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HOUSE BILL NO. 765

Offered January 14, 2026

Prefiled January 13, 2026

A BILL to amend and reenact §§ 38.2-100, 59.1-200, and 59.1-436 of the Code of Virginia and to amend the Code of Virginia by adding in Title 59.1 a chapter numbered 60, consisting of sections numbered 59.1-614 through 59.1-622, relating to regulation of rental home marketplace guarantees; penalty.

Patron—Hayes

Committee Referral Pending

Be it enacted by the General Assembly of Virginia:

1. That §§ 38.2-100, 59.1-200, and 59.1-436 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 60, consisting of sections numbered 59.1-614 through 59.1-622, as follows:

§ 38.2-100. Definitions.

As used in this title:

"Alien company" means a company incorporated or organized under the laws of any country other than the United States.

"Bureau" or "Bureau of Insurance" means the division of the Commission established to administer the insurance laws of the Commonwealth.

"Commission" means the State Corporation Commission.

"Commissioner" or "Commissioner of Insurance" means the administrative or executive officer of the Bureau.

"Company" means any association, aggregate of individuals, business, corporation, individual, joint-stock company, Lloyds type of organization, organization, partnership, receiver, reciprocal or interinsurance exchange, trustee or society.

"Domestic company" means a company incorporated or organized under the laws of the Commonwealth.

"Foreign company" means a company incorporated or organized under the laws of the United States, or of any state other than the Commonwealth.

"Health services plan" means any arrangement for offering or administering health services or similar or related services by a corporation licensed under Chapter 42 (§ 38.2-4200 et seq.).

"Insurance" means the business of transferring risk by contract wherein a person, for a consideration, undertakes (i) to indemnify another person, (ii) to pay or provide a specified or ascertainable amount of money, or (iii) to provide a benefit or service upon the occurrence of a determinable risk contingency. Without limiting the foregoing, "insurance" shall include (i) each of the classifications of insurance set forth in Article 2 (§ 38.2-101 et seq.) of this chapter and (ii) the issuance of group and individual contracts, certificates, or evidences of coverage by any health services plan as provided for in Chapter 42 (§ 38.2-4200 et seq.), health maintenance organization as provided for in Chapter 43 (§ 38.2-4300 et seq.), legal services organization or legal services plan as provided for in Chapter 44 (§ 38.2-4400 et seq.), dental or optometric services plan as provided for in Chapter 45 (§ 38.2-4500 et seq.), and dental plan organization as provided for in Chapter 61 (§ 38.2-6100 et seq.). "Insurance" shall not include any activity involving a home service contract that is subject to regulation pursuant to Chapter 33.1 (§ 59.1-434.1 et seq.) of Title 59.1; an extended service contract that is subject to regulation pursuant to Chapter 34 (§ 59.1-435 et seq.) of Title 59.1; a warranty made by a manufacturer, seller, lessor, or builder of a product or service; ~~or~~ a service agreement offered by an automobile club as defined in subsection E of § 38.2-514.1; *or a rental home marketplace guarantee that is subject to regulation pursuant to Chapter 60 (§ 59.1-614 et seq.) of Title 59.1.*

"Insurance company" means any company engaged in the business of making contracts of insurance.

"Insurance transaction," "insurance business," and "business of insurance" include solicitation, negotiations preliminary to execution, execution of an insurance contract, and the transaction of matters subsequent to execution of the contract and arising out of it.

"Insurer" means an insurance company.

"Medicare" means the "Health Insurance for the Aged Act," Title XVIII of the Social Security Amendment of 1965, as amended.

"Person" means any association, aggregate of individuals, business, company, corporation, individual, joint-stock company, Lloyds type of organization, organization, partnership, receiver, reciprocal or interinsurance exchange, trustee or society.

"Rate" or "rates" means any rate of premium, policy fee, membership fee or any other charge made by an insurer for or in connection with a contract or policy of insurance. The terms "rate" or "rates" shall not

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include a membership fee paid to become a member of an organization or association, one of the benefits of which is the purchasing of insurance coverage.

"Rate service organization" means any organization or person, other than a joint underwriting association under § 38.2-1915 or any employee of an insurer including those insurers under common control or management, who assists insurers in ratemaking or filing by:

- (a) Collecting, compiling, and furnishing loss or expense statistics;
- (b) Recommending, making or filing rates or supplementary rate information; or
- (c) Advising about rate questions, except as an attorney giving legal advice.

"State" means any commonwealth, state, territory, district or insular possession of the United States.

"Surplus to policyholders" means the excess of total admitted assets over the liabilities of an insurer, and shall be the sum of all capital and surplus accounts, including any voluntary reserves, minus any impairment of all capital and surplus accounts.

Without otherwise limiting the meaning of or defining the following terms, "insurance contracts" or "insurance policies" shall include contracts of fidelity, indemnity, guaranty and suretyship.

§ 59.1-200. 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;

- 183 46. Violating the provisions of clause (i) of subsection B of § 54.1-1115;
184 47. Violating any provision of § 18.2-239;
185 48. Violating any provision of Chapter 26 (§ 59.1-336 et seq.);
186 49. Selling, offering for sale, or manufacturing for sale a children's product the supplier knows or has
187 reason to know was recalled by the U.S. Consumer Product Safety Commission. There is a rebuttable
188 presumption that a supplier has reason to know a children's product was recalled if notice of the recall has
189 been posted continuously at least 30 days before the sale, offer for sale, or manufacturing for sale on the
190 website of the U.S. Consumer Product Safety Commission. This prohibition does not apply to children's
191 products that are used, secondhand or "seconds";
192 50. Violating any provision of Chapter 44.1 (§ 59.1-518.1 et seq.);
193 51. Violating any provision of Chapter 22 (§ 6.2-2200 et seq.) of Title 6.2;
194 52. Violating any provision of § 8.2-317.1;
195 53. Violating subsection A of § 9.1-149.1;
196 54. Selling, offering for sale, or using in the construction, remodeling, or repair of any residential dwelling
197 in the Commonwealth, any drywall that the supplier knows or has reason to know is defective drywall. This
198 subdivision shall not apply to the sale or offering for sale of any building or structure in which defective
199 drywall has been permanently installed or affixed;
200 55. Engaging in fraudulent or improper or dishonest conduct as defined in § 54.1-1118 while engaged in a
201 transaction that was initiated (i) during a declared state of emergency as defined in § 44-146.16 or (ii) to
202 repair damage resulting from the event that prompted the declaration of a state of emergency, regardless of
203 whether the supplier is licensed as a contractor in the Commonwealth pursuant to Chapter 11 (§ 54.1-1100 et
204 seq.) of Title 54.1;
205 56. Violating any provision of Chapter 33.1 (§ 59.1-434.1 et seq.);
206 57. Violating any provision of § 18.2-178, 18.2-178.1, or 18.2-200.1;
207 58. Violating any provision of Chapter 17.8 (§ 59.1-207.45 et seq.). For the purposes of this subdivision,
208 "consumer transaction" also includes transactions involving an automatic renewal or continuous service offer
209 by a supplier to a small business, as those terms are defined in § 59.1-207.45;
210 59. Violating any provision of subsection E of § 32.1-126;
211 60. Violating any provision of § 54.1-111 relating to the unlicensed practice of a profession licensed under
212 Chapter 11 (§ 54.1-1100 et seq.) or Chapter 21 (§ 54.1-2100 et seq.) of Title 54.1;
213 61. Violating any provision of § 2.2-2001.5;
214 62. Violating any provision of Chapter 5.2 (§ 54.1-526 et seq.) of Title 54.1;
215 63. Violating any provision of § 6.2-312;
216 64. Violating any provision of Chapter 20.1 (§ 6.2-2026 et seq.) of Title 6.2;
217 65. Violating any provision of Chapter 26 (§ 6.2-2600 et seq.) of Title 6.2;
218 66. Violating any provision of Chapter 54 (§ 59.1-586 et seq.);
219 67. Knowingly violating any provision of § 8.01-27.5;
220 68. Failing to, in accordance with § 59.1-207.46, (i) make available a conspicuous online option to cancel
221 a recurring purchase of a good or service or (ii) with respect to a free trial lasting more than 30 days, notify a
222 consumer of his option to cancel such free trial within 30 days of the end of the trial period to avoid an
223 obligation to pay for the goods or services;
224 69. Selling or offering for sale any substance intended for human consumption, orally or by inhalation,
225 that contains a synthetic derivative of tetrahydrocannabinol. As used in this subdivision, "synthetic
226 derivative" means a chemical compound produced by man through a chemical transformation to turn a
227 compound into a different compound by adding or subtracting molecules to or from the original compound.
228 This subdivision shall not (i) apply to products that are approved for marketing by the U.S. Food and Drug
229 Administration and scheduled in the Drug Control Act (§ 54.1-3400 et seq.) or (ii) be construed to prohibit
230 any conduct permitted under Chapter 16 (§ 4.1-1600 et seq.) of Title 4.1;
231 70. Selling or offering for sale to a person younger than 21 years of age any substance intended for human
232 consumption, orally or by inhalation, that contains tetrahydrocannabinol. This subdivision shall not (i) apply
233 to products that are approved for marketing by the U.S. Food and Drug Administration and scheduled in the
234 Drug Control Act (§ 54.1-3400 et seq.) or (ii) be construed to prohibit any conduct permitted under Chapter
235 16 (§ 4.1-1600 et seq.) of Title 4.1;
236 71. Selling or offering for sale any substance intended for human consumption, orally or by inhalation,
237 that contains tetrahydrocannabinol, unless such substance is (i) contained in child-resistant packaging, as
238 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
239 inch, (a) that the substance contains tetrahydrocannabinol and may not be sold to persons younger than 21
240 years of age, (b) all ingredients contained in the substance, (c) the amount of such substance that constitutes a
241 single serving, and (d) the total percentage and milligrams of tetrahydrocannabinol included in the substance
242 and the number of milligrams of tetrahydrocannabinol that are contained in each serving; and (iii)
243 accompanied by a certificate of analysis, produced by an independent laboratory that is accredited pursuant to
244 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 a nationally or internationally recognized certifying body for mold remediation, and failing to comply with (i) the U.S. Environmental Protection Agency's publication on Mold Remediation in Schools and Commercial Buildings, as revised; (ii) the ANSI/IICRC S520 Standard for Professional Mold Remediation, as revised; or (iii) any other equivalent ANSI-accredited mold remediation standard, when conducting or offering to conduct mold remediation in the Commonwealth;

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

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

84. Selling any food that is required by the FDA to have a nutrition label that does not meet the requirements of 21 C.F.R. Part 101;

85. Obtaining, disclosing, selling, or disseminating any personally identifiable reproductive or sexual health information without the consent of the consumer;

86. Violating any provision of Chapter 58 (§ 59.1-607 et seq.); and

87. (Effective July 1, 2026) Violating any provision of the Medical Debt Protection Act (§ 59.1-611 et seq.); and

88. Violating any provision of Chapter 60 (§ 59.1-614 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.

§ 59.1-436. Registration; fees; exemptions.

A. It shall be unlawful for any extended service contract provider to offer, advertise, or execute or cause to be executed by the purchaser any extended service contract for a consumer product in this Commonwealth unless the obligor at the time of the solicitation, offer, advertisement, sale, or execution of a contract has been properly registered with the Commissioner. The registration shall (i) disclose the address, ownership, and nature of business of the obligor; (ii) be renewed annually on July 1; and (iii) be accompanied by a fee of \$300 per registration and annual renewal. A registration application or registration renewal will not be considered filed until all required information and fees are received by the Commissioner. Any obligor who fails to register prior to the sale of an extended service contract shall pay a late filing fee of \$100 for each 30-day period, or portion thereof, that the registration is late. An obligor who fails to timely renew its registration shall pay a late fee of \$50 for each 30-day period, or portion thereof, that the annual renewal filing is late. The late fees authorized by this subsection shall be in addition to all other penalties authorized by law.

B. All fees shall be remitted to the State Treasurer and shall be placed to the credit and special fund of the Virginia Department of Agriculture and Consumer Services to be used in the administration of this chapter.

C. Any matter subject to the insurance regulatory authority of the State Corporation Commission pursuant to Title 38.2 shall not be subject to the provisions of this chapter.

D. Licensed or registered motor vehicle dealers, as defined in § 46.2-1500, shall not be subject to the provisions of this chapter.

E. Extended service contract providers who comply with this section and the employees of such providers who market, sell or offer to sell extended service contracts on behalf of the provider shall not be subject to the provisions of Title 38.2.

F. Providers of a home service contract, as those terms are defined in § 59.1-434.1, that are registered and regulated pursuant to Chapter 33.1 (§ 59.1-434.1 et seq.) shall not be subject to the provisions of this chapter.

G. *Providers of a rental home marketplace guarantee, as those terms are defined in § 59.1-614, that are registered and regulated pursuant to Chapter 60 (§ 59.1-614 et seq.) shall not be subject to the provisions of this chapter.*

CHAPTER 60.**RENTAL HOME MARKETPLACE GUARANTEE.****§ 59.1-614. Definitions.**

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

"Board" means the Board of Agriculture and Consumer Services.

"Commissioner" means the Commissioner of Agriculture and Consumer Services or his designee.

"Rental home marketplace" means a person that meets each of the following criteria:

1. Provides an online application, software, website, system, or other medium through which a property is advertised or is offered to the public as available in the Commonwealth and that connects platform users to enable them to share property.

2. Provides, directly or indirectly, or maintains an online platform for services by performing any of the following:

a. Transmitting or otherwise communicating the offer or acceptance of a transaction between two platform users.

b. Owning or operating the electronic infrastructure or technology that brings two or more platform users together.

3. If engaged in offering rental home marketplace guarantees, does so only in a manner that is ancillary to the conduct of its primary legitimate business or activity.

4. Is not a local or state governmental entity.

"Rental home marketplace guarantee" means a contract or agreement issued in connection with a rental home marketplace, whether or not for a separate consideration, to reimburse a user offering a property for rent for any damages for which the renter is responsible under the rental home marketplace's terms of service, with or without additional provision for incidental payment of indemnity.

"Platform contract holder" means a platform user who is the beneficiary or holder of a rental home marketplace guarantee.

"Person" means an individual, partnership, corporation, incorporated or unincorporated association, joint stock company, reciprocal, syndicate or any similar entity or combination of entities acting in concert.

"Provider" means (i) a rental home marketplace or (ii) an affiliate or representative of a rental home marketplace, that issues or offers and administers, either directly or through a third party, a rental home marketplace guarantee.

"Reimbursement insurance policy" means a policy of insurance issued to a provider and pursuant to which the insurer agrees, for the benefit of platform contract holders, to discharge all of the obligations and liabilities of the provider under the terms of the rental home marketplace guarantee in the event of default or non-performance of the provider under the rental home marketplace guarantee.

§ 59.1-615. Registration; fees.

A. No provider shall offer, advertise, sell, or execute or cause to be executed any rental home marketplace

guarantee in the Commonwealth unless the provider at the time of the offer, advertisement, sale, or execution of the rental home marketplace guarantee is registered with the Commissioner. The registration application and renewal shall be on a form provided by the Commissioner and shall (i) disclose the address, ownership, and nature of business of the provider; (ii) be renewed annually on July 1; and (iii) be accompanied by a fee of \$300 per registration and annual renewal. A registration application or registration renewal shall not be considered filed until all required information and fees are received by the Commissioner.

B. All fees shall be remitted to the State Treasurer and shall be placed to the credit and in the special fund of the Department of Agriculture and Consumer Services to be used in the administration of this chapter.

§ 59.1-616. Insurance requirements.

Any provider that is obligated to a platform contract holder shall maintain a reimbursement insurance policy issued by an insurer authorized to transact business in the Commonwealth or issued pursuant to Chapter 48 (§ 38.2-4805.1 et seq.) of Title 38.2. Such provider shall file a copy of such policy with the Commissioner.

§ 59.1-617. Regulations.

The Board is authorized to adopt reasonable regulations in order to implement the provisions of this chapter relating to rental home marketplace guarantees.

§ 59.1-618. Investigations.

A. The Commissioner may, with respect to rental home marketplace guarantees:

1. Make necessary public and private investigations in or outside of the Commonwealth to determine whether any person has violated the provisions of this chapter or any rule, regulation, or order issued pursuant to this chapter;

2. Require or permit any person to file a statement in writing, under oath or otherwise as the Commissioner determines, as to all facts and circumstances concerning the matter under investigation; and

3. Administer oaths or affirmations, and upon motion or upon request of any party, may subpoena witnesses, compel their attendance, take evidence, and require the production of any matter that is relevant to the investigation, including the existence, description, nature, custody, condition, and location of any books, documents, or other tangible things and the identity and location of persons having knowledge of relevant facts, or any other matter reasonably calculated to lead to the discovery of material evidence.

B. Any proceeding or hearing of the Commissioner pursuant to this chapter, in which witnesses are subpoenaed and their attendance required for evidence to be taken, or any matter produced to ascertain material evidence, shall take place within the City of Richmond.

C. If any person fails to obey the subpoena or to answer questions propounded by the Commissioner and upon reasonable notice to all persons affected thereby, the Commissioner may apply to the Circuit Court of the City of Richmond for an order compelling compliance.

§ 59.1-619. Production of records.

Every provider, upon written request of the Commissioner, shall make available to the Commissioner its rental home marketplace guarantee records for inspection and copying to enable the Commissioner to reasonably determine compliance with this chapter.

§ 59.1-620. Rental home marketplace guarantees not insurance.

Rental home marketplace guarantees are not contracts of insurance in the Commonwealth and are not subject to regulation under Title 38.2.

§ 59.1-621. Consumer protection and disclosures.

A. Rental home marketplace guarantees shall be written in clear, understandable language and shall specify the terms, limitations, exceptions, conditions, or exclusions, including conditions governing transferability or termination.

B. Rental home marketplace guarantees shall contain a statement in substantially the following form: "Obligations of the provider are backed by a liability insurance policy. If the provider is unable or fails to perform on its contractual obligation under a rental home marketplace guarantee 180 days after proof of loss has been filed, a platform user is entitled to make a claim directly against the insurance company subject to the terms of the policy."

C. Rental home marketplace guarantees shall include a statement in substantially the following form: "This rental home marketplace guarantee is not an insurance contract."

D. No provider shall make, permit, or cause to be made any false or misleading statement, or deliberately omit any material statement that would be considered misleading if omitted, in connection with the offer or advertisement of a rental home marketplace guarantee.

§ 59.1-622. Violations of chapter; penalties.

A. Any provider that knowingly and willfully violates any provision of this chapter is guilty of a Class 3 misdemeanor.

B. Any violation of the provisions of this chapter shall constitute a prohibited practice pursuant to 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 the first enactment of this act shall become effective on January 1, 2027.

431 3. That the Board of Agriculture and Consumer Services (the Board) shall promulgate regulations to
432 implement the provisions of this act to be effective by January 1, 2027. The Board's initial adoption of
433 such regulations shall be exempt from the provisions of the Administrative Process Act (§ 2.2-4000 et
434 seq. of the Code of Virginia), except that the Board shall provide an opportunity for public comment
435 on the regulations prior to adoption.

436 4. That any person required under the provisions of this act to be registered with the Commissioner of
437 Agriculture and Consumer Services (the Commissioner) to provide rental home marketplace
438 guarantees, as defined in § 59.1-614 of the Code of Virginia, as created by this act, on the effective date
439 of the first enactment of this act shall register with the Commissioner no later than January 1, 2027,
440 and may continue to issue rental home marketplace guarantees provided such person meets the
441 requirements of this act. Any rental home marketplace guarantees issued prior to the effective date of
442 the first enactment of this act shall be subject to oversight of the Commissioner.