

Department of Planning and Budget
2026 General Assembly Session
State Fiscal Impact Statement

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ORIGINAL

Bill Number: HB374 **Patron:** Krizek
Bill Title: Manufactured Home Lot Rental Act.

Bill Summary: Requires landlords subject to the Manufactured Home Lot Rental Act to include, on the first page of a written rental agreement, an itemization of all charges to the tenant, along with a statement that states: "No additional deposits, fees, or rent shall be charged unless they are listed below, except for those included in a separate valid written contract signed by the landlord and the tenant." A violation of the provisions constitutes a violation of the Virginia Consumer Protection Act. The bill also prohibits any owner or operator of a manufactured home community from increasing the annual lot rent of a tenant at the time of renewal if the manufactured housing community has received a notice of violation of zoning, building, or fire code or an inspection report listing violations of habitability from the locality where the community operates and the notice of violation remains unresolved. Lastly, the bill requires any manufactured home community operating in the Commonwealth to register with the Department of Housing and Community Development.

Budget Amendment Necessary: Yes **Items Impacted:** 106 (DHCD)

Explanation: This bill involves the Department of Housing and Community Development; the Office of the Attorney General; and the Courts. A general fund budget amendment is required to implement the provisions of the bill.

Fiscal Summary: It is anticipated that the Department of Housing and Community Development (DHCD) will require an additional general fund appropriation of \$161,000 in each year and one position under Item 106, HB30/SB30, as Introduced, to implement this bill.

General Fund Expenditure Impact:

Agency	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031
DHCD (165)		\$161,000	\$161,000	\$161,000	\$161,000	\$161,000
TOTAL		\$161,000	\$161,000	\$161,000	\$161,000	\$161,000

Position Impact:

Agency	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031
DHCD (165)		1	1	1	1	1
TOTAL		1	1	1	1	1

Fiscal Analysis: This fiscal impact estimate is preliminary. The bill assigns DHCD new responsibilities to establish and administer a statewide registration requirement for manufactured home communities. DHCD indicates the development of new electronic registration software, estimated at approximately \$70,000 based on recent comparable procurements, as well as the creation of reporting documents, electronic submission

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processes, data storage, and record maintenance will be necessary to implement this bill. DHCD anticipates that the ongoing workload associated with registration processing, compliance monitoring, enforcement of registration requirements, processing of fees and civil penalties, and receipt of ownership transfer and closure notices cannot be absorbed within existing resources, and would require one additional policy analyst position, estimated at approximately \$91,000 annually. The bill also expands the scope of the Virginia Consumer Protection Act by making violations of certain rental agreement disclosure requirements unlawful. Information from the Office of the Attorney General is not available at this time.

The bill may result in additional state revenues from civil penalties of up to \$10,000 per occurrence. The magnitude of any such revenues is indeterminate, as it depends on the frequency of violations and enforcement actions. The civil penalty provision sunsets at the end of FY 2030.

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

Other: The bill directs civil penalties to the Revolving Loan Fund for the Purchase of Manufactured Home Parks. This Fund does not exist. Chapter 725, 2025 Acts of Assembly (the 2025 Appropriation Act), which expires on June 30, 2026, authorizes the use of up to \$5.0 million of unobligated balances from the Low-Income Energy Efficiency Program Fund toward the Manufactured Home Park Acquisition Pilot Program. HB30/SB30 continues that authorization until the conclusion of the pilot program.