

Department of Planning and Budget

2023 Fiscal Impact Statement

1. Bill Number: HB1635

House of Origin ☐ Introduced ☐ Substitute ☐ Engrossed

Second House ☐ In Committee ☐ Substitute ☒ Enrolled

2. Patron: Bulova

3. Committee: Passed both Houses.

4. Title: Virginia Residential Landlord and Tenant Act; tenant remedies; uninhabitable dwelling unit.

5. Summary: Provides that a tenant may terminate the rental agreement and receive a full refund of all money paid to the landlord if, at the beginning of the tenancy, a condition exists in a rental dwelling unit that constitutes a fire hazard or serious threat to the life, health, or safety of tenants or occupants of the premises, so long as the tenant provides the landlord or the landlord's agent notice of his intent to terminate the rental agreement within seven days of the date on which possession of the dwelling unit was to have transferred to the tenant. The bill requires the landlord to provide the tenant a full refund on or before the fifteenth business day following the day on which (i) the termination notice is delivered to the landlord or (ii) the tenant vacates the dwelling unit, whichever occurs later. The bill also allows any landlord who reasonably believes that the dwelling unit was kept in a fit and habitable condition and the tenant was unjustified in his termination of the rental agreement to provide written notice to the tenant of his refusal to accept the tenant's termination notice, along with the reasons for such refusal, within 15 business days following the date on which such termination notice is delivered to the landlord. A tenant may file an action to contest the landlord's refusal before a court of competent jurisdiction.

6. Budget Amendment Necessary: No.

7. Fiscal Impact Estimates: Final.

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.

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

10. Technical Amendment Necessary: No.

11. Other Comments: None.