 55-248.38:1~~.