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HOUSE BILL NO. 1725
AMENDMENT IN THE NATURE OF A SUBSTITUTE
(Proposed by the Governor
on March 24, 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, 59.1-608, and 59.1-609, 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, 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;

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- 60 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,
61 or 3.2-6519 is a violation of this chapter;
- 62 16. Failing to disclose all conditions, charges, or fees relating to:
- 63 a. The return of goods for refund, exchange, or credit. Such disclosure shall be by means of a sign
64 attached to the goods, or placed in a conspicuous public area of the premises of the supplier, so as to be
65 readily noticeable and readable by the person obtaining the goods from the supplier. If the supplier does not
66 permit a refund, exchange, or credit for return, he shall so state on a similar sign. The provisions of this
67 subdivision shall not apply to any retail merchant who has a policy of providing, for a period of not less than
68 20 days after date of purchase, a cash refund or credit to the purchaser's credit card account for the return of
69 defective, unused, or undamaged merchandise upon presentation of proof of purchase. In the case of
70 merchandise paid for by check, the purchase shall be treated as a cash purchase and any refund may be
71 delayed for a period of 10 banking days to allow for the check to clear. This subdivision does not apply to
72 sale merchandise that is obviously distressed, out of date, post season, or otherwise reduced for clearance; nor
73 does this subdivision apply to special order purchases where the purchaser has requested the supplier to order
74 merchandise of a specific or unusual size, color, or brand not ordinarily carried in the store or the store's
75 catalog; nor shall this subdivision apply in connection with a transaction for the sale or lease of motor
76 vehicles, farm tractors, or motorcycles as defined in § 46.2-100;
- 77 b. A layaway agreement. Such disclosure shall be furnished to the consumer (i) in writing at the time of
78 the layaway agreement, or (ii) by means of a sign placed in a conspicuous public area of the premises of the
79 supplier, so as to be readily noticeable and readable by the consumer, or (iii) on the bill of sale. Disclosure
80 shall include the conditions, charges, or fees in the event that a consumer breaches the agreement;
- 81 16a. Failing to provide written notice to a consumer of an existing open-end credit balance in excess of \$5
82 (i) on an account maintained by the supplier and (ii) resulting from such consumer's overpayment on such
83 account. Suppliers shall give consumers written notice of such credit balances within 60 days of receiving
84 overpayments. If the credit balance information is incorporated into statements of account furnished
85 consumers by suppliers within such 60-day period, no separate or additional notice is required;
- 86 17. If a supplier enters into a written agreement with a consumer to resolve a dispute that arises in
87 connection with a consumer transaction, failing to adhere to the terms and conditions of such an agreement;
- 88 18. Violating any provision of the Virginia Health Club Act, Chapter 24 (§ 59.1-294 et seq.);
- 89 19. Violating any provision of the Virginia Home Solicitation Sales Act, Chapter 2.1 (§ 59.1-21.1 et seq.);
- 90 20. Violating any provision of the Automobile Repair Facilities Act, Chapter 17.1 (§ 59.1-207.1 et seq.);
- 91 21. Violating any provision of the Virginia Lease-Purchase Agreement Act, Chapter 17.4 (§ 59.1-207.17
92 et seq.);
- 93 22. Violating any provision of the Prizes and Gifts Act, Chapter 31 (§ 59.1-415 et seq.);
- 94 23. Violating any provision of the Virginia Public Telephone Information Act, Chapter 32 (§ 59.1-424 et
95 seq.);
- 96 24. Violating any provision of § 54.1-1505;
- 97 25. Violating any provision of the Motor Vehicle Manufacturers' Warranty Adjustment Act, Chapter 17.6
98 (§ 59.1-207.34 et seq.);
- 99 26. Violating any provision of § 3.2-5627, relating to the pricing of merchandise;
- 100 27. Violating any provision of the Pay-Per-Call Services Act, Chapter 33 (§ 59.1-429 et seq.);
- 101 28. Violating any provision of the Extended Service Contract Act, Chapter 34 (§ 59.1-435 et seq.);
- 102 29. Violating any provision of the Virginia Membership Camping Act, Chapter 25 (§ 59.1-311 et seq.);
- 103 30. Violating any provision of the Comparison Price Advertising Act, Chapter 17.7 (§ 59.1-207.40 et
104 seq.);
- 105 31. Violating any provision of the Virginia Travel Club Act, Chapter 36 (§ 59.1-445 et seq.);
- 106 32. Violating any provision of §§ 46.2-1231 and 46.2-1233.1;
- 107 33. Violating any provision of Chapter 40 (§ 54.1-4000 et seq.) of Title 54.1;
- 108 34. Violating any provision of Chapter 10.1 (§ 58.1-1031 et seq.) of Title 58.1;
- 109 35. Using the consumer's social security number as the consumer's account number with the supplier, if
110 the consumer has requested in writing that the supplier use an alternate number not associated with the
111 consumer's social security number;
- 112 36. Violating any provision of Chapter 18 (§ 6.2-1800 et seq.) of Title 6.2;
- 113 37. Violating any provision of § 8.01-40.2;
- 114 38. Violating any provision of Article 7 (§ 32.1-212 et seq.) of Chapter 6 of Title 32.1;
- 115 39. Violating any provision of Chapter 34.1 (§ 59.1-441.1 et seq.);
- 116 40. Violating any provision of Chapter 20 (§ 6.2-2000 et seq.) of Title 6.2;
- 117 41. Violating any provision of the Virginia Post-Disaster Anti-Price Gouging Act, Chapter 46 (§ 59.1-525
118 et seq.). For the purposes of this subdivision, "consumer transaction" has the same meaning as provided in §
119 59.1-526;
- 120 42. Violating any provision of Chapter 47 (§ 59.1-530 et seq.);
- 121 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
 245 benefits;

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

247 7. Advertising or offering for sale goods that are used, secondhand, repossessed, defective, blemished,

248 deteriorated, or reconditioned, or that are "seconds," irregulars, imperfects, or "not first class," without clearly

249 and unequivocally indicating in the advertisement or offer for sale that the goods are used, secondhand,

250 repossessed, defective, blemished, deteriorated, reconditioned, or are "seconds," irregulars, imperfects, or

251 "not first class";

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

253 price or upon the terms advertised.

254 In any action brought under this subdivision, the refusal by any person, or any employee, agent, or servant

255 thereof, to sell any goods or services advertised or offered for sale at the price or upon the terms advertised or

256 offered, shall be prima facie evidence of a violation of this subdivision. This paragraph shall not apply when

257 it is clearly and conspicuously stated in the advertisement or offer by which such goods or services are

258 advertised or offered for sale, that the supplier or offeror has a limited quantity or amount of such goods or

259 services for sale, and the supplier or offeror at the time of such advertisement or offer did in fact have or

260 reasonably expected to have at least such quantity or amount for sale;

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

262 price reductions;

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

264 installed;

265 11. Misrepresenting by the use of any written or documentary material that appears to be an invoice or bill

266 for merchandise or services previously ordered;

267 12. Notwithstanding any other provision of law, using in any manner the words "wholesale,"

268 "wholesaler," "factory," or "manufacturer" in the supplier's name, or to describe the nature of the supplier's

269 business, unless the supplier is actually engaged primarily in selling at wholesale or in manufacturing the

270 goods or services advertised or offered for sale;

271 13. Using in any contract or lease any liquidated damage clause, penalty clause, or waiver of defense, or

272 attempting to collect any liquidated damages or penalties under any clause, waiver, damages, or penalties that

273 are void or unenforceable under any otherwise applicable laws of the Commonwealth, or under federal

274 statutes or regulations;

275 13a. Failing to provide to a consumer, or failing to use or include in any written document or material

276 provided to or executed by a consumer, in connection with a consumer transaction any statement, disclosure,

277 notice, or other information however characterized when the supplier is required by 16 C.F.R. Part 433 to so

278 provide, use, or include the statement, disclosure, notice, or other information in connection with the

279 consumer transaction;

280 14. Using any other deception, fraud, false pretense, false promise, or misrepresentation in connection

281 with a consumer transaction;

282 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,

283 or 3.2-6519 is a violation of this chapter;

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

285 a. The return of goods for refund, exchange, or credit. Such disclosure shall be by means of a sign

286 attached to the goods, or placed in a conspicuous public area of the premises of the supplier, so as to be

287 readily noticeable and readable by the person obtaining the goods from the supplier. If the supplier does not

288 permit a refund, exchange, or credit for return, he shall so state on a similar sign. The provisions of this

289 subdivision shall not apply to any retail merchant who has a policy of providing, for a period of not less than

290 20 days after date of purchase, a cash refund or credit to the purchaser's credit card account for the return of

291 defective, unused, or undamaged merchandise upon presentation of proof of purchase. In the case of

292 merchandise paid for by check, the purchase shall be treated as a cash purchase and any refund may be

293 delayed for a period of 10 banking days to allow for the check to clear. This subdivision does not apply to

294 sale merchandise that is obviously distressed, out of date, post season, or otherwise reduced for clearance; nor

295 does this subdivision apply to special order purchases where the purchaser has requested the supplier to order

296 merchandise of a specific or unusual size, color, or brand not ordinarily carried in the store or the store's

297 catalog; nor shall this subdivision apply in connection with a transaction for the sale or lease of motor

298 vehicles, farm tractors, or motorcycles as defined in § 46.2-100;

299 b. A layaway agreement. Such disclosure shall be furnished to the consumer (i) in writing at the time of

300 the layaway agreement, or (ii) by means of a sign placed in a conspicuous public area of the premises of the

301 supplier, so as to be readily noticeable and readable by the consumer, or (iii) on the bill of sale. Disclosure

302 shall include the conditions, charges, or fees in the event that a consumer breaches the agreement;

303 16a. Failing to provide written notice to a consumer of an existing open-end credit balance in excess of \$5

304 (i) on an account maintained by the supplier and (ii) resulting from such consumer's overpayment on such

305 account. Suppliers shall give consumers written notice of such credit balances within 60 days of receiving

306 overpayments. If the credit balance information is incorporated into statements of account furnished

307 consumers by suppliers within such 60-day period, no separate or additional notice is required;

- 308 17. If a supplier enters into a written agreement with a consumer to resolve a dispute that arises in
309 connection with a consumer transaction, failing to adhere to the terms and conditions of such an agreement;
- 310 18. Violating any provision of the Virginia Health Club Act, Chapter 24 (§ 59.1-294 et seq.);
- 311 19. Violating any provision of the Virginia Home Solicitation Sales Act, Chapter 2.1 (§ 59.1-21.1 et seq.);
- 312 20. Violating any provision of the Automobile Repair Facilities Act, Chapter 17.1 (§ 59.1-207.1 et seq.);
- 313 21. Violating any provision of the Virginia Lease-Purchase Agreement Act, Chapter 17.4 (§ 59.1-207.17
314 et seq.);
- 315 22. Violating any provision of the Prizes and Gifts Act, Chapter 31 (§ 59.1-415 et seq.);
- 316 23. Violating any provision of the Virginia Public Telephone Information Act, Chapter 32 (§ 59.1-424 et
317 seq.);
- 318 24. Violating any provision of § 54.1-1505;
- 319 25. Violating any provision of the Motor Vehicle Manufacturers' Warranty Adjustment Act, Chapter 17.6
320 (§ 59.1-207.34 et seq.);
- 321 26. Violating any provision of § 3.2-5627, relating to the pricing of merchandise;
- 322 27. Violating any provision of the Pay-Per-Call Services Act, Chapter 33 (§ 59.1-429 et seq.);
- 323 28. Violating any provision of the Extended Service Contract Act, Chapter 34 (§ 59.1-435 et seq.);
- 324 29. Violating any provision of the Virginia Membership Camping Act, Chapter 25 (§ 59.1-311 et seq.);
- 325 30. Violating any provision of the Comparison Price Advertising Act, Chapter 17.7 (§ 59.1-207.40 et
326 seq.);
- 327 31. Violating any provision of the Virginia Travel Club Act, Chapter 36 (§ 59.1-445 et seq.);
- 328 32. Violating any provision of §§ 46.2-1231 and 46.2-1233.1;
- 329 33. Violating any provision of Chapter 40 (§ 54.1-4000 et seq.) of Title 54.1;
- 330 34. Violating any provision of Chapter 10.1 (§ 58.1-1031 et seq.) of Title 58.1;
- 331 35. Using the consumer's social security number as the consumer's account number with the supplier, if
332 the consumer has requested in writing that the supplier use an alternate number not associated with the
333 consumer's social security number;
- 334 36. Violating any provision of Chapter 18 (§ 6.2-1800 et seq.) of Title 6.2;
- 335 37. Violating any provision of § 8.01-40.2;
- 336 38. Violating any provision of Article 7 (§ 32.1-212 et seq.) of Chapter 6 of Title 32.1;
- 337 39. Violating any provision of Chapter 34.1 (§ 59.1-441.1 et seq.);
- 338 40. Violating any provision of Chapter 20 (§ 6.2-2000 et seq.) of Title 6.2;
- 339 41. Violating any provision of the Virginia Post-Disaster Anti-Price Gouging Act, Chapter 46 (§ 59.1-525
340 et seq.). For the purposes of this subdivision, "consumer transaction" has the same meaning as provided in §
341 59.1-526;
- 342 42. Violating any provision of Chapter 47 (§ 59.1-530 et seq.);
- 343 43. Violating any provision of § 59.1-443.2;
- 344 44. Violating any provision of Chapter 48 (§ 59.1-533 et seq.);
- 345 45. Violating any provision of Chapter 25 (§ 6.2-2500 et seq.) of Title 6.2;
- 346 46. Violating the provisions of clause (i) of subsection B of § 54.1-1115;
- 347 47. Violating any provision of § 18.2-239;
- 348 48. Violating any provision of Chapter 26 (§ 59.1-336 et seq.);
- 349 49. Selling, offering for sale, or manufacturing for sale a children's product the supplier knows or has
350 reason to know was recalled by the U.S. Consumer Product Safety Commission. There is a rebuttable
351 presumption that a supplier has reason to know a children's product was recalled if notice of the recall has
352 been posted continuously at least 30 days before the sale, offer for sale, or manufacturing for sale on the
353 website of the U.S. Consumer Product Safety Commission. This prohibition does not apply to children's
354 products that are used, secondhand or "seconds";
- 355 50. Violating any provision of Chapter 44.1 (§ 59.1-518.1 et seq.);
- 356 51. Violating any provision of Chapter 22 (§ 6.2-2200 et seq.) of Title 6.2;
- 357 52. Violating any provision of § 8.2-317.1;
- 358 53. Violating subsection A of § 9.1-149.1;
- 359 54. Selling, offering for sale, or using in the construction, remodeling, or repair of any residential dwelling
360 in the Commonwealth, any drywall that the supplier knows or has reason to know is defective drywall. This
361 subdivision shall not apply to the sale or offering for sale of any building or structure in which defective
362 drywall has been permanently installed or affixed;
- 363 55. Engaging in fraudulent or improper or dishonest conduct as defined in § 54.1-1118 while engaged in a
364 transaction that was initiated (i) during a declared state of emergency as defined in § 44-146.16 or (ii) to
365 repair damage resulting from the event that prompted the declaration of a state of emergency, regardless of
366 whether the supplier is licensed as a contractor in the Commonwealth pursuant to Chapter 11 (§ 54.1-1100 et
367 seq.) of Title 54.1;
- 368 56. Violating any provision of Chapter 33.1 (§ 59.1-434.1 et seq.);
- 369 57. Violating any provision of § 18.2-178, 18.2-178.1, or 18.2-200.1;

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

432 product may be harmful to your health, has not been evaluated by the FDA, and is not intended to diagnose,
 433 treat, cure, or prevent any disease." As used in this subdivision, "kratom" means any part of the leaf of the
 434 plant *Mitragyna speciosa* or any extract thereof;

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

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

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

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

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

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

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

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

459 CHAPTER 58.

460 MEDICAL DEBT PROTECTION ACT.

461 § 59.1-607. *Definitions.*

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

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

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

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

466 1. *Involves reporting adverse information about an individual to consumer reporting agencies;*
 467 2. *Involves deferring, denying, or requiring a payment before providing emergency services or urgent*
 468 *services because of an individual's nonpayment of medical debt; or*

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

473 *"Financial assistance policy" means a written policy made pursuant to 26 C.F.R. § 1.501(r)-1 or §*
 474 *32.1-137.010 or other written policy for providing financial assistance to patients adopted by a large health*
 475 *care facility or medical creditor voluntarily or otherwise as required by applicable federal or state law or*
 476 *regulation.*

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

478 *"Large health care facility" includes:*

479 1. *Any hospital licensed by the Department of Health pursuant to Chapter 5 (§ 32.1-123 et seq.) of Title*
 480 *32.1 and any outpatient clinic or facility operating under the license of such a hospital; and*

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

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

485 *"Medical debt" has the same meaning as provided in § 59.1-444.1, except that for the purposes of this*
 486 *chapter, "medical debt" only includes medical debt incurred on or after July 1, 2026.*

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

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

493 *"Patient" means the individual who received health care services and includes a parent if the patient is a*

494 *minor or a legal guardian if the patient is an adult under guardianship.*
495 *"Urgent services" means health care services the delay of which could seriously jeopardize an*
496 *individual's life, health, or ability to regain maximum function.*

497 **§ 59.1-608. Billing and collection rules; limits on creditors.**

498 *A. No large health care facility or medical debt buyer shall charge a patient any interest or late fees on*
499 *medical debt until 90 days following the due date applicable to the final invoice, and no such interest or late*
500 *fees shall exceed three percent of the amount of such medical debt per annum.*

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

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

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

- 512 *1. The medical debt buyer is prohibited from engaging in any extraordinary collection action described in*
513 *subsection B to obtain payment;*
- 514 *2. The medical debt buyer is prohibited from charging interest on the debt at a rate higher than three*
515 *percent per annum;*
- 516 *3. The debt is returnable to or recallable by the medical creditor upon a determination by the medical*
517 *debt buyer that the individual is eligible for financial assistance under the financial assistance policy*
518 *applicable to the underlying medical debt; and*
- 519 *4. The medical debt buyer is required to adhere to specified procedures that ensure that the individual*
520 *does not pay, and has no obligation to pay, the medical debt buyer more than such individual is responsible*
521 *for paying in compliance with this chapter.*

522 *D. No medical creditor or medical debt collector shall take any extraordinary collection action until 120*
523 *days following the due date applicable to the final invoice for a health care service. At least 30 days before*
524 *taking any extraordinary collection action, a medical creditor or medical debt collector shall provide the*
525 *patient a notice including:*

- 526 *1. If the medical debt resulted from health care services provided by a large health care facility, a*
527 *statement of whether financial assistance is available for eligible individuals and a plain language summary*
528 *of any financial assistance policy;*
- 529 *2. A list of any extraordinary collection actions that will be taken to obtain payment; and*
- 530 *3. A deadline after which such extraordinary collection actions will be initiated, which shall be at least 30*
531 *days after the date such notice is provided.*

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

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

539 **§ 59.1-609. Enforcement; penalties.**

540 *Any violation of this chapter shall constitute a prohibited practice under the provisions of § 59.1-200 and*
541 *shall be subject to any and all of the enforcement provisions of the Virginia Consumer Protection Act (§*
542 *59.1-196 et seq.).*

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