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## HOUSE BILL NO. 955

## AMENDMENT IN THE NATURE OF A SUBSTITUTE

(Proposed by the House Committee on General Laws  
on February 8, 2024)

(Patron Prior to Substitute—Delegate Lopez)

A BILL to amend and reenact §§ 36-139 and 55.1-1204 of the Code of Virginia, relating to Virginia Residential Landlord and Tenant Act; Department of Housing and Community Development; summary of rental agreement provisions.

Be it enacted by the General Assembly of Virginia:

1. That §§ 36-139 and 55.1-1204 of the Code of Virginia are amended and reenacted as follows:

§ 36-139. Powers and duties of Director.

The Director of the Department of Housing and Community Development shall have the following responsibilities:

1. Collecting from the governmental subdivisions of the Commonwealth information relevant to their planning and development activities, boundary changes, changes of forms and status of government, intergovernmental agreements and arrangements, and such other information as he may deem necessary.

2. Making information available to communities, planning district commissions, service districts and governmental subdivisions of the Commonwealth.

3. Providing professional and technical assistance to, and cooperating with, any planning agency, planning district commission, service district, and governmental subdivision engaged in the preparation of development plans and programs, service district plans, or consolidation agreements.

4. Assisting the Governor in the providing of such state financial aid as may be appropriated by the General Assembly in accordance with § 15.2-4216.

5. Administering federal grant assistance programs, including funds from the Appalachian Regional Commission, the Economic Development Administration and other such federal agencies, directed at promoting the development of the Commonwealth's communities and regions.

6. Developing state community development policies, goals, plans and programs for the consideration and adoption of the Board with the ultimate authority for adoption to rest with the Governor and the General Assembly.

7. Developing a Consolidated Plan to guide the development and implementation of housing programs and community development in the Commonwealth for the purpose of meeting the housing and community development needs of the Commonwealth and, in particular, those of low-income and moderate-income persons, families and communities.

8. Determining present and future housing requirements of the Commonwealth on an annual basis and revising the Consolidated Plan, as necessary to coordinate the elements of housing production to ensure the availability of housing where and when needed.

9. Assuming administrative coordination of the various state housing programs and cooperating with the various state agencies in their programs as they relate to housing.

10. Establishing public information and educational programs relating to housing; devising and administering programs to inform all citizens about housing and housing-related programs that are available on all levels of government; designing and administering educational programs to prepare families for home ownership and counseling them during their first years as homeowners; and promoting educational programs to assist sponsors in the development of low and moderate income housing as well as programs to lessen the problems of rental housing management.

11. Administering the provisions of the Industrialized Building Safety Law (§ 36-70 et seq.).

12. Administering the provisions of the Uniform Statewide Building Code (§ 36-97 et seq.).

13. Establishing and operating a Building Code Academy for the training of persons in the content, application, and intent of specified subject areas of the building and fire prevention regulations promulgated by the Board of Housing and Community Development.

14. Administering, in conjunction with the federal government, and promulgating any necessary regulations regarding energy standards for existing buildings as may be required pursuant to federal law.

15. Identifying and disseminating information to local governments about the availability and utilization of federal and state resources.

16. Administering, with the cooperation of the Department of Health, state assistance programs for public water supply systems.

17. Advising the Board on matters relating to policies and programs of the Virginia Housing Trust Fund.

18. Designing and establishing program guidelines to meet the purposes of the Virginia Housing Trust Fund and to carry out the policies and procedures established by the Board.

60 19. Preparing agreements and documents for loans and grants to be made from the Virginia Housing  
61 Trust Fund; soliciting, receiving, reviewing and selecting the applications for which loans and grants are  
62 to be made from such fund; directing the Virginia Housing Development Authority and the Department  
63 as to the closing and disbursing of such loans and grants and as to the servicing and collection of such  
64 loans; directing the Department as to the regulation and monitoring of the ownership, occupancy and  
65 operation of the housing developments and residential housing financed or assisted by such loans and  
66 grants; and providing direction and guidance to the Virginia Housing Development Authority as to the  
67 investment of moneys in such fund.

68 20. Establishing and administering program guidelines for a statewide homeless intervention program.

69 21. Administering 15 percent of the Low Income Home Energy Assistance Program (LIHEAP) Block  
70 Grant and any contingency funds awarded and carry over funds, furnishing home weatherization and  
71 associated services to low-income households within the Commonwealth in accordance with applicable  
72 federal law and regulations.

73 22. Developing a strategy concerning the expansion of affordable, accessible housing for older  
74 Virginians and Virginians with disabilities, including supportive services.

75 23. Serving as the Executive Director of the Commission on Local Government as prescribed in  
76 § 15.2-2901 and perform all other duties of that position as prescribed by law.

77 24. Developing a strategy, in consultation with the Virginia Housing Development Authority, for the  
78 creation and implementation of housing programs and community development for the purpose of  
79 meeting the housing needs of persons who have been released from federal, state, and local correctional  
80 facilities into communities.

81 25. Administering the Private Activity Bonds program in Chapter 50 (§ 15.2-5000 et seq.) of Title  
82 15.2 jointly with the Virginia Small Business Financing Authority and the Virginia Housing  
83 Development Authority.

84 26. Developing a statement of tenant rights and responsibilities explaining in plain language the  
85 rights and responsibilities of tenants under the Virginia Residential Landlord and Tenant Act  
86 (§ 55.1-1200 et seq.) and maintaining such statement on the Department's website. The Director shall  
87 also develop and maintain on the Department's website a printable form to be signed by the parties to a  
88 written rental agreement acknowledging that the tenant has received from the landlord the statement of  
89 tenant rights and responsibilities as required by § 55.1-1204. The Director may at any time amend the  
90 statement of tenant rights and responsibilities and such printable form as the Director deems necessary  
91 and appropriate. The statement of tenant rights and responsibilities shall contain a plain language  
92 explanation of the rights and responsibilities of tenants in at least 14-point type. The statement shall  
93 provide the telephone number and website address for the statewide legal aid organization and direct  
94 tenants with questions about their rights and responsibilities to contact such organization.

95 27. Developing a statement of tenant rights and responsibilities explaining in plain language the  
96 rights and responsibilities of tenants under the Virginia Manufactured Home Lot Rental Act (§ 55.1-1300  
97 et seq.) and maintaining such statement on the Department's website. The Director shall also develop  
98 and maintain on the Department's website a printable form to be signed by the parties to a written rental  
99 agreement acknowledging that the tenant has received from the landlord the statement of tenant rights  
100 and responsibilities as required by § 55.1-1303. The Director may at any time amend the statement of  
101 tenant rights and responsibilities and such printable form as the Director deems necessary and  
102 appropriate. The statement of tenant rights and responsibilities shall contain a plain language explanation  
103 of the rights and responsibilities in at least 14-point type. The statement shall provide the telephone  
104 number and website address for the statewide legal aid organization and direct tenants with questions  
105 about their rights and responsibilities to contact such organization.

106 28. *Developing a sample summary page as described in clause (i) of subsection B of § 55.1-1204*  
107 *with blanks or space for landlords to fill in, as applicable, for the duration of the lease, the amount of*  
108 *rent, the date upon which such rent shall be due, an explanation of any deposits and late fees that may*  
109 *be charged, any termination provisions, and any other information deemed necessary by the Director.*  
110 *The sample summary shall be maintained on the Department's website in at least 14-point type and*  
111 *shall be available in English and any language for which any locality in the Commonwealth regularly*  
112 *provides official government communications.*

113 29. Developing a sample termination notice that includes language referencing acceptance of rent  
114 with reservation by a landlord following a breach of a lease by a tenant in accordance with § 55.1-1250.  
115 The sample termination notice shall be in at least 14-point type and shall be maintained on the  
116 Department's website.

117 ~~29.~~ 30. Developing and operating a Virginia Residential Sites and Structures Locator database to  
118 assist localities in marketing any structures and parcels determined by the locality to be suitable for  
119 future residential or mixed-use development or redevelopment and that are under (i) public ownership,  
120 (ii) public and private ownership, or (iii) private ownership if the owner or owners have authorized the  
121 locality to market the structure or parcel for future residential or mixed-use development or

reddevelopment purposes.

~~30.~~ 31. Conducting a comprehensive statewide housing needs assessment at least every five years, which shall include (i) a review of housing cost burden and instability, supply and demand for affordable rental housing, and supply and demand for affordable for-sale housing and (ii) regional or local profiles that focus on specific housing needs of particular regions or localities.

~~31.~~ 32. Developing a statewide housing plan that reflects the findings of the statewide housing needs assessment conducted pursuant to subdivision ~~30~~ 31, which plan shall include measurable goals and be updated at least every five years to reflect changes in the Commonwealth's housing goals, and providing an annual report to the General Assembly on progress toward meeting the goals identified in such plan and the availability of housing that is accessible to people with disabilities.

~~32.~~ 33. Collecting reports submitted by localities pursuant to § 36-139.9 in any manner prescribed by the Department, including any forms developed by the Department to collect the information required to be reported by the localities pursuant to such section and publishing such reports on its website.

~~33.~~ 34. Carrying out such other duties as may be necessary and convenient to the exercise of powers granted to the Department.

**§ 55.1-1204. Terms and conditions of rental agreement; payment of rent; copy of rental agreement for tenant.**

A. A landlord and tenant may include in a rental agreement terms and conditions not prohibited by this chapter or other rule of law, including rent, charges for late payment of rent, the term of the agreement, automatic renewal of the rental agreement, requirements for notice of intent to vacate or terminate the rental agreement, and other provisions governing the rights and obligations of the parties.

B. A landlord (i) shall ~~offer a prospective tenant~~ *provide an applicant, upon request*, a written rental agreement containing the terms governing the rental of the dwelling unit and setting forth the terms and conditions of the landlord-tenant relationship *and a summary page outlining key rental agreement provisions, including the duration of the lease, the amount of rent and the date upon which such rent shall be due, an explanation of any deposits and late fees that may be charged, and any termination provisions* and (ii) shall provide with ~~it~~ *such rental agreement* the statement of tenant rights and responsibilities developed by the Department of Housing and Community Development and posted on its website pursuant to § 36-139. The parties to a written rental agreement shall sign the form developed by the Department of Housing and Community Development and posted on its website pursuant to § 36-139 acknowledging that the tenant has received from the landlord the statement of tenant rights and responsibilities. The written rental agreement shall be effective upon the date signed by the parties.

If a tenant fails to sign the form available pursuant to this subsection, the landlord shall record the date or dates on which he provided the form to the tenant and the fact that the tenant failed to sign such form. Subsequent to the effective date of the tenancy, a landlord may, but shall not be required to, provide a tenant with and allow such tenant an opportunity to sign the form described pursuant to this subsection. The form shall be current as of the date of delivery.

*A landlord who owns or manages more than four rental dwelling units or more than a 10 percent interest in more than four rental dwelling units, whether individually or through a business entity, in any locality in the Commonwealth that regularly provides official government communications in languages other than English shall be required, upon request of the prospective tenant, to provide the summary page described in clause (i) using the sample summary page developed by the Director of the Department of Housing and Community Development and maintained on the Department's website pursuant to subdivision 28 of § 36-139 in any of such languages.*

C. If a landlord does not offer a written rental agreement, the tenancy shall exist by operation of law, consisting of the following terms and conditions:

1. The provision of this chapter shall be applicable to the dwelling unit that is being rented;  
2. The duration of the rental agreement shall be for 12 months and shall not be subject to automatic renewal, except in the event of a month-to-month lease as otherwise provided for under subsection D of § 55.1-1253;

3. Rent shall be paid in 12 equal periodic installments in an amount agreed upon by the landlord and the tenant and if no amount is agreed upon, the installments shall be at fair market rent;

4. Rent payments shall be due on the first day of each month during the tenancy and shall be considered late if not paid by the fifth of the month;

5. If the rent is paid by the tenant after the fifth day of any given month, the landlord shall be entitled to charge a late charge as provided in this chapter;

6. The landlord may collect a security deposit in an amount that does not exceed a total amount equal to two months of rent; and

7. The parties may enter into a written rental agreement at any time during the 12-month tenancy created by this subsection.

D. Except as provided in the written rental agreement, or as provided in subsection C if no written

183 agreement is offered, rent shall be payable without demand or notice at the time and place agreed upon  
184 by the parties. Except as provided in the written rental agreement, rent is payable at the place designated  
185 by the landlord, and periodic rent is payable at the beginning of any term of one month or less and  
186 otherwise in equal installments at the beginning of each month. If the landlord receives from a tenant a  
187 written request for a written statement of charges and payments, he shall provide the tenant with a  
188 written statement showing all debits and credits over the tenancy or the past 12 months, whichever is  
189 shorter. The landlord shall provide such written statement within 10 business days of receiving the  
190 request.

191 E. A landlord shall not charge a tenant for late payment of rent unless such charge is provided for in  
192 the written rental agreement. No such late charge shall exceed the lesser of 10 percent of the periodic  
193 rent or 10 percent of the remaining balance due and owed by the tenant.

194 F. Except as provided in the written rental agreement or, as provided in subsection C if no written  
195 agreement is offered, the tenancy shall be week-to-week in the case of a tenant who pays weekly rent  
196 and month-to-month in all other cases. Terminations of tenancies shall be governed by § 55.1-1253  
197 unless the rental agreement provides for a different notice period.

198 G. If the rental agreement contains any provision allowing the landlord to approve or disapprove a  
199 sublessee or assignee of the tenant, the landlord shall, within 10 business days of receipt of the written  
200 application of the prospective sublessee or assignee on a form to be provided by the landlord, approve  
201 or disapprove the sublessee or assignee. Failure of the landlord to act within 10 business days is  
202 evidence of his approval.

203 H. The landlord shall provide a copy of any written rental agreement and the statement of tenant  
204 rights and responsibilities to the tenant within one month of the effective date of the written rental  
205 agreement. The failure of the landlord to deliver such a rental agreement and statement shall not affect  
206 the validity of the agreement. However, the landlord shall not file or maintain an action, including any  
207 summons for unlawful detainer, against the tenant in a court of law for any alleged lease violation until  
208 he has provided the tenant with the statement of tenant rights and responsibilities.

209 I. No unilateral change in the terms of a rental agreement by a landlord or tenant shall be valid  
210 unless (i) notice of the change is given in accordance with the terms of the rental agreement or as  
211 otherwise required by law and (ii) both parties consent in writing to the change.

212 J. The landlord shall provide the tenant with a written receipt, upon request from the tenant,  
213 whenever the tenant pays rent in the form of cash or money order.

214 K. A landlord who owns more than four rental dwelling units or more than a 10 percent interest in  
215 more than four rental dwelling units, whether individually or through a business entity, in the  
216 Commonwealth, shall be required to provide written notice to any tenant who has the option to renew a  
217 rental agreement or whose rental agreement contains an automatic renewal provision of any increase in  
218 rent during the subsequent rental agreement term. Such notice shall be provided to the tenant no less  
219 than 60 days prior to the end of the rental agreement term. This subsection shall not apply to any  
220 periodic tenancy created pursuant to subsection C of § 55.1-1253.