

VIRGINIA ACTS OF ASSEMBLY — CHAPTER

An Act 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, 59.1-608, and 59.1-609, relating to Medical Debt Protection Act established; prohibited practices; penalties.

[H 1725]

Approved

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, 59.1-608, and 59.1-609, 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, 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); and

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

83. 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.

§ 59.1-200. (Effective 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, 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

305 consumers by suppliers within such 60-day period, no separate or additional notice is required;
 306 17. If a supplier enters into a written agreement with a consumer to resolve a dispute that arises in
 307 connection with a consumer transaction, failing to adhere to the terms and conditions of such an agreement;
 308 18. Violating any provision of the Virginia Health Club Act, Chapter 24 (§ 59.1-294 et seq.);
 309 19. Violating any provision of the Virginia Home Solicitation Sales Act, Chapter 2.1 (§ 59.1-21.1 et seq.);
 310 20. Violating any provision of the Automobile Repair Facilities Act, Chapter 17.1 (§ 59.1-207.1 et seq.);
 311 21. Violating any provision of the Virginia Lease-Purchase Agreement Act, Chapter 17.4 (§ 59.1-207.17
 312 et seq.);
 313 22. Violating any provision of the Prizes and Gifts Act, Chapter 31 (§ 59.1-415 et seq.);
 314 23. Violating any provision of the Virginia Public Telephone Information Act, Chapter 32 (§ 59.1-424 et
 315 seq.);
 316 24. Violating any provision of § 54.1-1505;
 317 25. Violating any provision of the Motor Vehicle Manufacturers' Warranty Adjustment Act, Chapter 17.6
 318 (§ 59.1-207.34 et seq.);
 319 26. Violating any provision of § 3.2-5627, relating to the pricing of merchandise;
 320 27. Violating any provision of the Pay-Per-Call Services Act, Chapter 33 (§ 59.1-429 et seq.);
 321 28. Violating any provision of the Extended Service Contract Act, Chapter 34 (§ 59.1-435 et seq.);
 322 29. Violating any provision of the Virginia Membership Camping Act, Chapter 25 (§ 59.1-311 et seq.);
 323 30. Violating any provision of the Comparison Price Advertising Act, Chapter 17.7 (§ 59.1-207.40 et
 324 seq.);
 325 31. Violating any provision of the Virginia Travel Club Act, Chapter 36 (§ 59.1-445 et seq.);
 326 32. Violating any provision of §§ 46.2-1231 and 46.2-1233.1;
 327 33. Violating any provision of Chapter 40 (§ 54.1-4000 et seq.) of Title 54.1;
 328 34. Violating any provision of Chapter 10.1 (§ 58.1-1031 et seq.) of Title 58.1;
 329 35. Using the consumer's social security number as the consumer's account number with the supplier, if
 330 the consumer has requested in writing that the supplier use an alternate number not associated with the
 331 consumer's social security number;
 332 36. Violating any provision of Chapter 18 (§ 6.2-1800 et seq.) of Title 6.2;
 333 37. Violating any provision of § 8.01-40.2;
 334 38. Violating any provision of Article 7 (§ 32.1-212 et seq.) of Chapter 6 of Title 32.1;
 335 39. Violating any provision of Chapter 34.1 (§ 59.1-441.1 et seq.);
 336 40. Violating any provision of Chapter 20 (§ 6.2-2000 et seq.) of Title 6.2;
 337 41. Violating any provision of the Virginia Post-Disaster Anti-Price Gouging Act, Chapter 46 (§ 59.1-525
 338 et seq.). For the purposes of this subdivision, "consumer transaction" has the same meaning as provided in §
 339 59.1-526;
 340 42. Violating any provision of Chapter 47 (§ 59.1-530 et seq.);
 341 43. Violating any provision of § 59.1-443.2;
 342 44. Violating any provision of Chapter 48 (§ 59.1-533 et seq.);
 343 45. Violating any provision of Chapter 25 (§ 6.2-2500 et seq.) of Title 6.2;
 344 46. Violating the provisions of clause (i) of subsection B of § 54.1-1115;
 345 47. Violating any provision of § 18.2-239;
 346 48. Violating any provision of Chapter 26 (§ 59.1-336 et seq.);
 347 49. Selling, offering for sale, or manufacturing for sale a children's product the supplier knows or has
 348 reason to know was recalled by the U.S. Consumer Product Safety Commission. There is a rebuttable
 349 presumption that a supplier has reason to know a children's product was recalled if notice of the recall has
 350 been posted continuously at least 30 days before the sale, offer for sale, or manufacturing for sale on the
 351 website of the U.S. Consumer Product Safety Commission. This prohibition does not apply to children's
 352 products that are used, secondhand or "seconds";
 353 50. Violating any provision of Chapter 44.1 (§ 59.1-518.1 et seq.);
 354 51. Violating any provision of Chapter 22 (§ 6.2-2200 et seq.) of Title 6.2;
 355 52. Violating any provision of § 8.2-317.1;
 356 53. Violating subsection A of § 9.1-149.1;
 357 54. Selling, offering for sale, or using in the construction, remodeling, or repair of any residential dwelling
 358 in the Commonwealth, any drywall that the supplier knows or has reason to know is defective drywall. This
 359 subdivision shall not apply to the sale or offering for sale of any building or structure in which defective
 360 drywall has been permanently installed or affixed;
 361 55. Engaging in fraudulent or improper or dishonest conduct as defined in § 54.1-1118 while engaged in a
 362 transaction that was initiated (i) during a declared state of emergency as defined in § 44-146.16 or (ii) to
 363 repair damage resulting from the event that prompted the declaration of a state of emergency, regardless of
 364 whether the supplier is licensed as a contractor in the Commonwealth pursuant to Chapter 11 (§ 54.1-1100 et
 365 seq.) of Title 54.1;
 366 56. Violating any provision of Chapter 33.1 (§ 59.1-434.1 et seq.);

- 367 57. Violating any provision of § 18.2-178, 18.2-178.1, or 18.2-200.1;
- 368 58. Violating any provision of Chapter 17.8 (§ 59.1-207.45 et seq.). For the purposes of this subdivision,
- 369 "consumer transaction" also includes transactions involving an automatic renewal or continuous service offer
- 370 by a supplier to a small business, as those terms are defined in § 59.1-207.45;
- 371 59. Violating any provision of subsection E of § 32.1-126;
- 372 60. Violating any provision of § 54.1-111 relating to the unlicensed practice of a profession licensed under
- 373 Chapter 11 (§ 54.1-1100 et seq.) or Chapter 21 (§ 54.1-2100 et seq.) of Title 54.1;
- 374 61. Violating any provision of § 2.2-2001.5;
- 375 62. Violating any provision of Chapter 5.2 (§ 54.1-526 et seq.) of Title 54.1;
- 376 63. Violating any provision of § 6.2-312;
- 377 64. Violating any provision of Chapter 20.1 (§ 6.2-2026 et seq.) of Title 6.2;
- 378 65. Violating any provision of Chapter 26 (§ 6.2-2600 et seq.) of Title 6.2;
- 379 66. Violating any provision of Chapter 54 (§ 59.1-586 et seq.);
- 380 67. Knowingly violating any provision of § 8.01-27.5;
- 381 68. Failing to, in accordance with § 59.1-207.46, (i) make available a conspicuous online option to cancel
- 382 a recurring purchase of a good or service or (ii) with respect to a free trial lasting more than 30 days, notify a
- 383 consumer of his option to cancel such free trial within 30 days of the end of the trial period to avoid an
- 384 obligation to pay for the goods or services;
- 385 69. Selling or offering for sale any substance intended for human consumption, orally or by inhalation,
- 386 that contains a synthetic derivative of tetrahydrocannabinol. As used in this subdivision, "synthetic
- 387 derivative" means a chemical compound produced by man through a chemical transformation to turn a
- 388 compound into a different compound by adding or subtracting molecules to or from the original compound.
- 389 This subdivision shall not (i) apply to products that are approved for marketing by the U.S. Food and Drug
- 390 Administration and scheduled in the Drug Control Act (§ 54.1-3400 et seq.) or (ii) be construed to prohibit
- 391 any conduct permitted under Chapter 16 (§ 4.1-1600 et seq.) of Title 4.1;
- 392 70. Selling or offering for sale to a person younger than 21 years of age any substance intended for human
- 393 consumption, orally or by inhalation, that contains tetrahydrocannabinol. This subdivision shall not (i) apply
- 394 to products that are approved for marketing by the U.S. Food and Drug Administration and scheduled in the
- 395 Drug Control Act (§ 54.1-3400 et seq.) or (ii) be construed to prohibit any conduct permitted under Chapter
- 396 16 (§ 4.1-1600 et seq.) of Title 4.1;
- 397 71. Selling or offering for sale any substance intended for human consumption, orally or by inhalation,
- 398 that contains tetrahydrocannabinol, unless such substance is (i) contained in child-resistant packaging, as
- 399 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
- 400 inch, (a) that the substance contains tetrahydrocannabinol and may not be sold to persons younger than 21
- 401 years of age, (b) all ingredients contained in the substance, (c) the amount of such substance that constitutes a
- 402 single serving, and (d) the total percentage and milligrams of tetrahydrocannabinol included in the substance
- 403 and the number of milligrams of tetrahydrocannabinol that are contained in each serving; and (iii)
- 404 accompanied by a certificate of analysis, produced by an independent laboratory that is accredited pursuant to
- 405 standard ISO/IEC 17025 of the International Organization of Standardization by a third-party accrediting
- 406 body, that states the tetrahydrocannabinol concentration of the substance or the tetrahydrocannabinol
- 407 concentration of the batch from which the substance originates. This subdivision shall not (i) apply to
- 408 products that are approved for marketing by the U.S. Food and Drug Administration and scheduled in the
- 409 Drug Control Act (§ 54.1-3400 et seq.) or (ii) be construed to prohibit any conduct permitted under Chapter
- 410 16 (§ 4.1-1600 et seq.) of Title 4.1;
- 411 72. Manufacturing, offering for sale at retail, or selling at retail an industrial hemp extract, as defined in §
- 412 3.2-5145.1, a food containing an industrial hemp extract, or a substance containing tetrahydrocannabinol that
- 413 depicts or is in the shape of a human, animal, vehicle, or fruit;
- 414 73. Selling or offering for sale any substance intended for human consumption, orally or by inhalation,
- 415 that contains tetrahydrocannabinol and, without authorization, bears, is packaged in a container or wrapper
- 416 that bears, or is otherwise labeled to bear the trademark, trade name, famous mark as defined in 15 U.S.C. §
- 417 1125, or other identifying mark, imprint, or device, or any likeness thereof, of a manufacturer, processor,
- 418 packer, or distributor of a product intended for human consumption other than the manufacturer, processor,
- 419 packer, or distributor that did in fact so manufacture, process, pack, or distribute such substance;
- 420 74. Selling or offering for sale a topical hemp product, as defined in § 3.2-4112, that does not include a
- 421 label stating that the product is not intended for human consumption. This subdivision shall not (i) apply to
- 422 products that are approved for marketing by the U.S. Food and Drug Administration and scheduled in the
- 423 Drug Control Act (§ 54.1-3400 et seq.), (ii) be construed to prohibit any conduct permitted under Chapter 16
- 424 (§ 4.1-1600 et seq.) of Title 4.1, or (iii) apply to topical hemp products that were manufactured prior to July
- 425 1, 2023, provided that the person provides documentation of the date of manufacture if requested;
- 426 75. Violating any provision of § 59.1-466.8;
- 427 76. Violating subsection F of § 36-96.3:1;
- 428 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.

"Emergency services" has the same meaning as provided in § 38.2-3438.

"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 emergency services or urgent services 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 or § 32.1-137.010 or other written policy for providing financial assistance to patients adopted by a large health care facility or medical creditor voluntarily or otherwise as required by applicable federal or state law or regulation.

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

"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 and any outpatient clinic or facility operating under the license of such a hospital; and*
- 2. 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.*

"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.

"Urgent services" means health care services the delay of which could seriously jeopardize an individual's life, health, or ability to regain maximum function.

§ 59.1-608. 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 until 90 days following the due date applicable to the final invoice, and no such interest or late fees shall exceed three percent of the amount of such medical debt per annum.

B. No medical creditor or medical debt collector shall use any of the following extraordinary collection actions to collect medical debts:

1. Causing an individual's arrest;
2. Causing an individual to be subject to a writ of body attachment;
3. Foreclosing on an individual's real property;
4. Placing a lien on an individual's personal property; or
5. Garnishing the wages of any individual qualifying for financial assistance under the financial assistance policy applicable to the underlying medical debt.

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 described in subsection B to obtain payment;
2. The medical debt buyer is prohibited from charging interest on the debt at a rate higher than three percent per annum;
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 under the financial assistance policy applicable to the underlying medical debt; 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, subject to any indemnification provisions as may be agreed to by such parties.

E. No medical creditor or medical debt collector shall take any extraordinary collection action until 120 days following the due date applicable to the final invoice for a health care service. At least 30 days before taking any extraordinary 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 extraordinary collection actions that will be taken to obtain payment; and
3. A deadline after which such extraordinary 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 extraordinary 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. 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.).

2. That the provisions of this act shall become effective on July 1, 2026.