Department of Planning and Budget
2016 Fiscal Impact Statement

1. **Bill Number:** HB1376

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

2. **Patron:** LeMunyon

3. **Committee:** Appropriations

4. **Title:** Claims; Paul R. DesRoches II.

5. **Summary:** Provides relief in the amount of $20,000 to Paul R. DesRoches II from the Virginia Real Estate Transaction Recovery Fund. A real estate firm fraudulently collected rent on behalf of Mr. DesRoches for several months without submitting the funds to him. Mr. DesRoches obtained a judgment against the firm and in 2012 subsequently filed a claim under the Virginia Real Estate Transaction Recovery Act (the Act). At that time, in order to recover under the Act, the judgment had to be based on improper or dishonest conduct. While the factual basis for the judgment detailed conduct included under the definition of "improper or dishonest conduct" contained in the Act, the claim was denied by the Real Estate Board in March 2013 because the words "improper or dishonest conduct" did not appear on the face of the judgment. In 2015, the General Assembly amended the Act to provide a means for the Real Estate Board to determine what constitutes improper or dishonest conduct based on the facts of the case if the judgment order is otherwise silent.

6. **Budget Amendment Necessary**: No.

7. **Fiscal Impact Estimates:** Preliminary. See item 8, below.

8. **Fiscal Implications:** A budget amendment is not needed. The Virginia Real Estate Transaction Recovery Fund is not in the state treasury as provided for in § 54.1-2112, Code of Virginia, and therefore an appropriation is not needed to provide payment. The Department of Professional and Occupational Regulation has confirmed that the Fund has sufficient balances to comply with the provisions of the bill.

9. **Specific Agency or Political Subdivisions Affected:** Department of Professional and Occupational Regulation.

10. **Technical Amendment Necessary:** No.

11. **Other Comments:** None.