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HOUSE BILL NO. 1725

AMENDMENT IN THE NATURE OF A SUBSTITUTE
 (Proposed by the House Committee on Labor and Commerce
 on January 23, 2025)

(Patron Prior to Substitute—Delegate Delaney)

A BILL to amend and reenact § 59.1-200, as it is currently effective and as it shall become effective, of the Code of Virginia and to amend the Code of Virginia by adding in Title 59.1 a chapter numbered 58, consisting of sections numbered 59.1-607 through 59.1-610, relating to Medical Debt Protection Act established; prohibited practices; penalties.

Be it enacted by the General Assembly of Virginia:

1. That § 59.1-200, as it is currently effective and as it shall become effective, of the Code of Virginia is amended and reenacted and that the Code of Virginia is amended by adding in Title 59.1 a chapter numbered 58, consisting of sections numbered 59.1-607 through 59.1-610, as follows:

§ 59.1-200. (Effective until July 1, 2025) Prohibited practices.

A. The following fraudulent acts or practices committed by a supplier in connection with a consumer transaction are hereby declared unlawful:

1. Misrepresenting goods or services as those of another;
2. Misrepresenting the source, sponsorship, approval, or certification of goods or services;
3. Misrepresenting the affiliation, connection, or association of the supplier, or of the goods or services, with another;
4. Misrepresenting geographic origin in connection with goods or services;
5. Misrepresenting that goods or services have certain quantities, characteristics, ingredients, uses, or benefits;
6. Misrepresenting that goods or services are of a particular standard, quality, grade, style, or model;
7. Advertising or offering for sale goods that are used, secondhand, repossessed, defective, blemished, deteriorated, or reconditioned, or that are "seconds," irregulars, imperfections, or "not first class," without clearly and unequivocally indicating in the advertisement or offer for sale that the goods are used, secondhand, repossessed, defective, blemished, deteriorated, reconditioned, or are "seconds," irregulars, imperfections, or "not first class";
8. Advertising goods or services with intent not to sell them as advertised, or with intent not to sell at the price or upon the terms advertised.

In any action brought under this subdivision, the refusal by any person, or any employee, agent, or servant thereof, to sell any goods or services advertised or offered for sale at the price or upon the terms advertised or offered, shall be prima facie evidence of a violation of this subdivision. This paragraph shall not apply when it is clearly and conspicuously stated in the advertisement or offer by which such goods or services are advertised or offered for sale, that the supplier or offeror has a limited quantity or amount of such goods or services for sale, and the supplier or offeror at the time of such advertisement or offer did in fact have or reasonably expected to have at least such quantity or amount for sale;

9. Making false or misleading statements of fact concerning the reasons for, existence of, or amounts of price reductions;

10. Misrepresenting that repairs, alterations, modifications, or services have been performed or parts installed;

11. Misrepresenting by the use of any written or documentary material that appears to be an invoice or bill for merchandise or services previously ordered;

12. Notwithstanding any other provision of law, using in any manner the words "wholesale," "wholesaler," "factory," or "manufacturer" in the supplier's name, or to describe the nature of the supplier's business, unless the supplier is actually engaged primarily in selling at wholesale or in manufacturing the goods or services advertised or offered for sale;

13. Using in any contract or lease any liquidated damage clause, penalty clause, or waiver of defense, or attempting to collect any liquidated damages or penalties under any clause, waiver, damages, or penalties that are void or unenforceable under any otherwise applicable laws of the Commonwealth, or under federal statutes or regulations;

13a. Failing to provide to a consumer, or failing to use or include in any written document or material provided to or executed by a consumer, in connection with a consumer transaction any statement, disclosure, notice, or other information however characterized when the supplier is required by 16 C.F.R. Part 433 to so provide, use, or include the statement, disclosure, notice, or other information in connection with the consumer transaction;

14. Using any other deception, fraud, false pretense, false promise, or misrepresentation in connection with a consumer transaction;

15. Violating any provision of § 3.2-6509, 3.2-6512, 3.2-6513, 3.2-6513.1, 3.2-6514, 3.2-6515, 3.2-6516, or 3.2-6519 is a violation of this chapter;
16. Failing to disclose all conditions, charges, or fees relating to:
- a. The return of goods for refund, exchange, or credit. Such disclosure shall be by means of a sign attached to the goods, or placed in a conspicuous public area of the premises of the supplier, so as to be readily noticeable and readable by the person obtaining the goods from the supplier. If the supplier does not permit a refund, exchange, or credit for return, he shall so state on a similar sign. The provisions of this subdivision shall not apply to any retail merchant who has a policy of providing, for a period of not less than 20 days after date of purchase, a cash refund or credit to the purchaser's credit card account for the return of defective, unused, or undamaged merchandise upon presentation of proof of purchase. In the case of merchandise paid for by check, the purchase shall be treated as a cash purchase and any refund may be delayed for a period of 10 banking days to allow for the check to clear. This subdivision does not apply to sale merchandise that is obviously distressed, out of date, post season, or otherwise reduced for clearance; nor does this subdivision apply to special order purchases where the purchaser has requested the supplier to order merchandise of a specific or unusual size, color, or brand not ordinarily carried in the store or the store's catalog; nor shall this subdivision apply in connection with a transaction for the sale or lease of motor vehicles, farm tractors, or motorcycles as defined in § 46.2-100;
- b. A layaway agreement. Such disclosure shall be furnished to the consumer (i) in writing at the time of the layaway agreement, or (ii) by means of a sign placed in a conspicuous public area of the premises of the supplier, so as to be readily noticeable and readable by the consumer, or (iii) on the bill of sale. Disclosure shall include the conditions, charges, or fees in the event that a consumer breaches the agreement;
- 16a. Failing to provide written notice to a consumer of an existing open-end credit balance in excess of \$5 (i) on an account maintained by the supplier and (ii) resulting from such consumer's overpayment on such account. Suppliers shall give consumers written notice of such credit balances within 60 days of receiving overpayments. If the credit balance information is incorporated into statements of account furnished consumers by suppliers within such 60-day period, no separate or additional notice is required;
17. If a supplier enters into a written agreement with a consumer to resolve a dispute that arises in connection with a consumer transaction, failing to adhere to the terms and conditions of such an agreement;
18. Violating any provision of the Virginia Health Club Act, Chapter 24 (§ 59.1-294 et seq.);
19. Violating any provision of the Virginia Home Solicitation Sales Act, Chapter 2.1 (§ 59.1-21.1 et seq.);
20. Violating any provision of the Automobile Repair Facilities Act, Chapter 17.1 (§ 59.1-207.1 et seq.);
21. Violating any provision of the Virginia Lease-Purchase Agreement Act, Chapter 17.4 (§ 59.1-207.17 et seq.);
22. Violating any provision of the Prizes and Gifts Act, Chapter 31 (§ 59.1-415 et seq.);
23. Violating any provision of the Virginia Public Telephone Information Act, Chapter 32 (§ 59.1-424 et seq.);
24. Violating any provision of § 54.1-1505;
25. Violating any provision of the Motor Vehicle Manufacturers' Warranty Adjustment Act, Chapter 17.6 (§ 59.1-207.34 et seq.);
26. Violating any provision of § 3.2-5627, relating to the pricing of merchandise;
27. Violating any provision of the Pay-Per-Call Services Act, Chapter 33 (§ 59.1-429 et seq.);
28. Violating any provision of the Extended Service Contract Act, Chapter 34 (§ 59.1-435 et seq.);
29. Violating any provision of the Virginia Membership Camping Act, Chapter 25 (§ 59.1-311 et seq.);
30. Violating any provision of the Comparison Price Advertising Act, Chapter 17.7 (§ 59.1-207.40 et seq.);
31. Violating any provision of the Virginia Travel Club Act, Chapter 36 (§ 59.1-445 et seq.);
32. Violating any provision of §§ 46.2-1231 and 46.2-1233.1;
33. Violating any provision of Chapter 40 (§ 54.1-4000 et seq.) of Title 54.1;
34. Violating any provision of Chapter 10.1 (§ 58.1-1031 et seq.) of Title 58.1;
35. Using the consumer's social security number as the consumer's account number with the supplier, if the consumer has requested in writing that the supplier use an alternate number not associated with the consumer's social security number;
36. Violating any provision of Chapter 18 (§ 6.2-1800 et seq.) of Title 6.2;
37. Violating any provision of § 8.01-40.2;
38. Violating any provision of Article 7 (§ 32.1-212 et seq.) of Chapter 6 of Title 32.1;
39. Violating any provision of Chapter 34.1 (§ 59.1-441.1 et seq.);
40. Violating any provision of Chapter 20 (§ 6.2-2000 et seq.) of Title 6.2;
41. Violating any provision of the Virginia Post-Disaster Anti-Price Gouging Act, Chapter 46 (§ 59.1-525 et seq.). For the purposes of this subdivision, "consumer transaction" has the same meaning as provided in § 59.1-526;
42. Violating any provision of Chapter 47 (§ 59.1-530 et seq.);
43. Violating any provision of § 59.1-443.2;

- 122 44. Violating any provision of Chapter 48 (§ 59.1-533 et seq.);
 123 45. Violating any provision of Chapter 25 (§ 6.2-2500 et seq.) of Title 6.2;
 124 46. Violating the provisions of clause (i) of subsection B of § 54.1-1115;
 125 47. Violating any provision of § 18.2-239;
 126 48. Violating any provision of Chapter 26 (§ 59.1-336 et seq.);
 127 49. Selling, offering for sale, or manufacturing for sale a children's product the supplier knows or has
 128 reason to know was recalled by the U.S. Consumer Product Safety Commission. There is a rebuttable
 129 presumption that a supplier has reason to know a children's product was recalled if notice of the recall has
 130 been posted continuously at least 30 days before the sale, offer for sale, or manufacturing for sale on the
 131 website of the U.S. Consumer Product Safety Commission. This prohibition does not apply to children's
 132 products that are used, secondhand or "seconds";
 133 50. Violating any provision of Chapter 44.1 (§ 59.1-518.1 et seq.);
 134 51. Violating any provision of Chapter 22 (§ 6.2-2200 et seq.) of Title 6.2;
 135 52. Violating any provision of § 8.2-317.1;
 136 53. Violating subsection A of § 9.1-149.1;
 137 54. Selling, offering for sale, or using in the construction, remodeling, or repair of any residential dwelling
 138 in the Commonwealth, any drywall that the supplier knows or has reason to know is defective drywall. This
 139 subdivision shall not apply to the sale or offering for sale of any building or structure in which defective
 140 drywall has been permanently installed or affixed;
 141 55. Engaging in fraudulent or improper or dishonest conduct as defined in § 54.1-1118 while engaged in a
 142 transaction that was initiated (i) during a declared state of emergency as defined in § 44-146.16 or (ii) to
 143 repair damage resulting from the event that prompted the declaration of a state of emergency, regardless of
 144 whether the supplier is licensed as a contractor in the Commonwealth pursuant to Chapter 11 (§ 54.1-1100 et
 145 seq.) of Title 54.1;
 146 56. Violating any provision of Chapter 33.1 (§ 59.1-434.1 et seq.);
 147 57. Violating any provision of § 18.2-178, 18.2-178.1, or 18.2-200.1;
 148 58. Violating any provision of Chapter 17.8 (§ 59.1-207.45 et seq.). For the purposes of this subdivision,
 149 "consumer transaction" also includes transactions involving an automatic renewal or continuous service offer
 150 by a supplier to a small business, as those terms are defined in § 59.1-207.45;
 151 59. Violating any provision of subsection E of § 32.1-126;
 152 60. Violating any provision of § 54.1-111 relating to the unlicensed practice of a profession licensed under
 153 Chapter 11 (§ 54.1-1100 et seq.) or Chapter 21 (§ 54.1-2100 et seq.) of Title 54.1;
 154 61. Violating any provision of § 2.2-2001.5;
 155 62. Violating any provision of Chapter 5.2 (§ 54.1-526 et seq.) of Title 54.1;
 156 63. Violating any provision of § 6.2-312;
 157 64. Violating any provision of Chapter 20.1 (§ 6.2-2026 et seq.) of Title 6.2;
 158 65. Violating any provision of Chapter 26 (§ 6.2-2600 et seq.) of Title 6.2;
 159 66. Violating any provision of Chapter 54 (§ 59.1-586 et seq.);
 160 67. Knowingly violating any provision of § 8.01-27.5;
 161 68. Failing to, in accordance with § 59.1-207.46, (i) make available a conspicuous online option to cancel
 162 a recurring purchase of a good or service or (ii) with respect to a free trial lasting more than 30 days, notify a
 163 consumer of his option to cancel such free trial within 30 days of the end of the trial period to avoid an
 164 obligation to pay for the goods or services;
 165 69. Selling or offering for sale any substance intended for human consumption, orally or by inhalation,
 166 that contains a synthetic derivative of tetrahydrocannabinol. As used in this subdivision, "synthetic
 167 derivative" means a chemical compound produced by man through a chemical transformation to turn a
 168 compound into a different compound by adding or subtracting molecules to or from the original compound.
 169 This subdivision shall not (i) apply to products that are approved for marketing by the U.S. Food and Drug
 170 Administration and scheduled in the Drug Control Act (§ 54.1-3400 et seq.) or (ii) be construed to prohibit
 171 any conduct permitted under Chapter 16 (§ 4.1-1600 et seq.) of Title 4.1;
 172 70. Selling or offering for sale to a person younger than 21 years of age any substance intended for human
 173 consumption, orally or by inhalation, that contains tetrahydrocannabinol. This subdivision shall not (i) apply
 174 to products that are approved for marketing by the U.S. Food and Drug Administration and scheduled in the
 175 Drug Control Act (§ 54.1-3400 et seq.) or (ii) be construed to prohibit any conduct permitted under Chapter
 176 16 (§ 4.1-1600 et seq.) of Title 4.1;
 177 71. Selling or offering for sale any substance intended for human consumption, orally or by inhalation,
 178 that contains tetrahydrocannabinol, unless such substance is (i) contained in child-resistant packaging, as
 179 defined in § 4.1-600; (ii) equipped with a label that states, in English and in a font no less than 1/16 of an
 180 inch, (a) that the substance contains tetrahydrocannabinol and may not be sold to persons younger than 21
 181 years of age, (b) all ingredients contained in the substance, (c) the amount of such substance that constitutes a
 182 single serving, and (d) the total percentage and milligrams of tetrahydrocannabinol included in the substance

183 and the number of milligrams of tetrahydrocannabinol that are contained in each serving; and (iii)
184 accompanied by a certificate of analysis, produced by an independent laboratory that is accredited pursuant to
185 standard ISO/IEC 17025 of the International Organization of Standardization by a third-party accrediting
186 body, that states the tetrahydrocannabinol concentration of the substance or the tetrahydrocannabinol
187 concentration of the batch from which the substance originates. This subdivision shall not (i) apply to
188 products that are approved for marketing by the U.S. Food and Drug Administration and scheduled in the
189 Drug Control Act (§ 54.1-3400 et seq.) or (ii) be construed to prohibit any conduct permitted under Chapter
190 16 (§ 4.1-1600 et seq.) of Title 4.1;

191 72. Manufacturing, offering for sale at retail, or selling at retail an industrial hemp extract, as defined in §
192 3.2-5145.1, a food containing an industrial hemp extract, or a substance containing tetrahydrocannabinol that
193 depicts or is in the shape of a human, animal, vehicle, or fruit;

194 73. Selling or offering for sale any substance intended for human consumption, orally or by inhalation,
195 that contains tetrahydrocannabinol and, without authorization, bears, is packaged in a container or wrapper
196 that bears, or is otherwise labeled to bear the trademark, trade name, famous mark as defined in 15 U.S.C. §
197 1125, or other identifying mark, imprint, or device, or any likeness thereof, of a manufacturer, processor,
198 packer, or distributor of a product intended for human consumption other than the manufacturer, processor,
199 packer, or distributor that did in fact so manufacture, process, pack, or distribute such substance;

200 74. Selling or offering for sale a topical hemp product, as defined in § 3.2-4112, that does not include a
201 label stating that the product is not intended for human consumption. This subdivision shall not (i) apply to
202 products that are approved for marketing by the U.S. Food and Drug Administration and scheduled in the
203 Drug Control Act (§ 54.1-3400 et seq.), (ii) be construed to prohibit any conduct permitted under Chapter 16
204 (§ 4.1-1600 et seq.) of Title 4.1, or (iii) apply to topical hemp products that were manufactured prior to July
205 1, 2023, provided that the person provides documentation of the date of manufacture if requested;

206 75. Violating any provision of § 59.1-466.8;

207 76. Violating subsection F of § 36-96.3:1;

208 77. Selling or offering for sale (i) any kratom product to a person younger than 21 years of age or (ii) any
209 kratom product that does not include a label listing all ingredients and with the following guidance: "This
210 product may be harmful to your health, has not been evaluated by the FDA, and is not intended to diagnose,
211 treat, cure, or prevent any disease." As used in this subdivision, "kratom" means any part of the leaf of the
212 plant *Mitragyna speciosa* or any extract thereof;

213 78. Advertising of any ignition interlock system in Virginia by an ignition interlock vendor not approved
214 by the Commission on the Virginia Alcohol Safety Action Program to operate in Virginia; targeted
215 advertising of any ignition interlock system to a person before determination of guilt; and any advertising,
216 whether before or after determination of guilt, without a conspicuous statement that such advertisement is not
217 affiliated with any government agency. For purposes of this subdivision, "ignition interlock system" has the
218 same meaning as ascribed to that term in § 18.2-270.1 and "targeted advertising" has the same meaning
219 ascribed to that term in § 59.1-575 and includes direct mailings to an individual. This provision shall not
220 apply to ignition interlock service vendor ads, pamphlets, or kiosk advertisements approved by the
221 Commission on the Virginia Alcohol Safety Action Program and provided at a Commission-approved
222 location;

223 79. Failing to disclose the total cost of a good or continuous service, as defined in § 59.1-207.45, to a
224 consumer, including any mandatory fees or charges, prior to entering into an agreement for the sale of any
225 such good or provision of any such continuous service;

226 80. Violating any provision of the Unfair Real Estate Service Agreement Act (§ 55.1-3200 et seq.);

227 81. Selling or offering for sale services as a professional mold remediator to be performed upon any
228 residential dwelling without holding a mold remediation certification from the Institute of Inspection,
229 Cleaning and Restoration Certification (IICRC); ~~and~~

230 82. Willfully violating any provision of § 59.1-444.4; *and*

231 83. *Violating any provision of the Medical Debt Protection Act (§ 59.1-607 et seq.).*

232 B. Nothing in this section shall be construed to invalidate or make unenforceable any contract or lease
233 solely by reason of the failure of such contract or lease to comply with any other law of the Commonwealth
234 or any federal statute or regulation, to the extent such other law, statute, or regulation provides that a violation
235 of such law, statute, or regulation shall not invalidate or make unenforceable such contract or lease.

236 **§ 59.1-200. (Effective July 1, 2025) Prohibited practices.**

237 A. The following fraudulent acts or practices committed by a supplier in connection with a consumer
238 transaction are hereby declared unlawful:

239 1. Misrepresenting goods or services as those of another;

240 2. Misrepresenting the source, sponsorship, approval, or certification of goods or services;

241 3. Misrepresenting the affiliation, connection, or association of the supplier, or of the goods or services,
242 with another;

243 4. Misrepresenting geographic origin in connection with goods or services;

244 5. Misrepresenting that goods or services have certain quantities, characteristics, ingredients, uses, or

benefits;

6. Misrepresenting that goods or services are of a particular standard, quality, grade, style, or model;

7. Advertising or offering for sale goods that are used, secondhand, repossessed, defective, blemished, deteriorated, or reconditioned, or that are "seconds," irregulars, imperfects, or "not first class," without clearly and unequivocally indicating in the advertisement or offer for sale that the goods are used, secondhand, repossessed, defective, blemished, deteriorated, reconditioned, or are "seconds," irregulars, imperfects, or "not first class";

8. Advertising goods or services with intent not to sell them as advertised, or with intent not to sell at the price or upon the terms advertised.

In any action brought under this subdivision, the refusal by any person, or any employee, agent, or servant thereof, to sell any goods or services advertised or offered for sale at the price or upon the terms advertised or offered, shall be prima facie evidence of a violation of this subdivision. This paragraph shall not apply when it is clearly and conspicuously stated in the advertisement or offer by which such goods or services are advertised or offered for sale, that the supplier or offeror has a limited quantity or amount of such goods or services for sale, and the supplier or offeror at the time of such advertisement or offer did in fact have or reasonably expected to have at least such quantity or amount for sale;

9. Making false or misleading statements of fact concerning the reasons for, existence of, or amounts of price reductions;

10. Misrepresenting that repairs, alterations, modifications, or services have been performed or parts installed;

11. Misrepresenting by the use of any written or documentary material that appears to be an invoice or bill for merchandise or services previously ordered;

12. Notwithstanding any other provision of law, using in any manner the words "wholesale," "wholesaler," "factory," or "manufacturer" in the supplier's name, or to describe the nature of the supplier's business, unless the supplier is actually engaged primarily in selling at wholesale or in manufacturing the goods or services advertised or offered for sale;

13. Using in any contract or lease any liquidated damage clause, penalty clause, or waiver of defense, or attempting to collect any liquidated damages or penalties under any clause, waiver, damages, or penalties that are void or unenforceable under any otherwise applicable laws of the Commonwealth, or under federal statutes or regulations;

13a. Failing to provide to a consumer, or failing to use or include in any written document or material provided to or executed by a consumer, in connection with a consumer transaction any statement, disclosure, notice, or other information however characterized when the supplier is required by 16 C.F.R. Part 433 to so provide, use, or include the statement, disclosure, notice, or other information in connection with the consumer transaction;

14. Using any other deception, fraud, false pretense, false promise, or misrepresentation in connection with a consumer transaction;

15. Violating any provision of § 3.2-6509, 3.2-6512, 3.2-6513, 3.2-6513.1, 3.2-6514, 3.2-6515, 3.2-6516, or 3.2-6519 is a violation of this chapter;

16. Failing to disclose all conditions, charges, or fees relating to:

a. The return of goods for refund, exchange, or credit. Such disclosure shall be by means of a sign attached to the goods, or placed in a conspicuous public area of the premises of the supplier, so as to be readily noticeable and readable by the person obtaining the goods from the supplier. If the supplier does not permit a refund, exchange, or credit for return, he shall so state on a similar sign. The provisions of this subdivision shall not apply to any retail merchant who has a policy of providing, for a period of not less than 20 days after date of purchase, a cash refund or credit to the purchaser's credit card account for the return of defective, unused, or undamaged merchandise upon presentation of proof of purchase. In the case of merchandise paid for by check, the purchase shall be treated as a cash purchase and any refund may be delayed for a period of 10 banking days to allow for the check to clear. This subdivision does not apply to sale merchandise that is obviously distressed, out of date, post season, or otherwise reduced for clearance; nor does this subdivision apply to special order purchases where the purchaser has requested the supplier to order merchandise of a specific or unusual size, color, or brand not ordinarily carried in the store or the store's catalog; nor shall this subdivision apply in connection with a transaction for the sale or lease of motor vehicles, farm tractors, or motorcycles as defined in § 46.2-100;

b. A layaway agreement. Such disclosure shall be furnished to the consumer (i) in writing at the time of the layaway agreement, or (ii) by means of a sign placed in a conspicuous public area of the premises of the supplier, so as to be readily noticeable and readable by the consumer, or (iii) on the bill of sale. Disclosure shall include the conditions, charges, or fees in the event that a consumer breaches the agreement;

16a. Failing to provide written notice to a consumer of an existing open-end credit balance in excess of \$5 (i) on an account maintained by the supplier and (ii) resulting from such consumer's overpayment on such account. Suppliers shall give consumers written notice of such credit balances within 60 days of receiving

overpayments. If the credit balance information is incorporated into statements of account furnished consumers by suppliers within such 60-day period, no separate or additional notice is required;

17. If a supplier enters into a written agreement with a consumer to resolve a dispute that arises in connection with a consumer transaction, failing to adhere to the terms and conditions of such an agreement;

18. Violating any provision of the Virginia Health Club Act, Chapter 24 (§ 59.1-294 et seq.);

19. Violating any provision of the Virginia Home Solicitation Sales Act, Chapter 2.1 (§ 59.1-21.1 et seq.);

20. Violating any provision of the Automobile Repair Facilities Act, Chapter 17.1 (§ 59.1-207.1 et seq.);

21. Violating any provision of the Virginia Lease-Purchase Agreement Act, Chapter 17.4 (§ 59.1-207.17 et seq.);

22. Violating any provision of the Prizes and Gifts Act, Chapter 31 (§ 59.1-415 et seq.);

23. Violating any provision of the Virginia Public Telephone Information Act, Chapter 32 (§ 59.1-424 et seq.);

24. Violating any provision of § 54.1-1505;

25. Violating any provision of the Motor Vehicle Manufacturers' Warranty Adjustment Act, Chapter 17.6 (§ 59.1-207.34 et seq.);

26. Violating any provision of § 3.2-5627, relating to the pricing of merchandise;

27. Violating any provision of the Pay-Per-Call Services Act, Chapter 33 (§ 59.1-429 et seq.);

28. Violating any provision of the Extended Service Contract Act, Chapter 34 (§ 59.1-435 et seq.);

29. Violating any provision of the Virginia Membership Camping Act, Chapter 25 (§ 59.1-311 et seq.);

30. Violating any provision of the Comparison Price Advertising Act, Chapter 17.7 (§ 59.1-207.40 et seq.);

31. Violating any provision of the Virginia Travel Club Act, Chapter 36 (§ 59.1-445 et seq.);

32. Violating any provision of §§ 46.2-1231 and 46.2-1233.1;

33. Violating any provision of Chapter 40 (§ 54.1-4000 et seq.) of Title 54.1;

34. Violating any provision of Chapter 10.1 (§ 58.1-1031 et seq.) of Title 58.1;

35. Using the consumer's social security number as the consumer's account number with the supplier, if the consumer has requested in writing that the supplier use an alternate number not associated with the consumer's social security number;

36. Violating any provision of Chapter 18 (§ 6.2-1800 et seq.) of Title 6.2;

37. Violating any provision of § 8.01-40.2;

38. Violating any provision of Article 7 (§ 32.1-212 et seq.) of Chapter 6 of Title 32.1;

39. Violating any provision of Chapter 34.1 (§ 59.1-441.1 et seq.);

40. Violating any provision of Chapter 20 (§ 6.2-2000 et seq.) of Title 6.2;

41. Violating any provision of the Virginia Post-Disaster Anti-Price Gouging Act, Chapter 46 (§ 59.1-525 et seq.). For the purposes of this subdivision, "consumer transaction" has the same meaning as provided in § 59.1-526;

42. Violating any provision of Chapter 47 (§ 59.1-530 et seq.);

43. Violating any provision of § 59.1-443.2;

44. Violating any provision of Chapter 48 (§ 59.1-533 et seq.);

45. Violating any provision of Chapter 25 (§ 6.2-2500 et seq.) of Title 6.2;

46. Violating the provisions of clause (i) of subsection B of § 54.1-1115;

47. Violating any provision of § 18.2-239;

48. Violating any provision of Chapter 26 (§ 59.1-336 et seq.);

49. Selling, offering for sale, or manufacturing for sale a children's product the supplier knows or has reason to know was recalled by the U.S. Consumer Product Safety Commission. There is a rebuttable presumption that a supplier has reason to know a children's product was recalled if notice of the recall has been posted continuously at least 30 days before the sale, offer for sale, or manufacturing for sale on the website of the U.S. Consumer Product Safety Commission. This prohibition does not apply to children's products that are used, secondhand or "seconds";

50. Violating any provision of Chapter 44.1 (§ 59.1-518.1 et seq.);

51. Violating any provision of Chapter 22 (§ 6.2-2200 et seq.) of Title 6.2;

52. Violating any provision of § 8.2-317.1;

53. Violating subsection A of § 9.1-149.1;

54. Selling, offering for sale, or using in the construction, remodeling, or repair of any residential dwelling in the Commonwealth, any drywall that the supplier knows or has reason to know is defective drywall. This subdivision shall not apply to the sale or offering for sale of any building or structure in which defective drywall has been permanently installed or affixed;

55. Engaging in fraudulent or improper or dishonest conduct as defined in § 54.1-1118 while engaged in a transaction that was initiated (i) during a declared state of emergency as defined in § 44-146.16 or (ii) to repair damage resulting from the event that prompted the declaration of a state of emergency, regardless of whether the supplier is licensed as a contractor in the Commonwealth pursuant to Chapter 11 (§ 54.1-1100 et

seq.) of Title 54.1;

56. Violating any provision of Chapter 33.1 (§ 59.1-434.1 et seq.);

57. Violating any provision of § 18.2-178, 18.2-178.1, or 18.2-200.1;

58. Violating any provision of Chapter 17.8 (§ 59.1-207.45 et seq.). For the purposes of this subdivision, "consumer transaction" also includes transactions involving an automatic renewal or continuous service offer by a supplier to a small business, as those terms are defined in § 59.1-207.45;

59. Violating any provision of subsection E of § 32.1-126;

60. Violating any provision of § 54.1-111 relating to the unlicensed practice of a profession licensed under Chapter 11 (§ 54.1-1100 et seq.) or Chapter 21 (§ 54.1-2100 et seq.) of Title 54.1;

61. Violating any provision of § 2.2-2001.5;

62. Violating any provision of Chapter 5.2 (§ 54.1-526 et seq.) of Title 54.1;

63. Violating any provision of § 6.2-312;

64. Violating any provision of Chapter 20.1 (§ 6.2-2026 et seq.) of Title 6.2;

65. Violating any provision of Chapter 26 (§ 6.2-2600 et seq.) of Title 6.2;

66. Violating any provision of Chapter 54 (§ 59.1-586 et seq.);

67. Knowingly violating any provision of § 8.01-27.5;

68. Failing to, in accordance with § 59.1-207.46, (i) make available a conspicuous online option to cancel a recurring purchase of a good or service or (ii) with respect to a free trial lasting more than 30 days, notify a consumer of his option to cancel such free trial within 30 days of the end of the trial period to avoid an obligation to pay for the goods or services;

69. Selling or offering for sale any substance intended for human consumption, orally or by inhalation, that contains a synthetic derivative of tetrahydrocannabinol. As used in this subdivision, "synthetic derivative" means a chemical compound produced by man through a chemical transformation to turn a compound into a different compound by adding or subtracting molecules to or from the original compound. This subdivision shall not (i) apply to products that are approved for marketing by the U.S. Food and Drug Administration and scheduled in the Drug Control Act (§ 54.1-3400 et seq.) or (ii) be construed to prohibit any conduct permitted under Chapter 16 (§ 4.1-1600 et seq.) of Title 4.1;

70. Selling or offering for sale to a person younger than 21 years of age any substance intended for human consumption, orally or by inhalation, that contains tetrahydrocannabinol. This subdivision shall not (i) apply to products that are approved for marketing by the U.S. Food and Drug Administration and scheduled in the Drug Control Act (§ 54.1-3400 et seq.) or (ii) be construed to prohibit any conduct permitted under Chapter 16 (§ 4.1-1600 et seq.) of Title 4.1;

71. Selling or offering for sale any substance intended for human consumption, orally or by inhalation, that contains tetrahydrocannabinol, unless such substance is (i) contained in child-resistant packaging, as defined in § 4.1-600; (ii) equipped with a label that states, in English and in a font no less than 1/16 of an inch, (a) that the substance contains tetrahydrocannabinol and may not be sold to persons younger than 21 years of age, (b) all ingredients contained in the substance, (c) the amount of such substance that constitutes a single serving, and (d) the total percentage and milligrams of tetrahydrocannabinol included in the substance and the number of milligrams of tetrahydrocannabinol that are contained in each serving; and (iii) accompanied by a certificate of analysis, produced by an independent laboratory that is accredited pursuant to standard ISO/IEC 17025 of the International Organization of Standardization by a third-party accrediting body, that states the tetrahydrocannabinol concentration of the substance or the tetrahydrocannabinol concentration of the batch from which the substance originates. This subdivision shall not (i) apply to products that are approved for marketing by the U.S. Food and Drug Administration and scheduled in the Drug Control Act (§ 54.1-3400 et seq.) or (ii) be construed to prohibit any conduct permitted under Chapter 16 (§ 4.1-1600 et seq.) of Title 4.1;

72. Manufacturing, offering for sale at retail, or selling at retail an industrial hemp extract, as defined in § 3.2-5145.1, a food containing an industrial hemp extract, or a substance containing tetrahydrocannabinol that depicts or is in the shape of a human, animal, vehicle, or fruit;

73. Selling or offering for sale any substance intended for human consumption, orally or by inhalation, that contains tetrahydrocannabinol and, without authorization, bears, is packaged in a container or wrapper that bears, or is otherwise labeled to bear the trademark, trade name, famous mark as defined in 15 U.S.C. § 1125, or other identifying mark, imprint, or device, or any likeness thereof, of a manufacturer, processor, packer, or distributor of a product intended for human consumption other than the manufacturer, processor, packer, or distributor that did in fact so manufacture, process, pack, or distribute such substance;

74. Selling or offering for sale a topical hemp product, as defined in § 3.2-4112, that does not include a label stating that the product is not intended for human consumption. This subdivision shall not (i) apply to products that are approved for marketing by the U.S. Food and Drug Administration and scheduled in the Drug Control Act (§ 54.1-3400 et seq.), (ii) be construed to prohibit any conduct permitted under Chapter 16 (§ 4.1-1600 et seq.) of Title 4.1, or (iii) apply to topical hemp products that were manufactured prior to July 1, 2023, provided that the person provides documentation of the date of manufacture if requested;

75. Violating any provision of § 59.1-466.8;

76. Violating subsection F of § 36-96.3:1;

77. Selling or offering for sale (i) any kratom product to a person younger than 21 years of age or (ii) any kratom product that does not include a label listing all ingredients and with the following guidance: "This product may be harmful to your health, has not been evaluated by the FDA, and is not intended to diagnose, treat, cure, or prevent any disease." As used in this subdivision, "kratom" means any part of the leaf of the plant *Mitragyna speciosa* or any extract thereof;

78. Advertising of any ignition interlock system in Virginia by an ignition interlock vendor not approved by the Commission on the Virginia Alcohol Safety Action Program to operate in Virginia; targeted advertising of any ignition interlock system to a person before determination of guilt; and any advertising, whether before or after determination of guilt, without a conspicuous statement that such advertisement is not affiliated with any government agency. For purposes of this subdivision, "ignition interlock system" has the same meaning as ascribed to that term in § 18.2-270.1 and "targeted advertising" has the same meaning ascribed to that term in § 59.1-575 and includes direct mailings to an individual. This provision shall not apply to ignition interlock service vendor ads, pamphlets, or kiosk advertisements approved by the Commission on the Virginia Alcohol Safety Action Program and provided at a Commission-approved location;

79. Failing to disclose the total cost of a good or continuous service, as defined in § 59.1-207.45, to a consumer, including any mandatory fees or charges, prior to entering into an agreement for the sale of any such good or provision of any such continuous service;

80. Violating any provision of the Unfair Real Estate Service Agreement Act (§ 55.1-3200 et seq.);

81. Selling or offering for sale services as a professional mold remediator to be performed upon any residential dwelling without holding a mold remediation certification from the Institute of Inspection, Cleaning and Restoration Certification (IICRC);

82. Willfully violating any provision of § 59.1-444.4; ~~and~~

83. Violating any provision of Chapter 23.2 (§ 59.1-293.10 et seq.); *and*

84. Violating any provision of the Medical Debt Protection Act (§ 59.1-607 et seq.).

B. Nothing in this section shall be construed to invalidate or make unenforceable any contract or lease solely by reason of the failure of such contract or lease to comply with any other law of the Commonwealth or any federal statute or regulation, to the extent such other law, statute, or regulation provides that a violation of such law, statute, or regulation shall not invalidate or make unenforceable such contract or lease.

CHAPTER 58.

MEDICAL DEBT PROTECTION ACT.

§ 59.1-607. Definitions.

As used in this chapter, unless the context requires a different meaning:

"Consumer reporting agency" has the same meaning as provided in § 59.1-444.1.

"External review" means a review of an adverse benefit determination, including a final internal adverse benefit determination, conducted pursuant to any applicable state external review process, a federal external review process as described in 42 U.S.C. § 300gg-19, a review pursuant to 29 U.S.C. § 1133, a Medicare appeals process, or another applicable appeals process.

"Extraordinary collection action" means any action taken to obtain payment of a medical debt that:

1. Involves selling an individual's medical debt to another party;

2. Involves reporting adverse information about an individual to consumer reporting agencies;

3. Involves deferring, denying, or requiring a payment before providing medically necessary care because of an individual's nonpayment of medical debt; or

4. Requires a legal or judicial process, including placing a lien on an individual's property, foreclosing on an individual's real property, attaching or seizing an individual's bank account or any other personal property, commencing a civil action against an individual, causing an individual's arrest, causing an individual to be subject to a writ of body attachment, or garnishing an individual's wages.

"Financial assistance policy" means a written policy made pursuant to 26 C.F.R. § 1.501(r)-1.

"Health care services" has the same meaning as provided in § 59.1-444.1.

"Internal review" means review by a health insurance plan or other insurer of an adverse benefit determination.

"Large health care facility" includes:

1. Any hospital licensed by the Department of Health pursuant to Chapter 5 (§ 32.1-123 et seq.) of Title 32.1;

2. Any outpatient clinic or facility affiliated with such a hospital or operating under the license of such a hospital;

3. Any ambulatory or surgical center;

4. Any practice that provides outpatient medical, surgical, behavioral, optical, radiology, laboratory, dental, or other health care services with revenues of at least \$20 million annually; and

5. Any licensed health care professional who provides health care services in one or more of the settings

listed in subdivisions 1 through 4 of this definition.

"Medical creditor" means any entity that provides health care services for which a consumer (i) owes medical debt or (ii) if such medical debt has been sold, previously owed medical debt.

"Medical debt" has the same meaning as provided in § 59.1-444.1.

"Medical debt buyer" means a person that is engaged in the business of purchasing medical debt or collecting medical debt on behalf of another entity, whether such person collects the medical debt directly or hires an attorney or other third party to collect such medical debt.

"Medical debt collector" means any person that regularly collects or attempts to collect, directly or indirectly, medical debts originally owed, due, or asserted to be owed or due to another. "Medical debt collector" includes a medical debt buyer.

"Patient" means the individual who received health care services and includes a parent if the patient is a minor or a legal guardian if the patient is an adult under guardianship.

§ 59.1-608. Charging interest prohibited; billing and collection rules; limits on creditors.

A. No large health care facility or medical debt buyer shall charge a patient any interest or late fees on medical debt.

B. No medical creditor or medical debt collector shall use any extraordinary collection action to collect medical debts.

C. No medical creditor shall sell an individual's medical debt to a medical debt buyer except if, prior to such sale, the medical creditor has entered into a legally binding written agreement with the medical debt buyer under which all of the following apply:

1. The medical debt buyer is prohibited from engaging in any extraordinary collection action to obtain payment;

2. The medical debt buyer is prohibited from charging interest on the debt;

3. The debt is returnable to or recallable by the medical creditor upon a determination by the medical debt buyer that the individual is eligible for financial assistance; and

4. The medical debt buyer is required to adhere to specified procedures that ensure that the individual does not pay, and has no obligation to pay, the medical debt buyer more than such individual is responsible for paying in compliance with this chapter.

D. A medical creditor that sells medical debt to a medical debt buyer under an agreement described in subsection C remains liable for any actions taken by such medical debt buyer in relation to such medical debt, including any violations of this chapter.

E. No medical creditor or medical debt collector shall take any collection action until 120 days after the first bill for medical debt has been sent. At least 30 days before taking any collection action, a medical creditor or medical debt collector shall provide the patient a notice including:

1. If the medical debt resulted from health care services provided by a large health care facility, a statement of whether financial assistance is available for eligible individuals and a plain language summary of any financial assistance policy;

2. A list of any collection actions that will be taken to obtain payment; and

3. A deadline after which such collection actions will be initiated, which shall be at least 30 days after the date such notice is provided.

F. No large health care facility or medical debt collector collecting medical debt for health care services provided by a large health care facility shall use any collection action unless such action is described in the large health care facility's billing and collections policy.

G. If a patient has paid any part of a medical debt in excess of the amount owed after any financial assistance offered by a large health care facility, the large health care facility or medical debt collector, as specified in the agreement required by subsection C, shall refund any excess amount to the patient within 60 days after determination of such excess payment.

§ 59.1-609. Prohibition against collecting medical debt during health insurance appeals.

No medical creditor or medical debt collector that knows or has reason to know about an internal review, external review, or other appeal of a health insurance decision relating to a patient's medical debt shall, prior to 60 days after the resolution of such review or appeal:

1. Communicate with the patient regarding his medical debt for the purpose of collection;

2. Initiate a lawsuit or arbitration proceeding against the patient regarding the medical debt; or

3. Refer, transfer, or sell the patient's medical debt to a medical debt buyer or medical debt collector.

§ 59.1-610. Enforcement; penalties.

Any violation of this chapter shall constitute a prohibited practice under the provisions of § 59.1-200 and shall be subject to any and all of the enforcement provisions of the Virginia Consumer Protection Act (§ 59.1-196 et seq.).