

**Department of Planning and Budget
2025 General Assembly Session
State Fiscal Impact Statement**

PUBLISHED: 1/21/2025 4:32 PM

ORIGINAL

Bill Number: SB1128

Patron: Lucas

Bill Title: Department of Housing and Community Development; Virginia Residential Landlord and Tenant Act; affordable housing; criminal record screening model policy.

Bill Summary: Requires the Director of the Department of Housing and Community Development, with input from a stakeholder group convened by the Department of Housing and Community Development, to develop a criminal record screening model policy for admitting or denying an applicant for affordable housing covered under the Virginia Residential Landlord and Tenant Act in accordance with the U.S. Department of Housing and Urban Development’s guidance on the application of the federal Fair Housing Act and maintain such model policy on its website. The bill prohibits a landlord of an affordable housing unit from basing an adverse action, in whole or in part, solely on an applicant’s criminal or arrest record unless the landlord does so in accordance with the criminal record screening model policy developed by the Department of Housing and Community Development and posted on its website and provides the applicant with a written copy of such policy.

Budget Amendment Necessary: No

Items Impacted: N/A

Explanation: This bill involves the Department of Housing and Community Development (DHCD) and the Courts. See Fiscal Analysis section, below.

Fiscal Summary: DHCD indicates that the requirements of this bill can be absorbed within current resources. However, the cumulative impact of this and other bills pertaining to stakeholder work groups and task forces may result in an unabsorbable fiscal impact.

General Fund Expenditure Impact:

<u>Agency</u>	<u>FY2025</u>	<u>FY2026</u>	<u>FY2027</u>	<u>FY2028</u>	<u>FY2029</u>	<u>FY2030</u>
DHCD	\$0	\$10,000	\$0	\$0	\$0	\$0
TOTAL	\$0	\$10,000	\$0	\$0	\$0	\$0

Fiscal Analysis: The agency anticipates that this bill will require approximately 10 persons to convene four times, with an estimated cost of \$10,000 in FY2026. DHCD’s estimate is based on anticipated meetings, which may be in-person, requiring supplies, travel, and sustenance reimbursement. Existing agency staff is to provide administrative support.

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Any impact to the Courts as a result of this bill is indeterminate, as it depends on the number of parties that pursue damages. Cumulatively, this bill and similar proposed legislation may result in a nonabsorbable impact to the Courts.

Other: None.