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SENATE BILL NO. 349
AMENDMENT IN THE NATURE OF A SUBSTITUTE
(Proposed by the Senate Committee on General Laws and Technology
on _____)
(Patron Prior to Substitute—Senator VanValkenburg)

A BILL to amend and reenact §§ 36-96.2, 55.1-1200, 55.1-1203, 55.1-1204, 55.1-1204.1, 55.1-1208, 55.1-1212, 55.1-1226, 55.1-1302, and 55.1-1311 of the Code of Virginia and to amend the Code of Virginia by adding a section numbered 55.1-1204.2, relating to Virginia Residential Landlord and Tenant Act; Manufactured Home Lot Rental Act; pre-tenancy fees.

Be it enacted by the General Assembly of Virginia:

1. That §§ 36-96.2, 55.1-1200, 55.1-1203, 55.1-1204, 55.1-1204.1, 55.1-1208, 55.1-1212, 55.1-1226, 55.1-1302, and 55.1-1311 of the Code of Virginia are amended and reenacted and that the Code of Virginia is amended by adding a section numbered 55.1-1204.2 as follows:

§ 36-96.2. Exemptions.

A. Except as provided in subdivision A 3 of § 36-96.3 and subsections A, B, and C of § 36-96.6, this chapter shall not apply to any single-family house sold or rented by an owner, provided that such private individual does not own more than three single-family houses at any one time. In the case of the sale of any single-family house by a private individual-owner not residing in the house at the time of the sale or who was not the most recent resident of the house prior to sale, the exemption granted shall apply only with respect to one such sale within any 24-month period, provided that such bona fide private individual owner does not own any interest in, nor is there owned or reserved on his behalf, under any express or voluntary agreement, title to or any right to all or a portion of the proceeds from the sale or rental of, more than three such single-family houses at any one time. The sale or rental of any such single-family house shall be exempt from the application of this chapter only if the house is sold or rented (i) without the use in any manner of the sales or rental facilities or the sales or rental services of any real estate broker, agent, salesperson, or of the facilities or the services of any person in the business of selling or renting dwellings, or of any employee, independent contractor, or agent of any broker, agent, salesperson, or person and (ii) without the publication, posting, or mailing, after notice, of any advertisement or written notice in violation of this chapter. However, nothing herein shall prohibit the use of attorneys, escrow agents, abstractors, title companies, and other professional assistance as necessary to perfect or transfer the title. This exemption shall not apply to or inure to the benefit of any licensee of the Real Estate Board or regulant of the Fair Housing Board, regardless of whether the licensee is acting in his personal or professional capacity.

33 B. Except for subdivision A 3 of § 36-96.3, this chapter shall not apply to rooms or units in dwellings
34 containing living quarters occupied or intended to be occupied by no more than four families living
35 independently of each other, if the owner actually maintains and occupies one of such living quarters as his
36 residence.

37 C. Nothing in this chapter shall prohibit a religious organization, association or society, or any nonprofit
38 institution or organization operated, supervised, or controlled by or in conjunction with a religious
39 organization, association, or society, from limiting the sale, rental, or occupancy of dwellings that it owns or
40 operates for other than a commercial purpose to persons of the same religion, or from giving preferences to
41 such persons, unless membership in such religion is restricted on account of race, color, national origin, sex,
42 elderliness, familial status, sexual orientation, gender identity, military status, or disability. Nor shall anything
43 in this chapter apply to a private membership club not in fact open to the public, which as an incident to its
44 primary purpose or purposes provides lodging that it owns or operates for other than a commercial purpose,
45 from limiting the rental or occupancy of such lodgings to its members or from giving preference to its
46 members. Nor, where matters of personal privacy are involved, shall anything in this chapter be construed to
47 prohibit any private, state-owned, or state-supported educational institution, hospital, nursing home, or
48 religious or correctional institution from requiring that persons of both sexes not occupy any single-family
49 residence or room or unit of dwellings or other buildings, or restrooms in such room or unit in dwellings or
50 other buildings, which it owns or operates.

51 D. Nothing in this chapter prohibits conduct against a person because such person has been convicted by
52 any court of competent jurisdiction of the illegal manufacture or distribution of a controlled substance as
53 defined in federal law.

54 E. It shall not be unlawful under this chapter for any owner to deny or limit the rental of housing to
55 persons who pose a clear and present threat of substantial harm to others or to the dwelling itself.

56 F. A rental application may require disclosure by the applicant of any criminal convictions and the owner
57 or managing agent may require as a condition of acceptance of the rental application that applicant consent in
58 writing to a criminal record check to verify the disclosures made by applicant in the rental application. The
59 owner or managing agent may collect from the applicant moneys to reimburse the owner or managing agent
60 for the exact amount of the out-of-pocket costs for such criminal record checks. Nothing in this chapter shall
61 require an owner or managing agent to rent a dwelling to an individual who, based on a prior record of

62 criminal convictions involving harm to persons or property, would constitute a clear and present threat to the
63 health or safety of other individuals.

64 G. Nothing in this chapter limits the applicability of any reasonable local, state or federal restriction
65 regarding the maximum number of occupants permitted to occupy a dwelling. Owners or managing agents of
66 dwellings may develop and implement reasonable occupancy and safety standards based on factors such as
67 the number and size of sleeping areas or bedrooms and overall size of a dwelling unit so long as the standards
68 do not violate local, state or federal restrictions. Nothing in this chapter prohibits the rental application or
69 similar document from requiring information concerning the number, ages, sex and familial relationship of
70 the applicants and the dwelling's intended occupants.

71 H. Nothing in this chapter shall prohibit a landlord from considering evidence of an applicant's status as a
72 victim of family abuse, as defined in § 16.1-228, to mitigate any adverse effect of an otherwise qualified
73 applicant's application pursuant to subsection ~~D~~ F of § 55.1-1203.

74 I. Nothing in this chapter shall prohibit an owner or an owner's managing agent from denying or limiting
75 the rental or occupancy of a rental dwelling unit to a person because of such person's source of funds,
76 provided that such owner does not own more than four rental dwelling units in the Commonwealth at the time
77 of the alleged discriminatory housing practice. However, if an owner, whether individually or through a
78 business entity, owns more than a 10 percent interest in more than four rental dwelling units in the
79 Commonwealth at the time of the alleged discriminatory housing practice, the exemption provided in this
80 subsection shall not apply.

81 J. It shall not be unlawful under this chapter for an owner or an owner's managing agent to deny or limit a
82 person's rental or occupancy of a rental dwelling unit based on the person's source of funds for that unit if
83 such source is not approved within 15 days of the person's submission of the request for tenancy approval.

84 **§ 55.1-1200. Definitions.**

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

86 "Action" means any recoupment, counterclaim, setoff, or other civil action and any other proceeding in
87 which rights are determined, including actions for possession, rent, unlawful detainer, unlawful entry, and
88 distress for rent.

89 "Application deposit" means any *optional and* refundable deposit of money, however denominated,
90 ~~including all money intended to be used as a security deposit under a rental agreement, or property,~~ that is

91 paid by a tenant to a landlord for the purpose of being considered as a tenant for a dwelling unit.

92 "Application fee" means any nonrefundable fee that is paid by a tenant to a landlord or managing agent
93 for the purpose of being considered as a tenant for a dwelling unit, *including fees associated with any*
94 *background, credit, or other pre-occupancy check on the applicant.*

95 "Assignment" means the transfer by any tenant of all interests created by a rental agreement.

96 "Authorized occupant" means a person entitled to occupy a dwelling unit with the consent of the landlord,
97 but who has not signed the rental agreement and therefore does not have the financial obligations as a tenant
98 under the rental agreement.

99 "Building or housing code" means any law, ordinance, or governmental regulation concerning fitness for
100 habitation or the construction, maintenance, operation, occupancy, use, or appearance of any structure or that
101 part of a structure that is used as a home, residence, or sleeping place by one person who maintains a
102 household or by two or more persons who maintain a common household.

103 "Commencement date of rental agreement" means the date upon which the tenant is entitled to occupy the
104 dwelling unit as a tenant.

105 "Community land trust" means a community housing development organization whose board of directors
106 is composed of tenants, corporate members who are not tenants, and any other category of persons specified
107 in the bylaws of the organization and that:

- 108 1. Is not sponsored by a for-profit organization;
- 109 2. Acquires parcels of land, held in perpetuity, primarily for conveyance under long-term ground leases;
- 110 3. Transfers ownership of any structural improvements located on such leased parcels to the tenant; and
- 111 4. Retains a preemptive option to purchase any such structural improvement at a price determined by
112 formula that is designed to ensure that the improvement remains affordable to low-income and moderate-
113 income families in perpetuity.

114 "Damage insurance" means a bond or commercial insurance coverage as specified in the rental agreement
115 to secure the performance by the tenant of the terms and conditions of the rental agreement and to replace all
116 or part of a security deposit.

117 "Dwelling unit" means a structure or part of a structure that is used as a home or residence by one or more
118 persons who maintain a household, including a manufactured home, as defined in § 55.1-1300.

119 "Effective date of rental agreement" means the date on which the rental agreement is signed by the

120 landlord and the tenant obligating each party to the terms and conditions of the rental agreement.

121 "Essential service" includes heat, running water, hot water, electricity, and gas.

122 "Facility" means something that is built, constructed, installed, or established to perform some particular
123 function.

124 "Good faith" means honesty in fact in the conduct of the transaction concerned.

125 "Guest or invitee" means a person, other than the tenant or an authorized occupant, who has the
126 permission of the tenant to visit but not to occupy the premises.

127 "Interior of the dwelling unit" means the inside of the dwelling unit, consisting of interior walls, floor, and
128 ceiling, that enclose the dwelling unit as conditioned space from the outside air.

129 "Landlord" means the owner, lessor, or sublessor of the dwelling unit or the building of which such
130 dwelling unit is a part. "Landlord" also includes a managing agent of the premises who fails to disclose the
131 name of such owner, lessor, or sublessor. Such managing agent shall be subject to the provisions of
132 § 16.1-88.03. "Landlord" does not include a community land trust.

133 "Managing agent" means the person authorized by the landlord to act as the property manager on behalf
134 of the landlord pursuant to the written property management agreement.

135 "Mold remediation in accordance with professional standards" means mold remediation of that portion of
136 the dwelling unit or premises affected by mold, or any personal property of the tenant affected by mold,
137 performed consistent with guidance documents published by the U.S. Environmental Protection Agency, the
138 U.S. Department of Housing and Urban Development, or the American Conference of Governmental
139 Industrial Hygienists (Bioaerosols: Assessment and Control); Standard and Reference Guides of the Institute
140 of Inspection, Cleaning and Restoration Certification (IICRC) for Professional Water Damage Restoration
141 and Professional Mold Remediation; or any protocol for mold remediation prepared by an industrial hygienist
142 consistent with such guidance documents.

143 "Multifamily dwelling unit" means more than one single-family dwelling unit located in a building.
144 However, nothing in this definition shall be construed to apply to any nonresidential space in such building.

145 "Natural person," wherever the chapter refers to an owner as a "natural person," includes co-owners who
146 are natural persons, either as tenants in common, joint tenants, tenants in partnership, tenants by the entirety,
147 trustees or beneficiaries of a trust, general partnerships, limited liability partnerships, registered limited
148 liability partnerships or limited liability companies, or any other lawful combination of natural persons

149 permitted by law.

150 "Notice" means notice given in writing by either regular mail or hand delivery, with the sender retaining
151 sufficient proof of having given such notice in the form of a certificate of service confirming such mailing
152 prepared by the sender. However, a person shall be deemed to have notice of a fact if he has actual
153 knowledge of it, he has received a verbal notice of it, or, from all of the facts and circumstances known to
154 him at the time in question, he has reason to know it exists. A person "notifies" or "gives" a notice or
155 notification to another by taking steps reasonably calculated to inform another person, whether or not the
156 other person actually comes to know of it. If notice is given that is not in writing, the person giving the notice
157 has the burden of proof to show that the notice was given to the recipient of the notice.

158 "Organization" means a corporation, government, governmental subdivision or agency, business trust,
159 estate, trust, partnership, or association; two or more persons having a joint or common interest; any
160 combination thereof; and any other legal or commercial entity.

161 "Owner" means one or more persons or entities, jointly or severally, including a mortgagee in possession,
162 in whom is vested:

- 163 1. All or part of the legal title to the property; or
- 164 2. All or part of the beneficial ownership and a right to present use and enjoyment of the premises.

165 "Person" means any individual, group of individuals, corporation, partnership, business trust, association,
166 or other legal entity, or any combination thereof.

167 "*Pet*" means an animal domesticated for the purpose of companionship that is under the care, custody, or
168 ownership of a person, including dogs, cats, birds, rabbits, hamsters, and reptiles, and that is not a service
169 dog, as defined in § 51.5-40.1, or assistance animal, as defined in § 36-96.1:1.

170 "*Pet deposit*" means any refundable deposit of money that is furnished by a tenant to a landlord to secure
171 the performance of the terms and conditions of a rental agreement as a security for damages to the leased
172 premises incurred by a pet that is authorized by the landlord to occupy the dwelling unit.

173 "Premises" means a dwelling unit and the structure of which it is a part, facilities and appurtenances
174 contained therein, and grounds, areas, and facilities held out for the use of tenants generally or whose use is
175 promised to the tenant.

176 "*Pre-tenancy fee*" means a fee or charge, whether designated as refundable or nonrefundable, that is
177 charged to or collected from a current or prospective tenant by a landlord prior to or during execution of a
178 rental agreement, including an application fee, an administrative or processing fee, a utility account set-up

179 *fee, and a renewal fee.*

180 "Processing fee for payment of rent with bad check" means the processing fee specified in the rental
181 agreement, not to exceed \$50, assessed by a landlord against a tenant for payment of rent with a check drawn
182 by the tenant on which payment has been refused by the payor bank because the drawer had no account or
183 insufficient funds.

184 "Readily accessible" means areas within the interior of the dwelling unit available for observation at the
185 time of the move-in inspection that do not require removal of materials, personal property, equipment, or
186 similar items.

187 *"Renewal fee" means any fee charged by a landlord to a tenant upon the renewal of a rental agreement.*

188 "Rent" means all money, other than a security deposit, owed or paid to the landlord under the rental
189 agreement, including prepaid rent paid more than one month in advance of the rent due date.

190 "Rental agreement" or "lease agreement" means all rental agreements, written or oral, and valid rules and
191 regulations adopted under § 55.1-1228 embodying the terms and conditions concerning the use and
192 occupancy of a dwelling unit and premises.

193 "Rental application" means the written application or similar document used by a landlord to determine if
194 a prospective tenant is qualified to become a tenant of a dwelling unit.

195 "Renter's insurance" means insurance coverage specified in the rental agreement that is a combination
196 multi-peril policy containing fire, miscellaneous property, and personal liability coverage insuring personal
197 property located in dwelling units not occupied by the owner.

198 "Residential tenancy" means a tenancy that is based on a rental agreement between a landlord and a tenant
199 for a dwelling unit.

200 "Roomer" means a person occupying a dwelling unit that lacks a major bathroom or kitchen facility, in a
201 structure where one or more major facilities are used in common by occupants of the dwelling unit and other
202 dwelling units. "Major facility" in the case of a bathroom means a toilet and either a bath or shower and in the
203 case of a kitchen means a refrigerator, stove, or sink.

204 "Security deposit" means any refundable deposit of money that is furnished by a tenant to a landlord *at the*
205 *execution of the rental agreement* to secure the performance of the terms and conditions of a rental
206 agreement, as a security for damages to the leased premises, or as a pet deposit. ~~However, such money shall~~
207 ~~be deemed an application deposit until the commencement date of the rental agreement.~~ "Security deposit"
208 does not include a damage insurance policy or renter's insurance policy, as those terms are defined in

209 § 55.1-1206, purchased by a landlord to provide coverage for a tenant.

210 "Single-family residence" means a structure, other than a multifamily residential structure, maintained and
211 used as a single dwelling unit, condominium unit, or any other dwelling unit that has direct access to a street
212 or thoroughfare and does not share heating facilities, hot water equipment, or any other essential facility or
213 essential service with any other dwelling unit.

214 "Sublease" means the transfer by any tenant of any but not all interests created by a rental agreement.

215 "Tenant" means a person entitled only under the terms of a rental agreement to occupy a dwelling unit to
216 the exclusion of others and includes a roomer. "Tenant" does not include (i) an authorized occupant, (ii) a
217 guest or invitee, or (iii) any person who guarantees or cosigns the payment of the financial obligations of a
218 rental agreement but has no right to occupy a dwelling unit.

219 "Tenant records" means all information, including financial, maintenance, and other records about a
220 tenant or prospective tenant, whether such information is in written or electronic form or any other medium.

221 "Utility" means electricity, natural gas, or water and sewer provided by a public service corporation or
222 such other person providing utility services as permitted under § 56-1.2. If the rental agreement so provides, a
223 landlord may use submetering equipment or energy allocation equipment as defined in § 56-245.2 or a ratio
224 utility billing system as defined in § 55.1-1212.

225 "Visible evidence of mold" means the existence of mold in the dwelling unit that is visible to the naked
226 eye by the landlord or tenant in areas within the interior of the dwelling unit readily accessible at the time of
227 the move-in inspection.

228 "Written notice" means notice given in accordance with § 55.1-1202, including any representation of
229 words, letters, symbols, numbers, or figures, whether (i) printed in or inscribed on a tangible medium or (ii)
230 stored in an electronic form or any other medium, retrievable in a perceivable form, and regardless of whether
231 an electronic signature authorized by the Uniform Electronic Transactions Act (§ 59.1-479 et seq.) is affixed.

232 **§ 55.1-1203. Application; deposit, fee, and additional information.**

233 *A. Prior to requesting or collecting any payment or information about a prospective tenant and prior to*
234 *exhibiting the dwelling unit to a prospective tenant, a landlord shall first notify the prospective tenant in*
235 *writing or by posting in a manner accessible to a prospective tenant (i) the amount and purpose of any*
236 *application fee or application deposit that may be charged to or collected from an applicant prior to*
237 *execution of a rental agreement and whether such fee or deposit is optional or refundable; (ii) the amount*
238 *and purpose of any administrative or processing fee, utility account set-up fee, or security deposit, including*

239 *the amount and purpose of any pet deposit, that may be charged to or collected from a tenant upon execution*
240 *of a rental agreement and whether such fee or deposit is refundable; and (iii) the amount and purpose of any*
241 *renewal fee or administrative or processing fee that may be charged to a tenant to renew the rental*
242 *agreement and whether such fee is refundable.*

243 *B. No landlord shall charge any fee to a prospective tenant prior to exhibiting the dwelling unit to the*
244 *prospective tenant. If a prospective tenant wishes to submit an application or execute a rental agreement*
245 *before viewing the dwelling unit, the prospective tenant may waive the landlord's requirement to exhibit the*
246 *dwelling unit pursuant to this subsection by signing a written agreement provided by the landlord.*

247 *C. Any landlord may require a refundable application fee and may provide applicants with the option*
248 *of paying an application deposit in addition to a nonrefundable application fee. If the applicant fails to rent*
249 *the unit for which application was made, from the application deposit the landlord shall refund to the*
250 *applicant within 20 days after the applicant's failure to rent the unit or the landlord's rejection of the*
251 *application all sums in excess of the landlord's, less the actual expenses and damages incurred by the*
252 *landlord in the application process that are directly attributable to the applicant, together with an itemized*
253 *list of such expenses and damages. If, however, the application deposit was made by cash, certified check,*
254 *cashier's check, or postal money order, such refund shall be made within 10 days of the applicant's failure to*
255 *rent the unit if the failure to rent is due to the landlord's rejection of the application. If the landlord fails to*
256 *comply with this section, the applicant may recover as damages suffered by him that portion of the*
257 *application deposit wrongfully withheld and reasonable attorney fees.*

258 ~~B. D.~~ *A landlord may request that a prospective tenant provide information that will enable the landlord to*
259 *determine whether each applicant may become a tenant. The landlord may photocopy each applicant's driver's*
260 *license or other similar photo identification, containing either the applicant's social security number or control*
261 *number issued by the Department of Motor Vehicles pursuant to § 46.2-342. However, a landlord shall not*
262 *photocopy a U.S. government-issued identification so long as to do so is a violation of 18 U.S.C. § 701. The*
263 *landlord may require, for the purpose of determining whether each applicant is eligible to become a tenant in*
264 *the landlord's dwelling unit, that each applicant provide a social security number issued by the U.S. Social*
265 *Security Administration or an individual taxpayer identification number issued by the U.S. Internal Revenue*
266 *Service.*

267 ~~C. E.~~ *An application fee shall not exceed \$50, exclusive of any the actual out-of-pocket expenses paid by*
268 *the landlord to a third party performing background, credit, or other pre-occupancy checks on the applicant.*
269 ~~However, where an application is being made for a dwelling unit that is a public housing unit or other~~

270 housing unit subject to regulation by the U.S. Department of Housing and Urban Development, an
271 application fee shall not exceed \$32, exclusive of any actual out-of-pocket expenses paid to a third party by
272 the landlord performing background, credit, or other pre-occupancy checks on the applicant. A landlord shall
273 provide a receipt reflecting such expenses to the applicant.

274 *D. F.* A landlord shall consider evidence of an applicant's status as a victim of family abuse, as defined in
275 § 16.1-228, to mitigate any adverse effect of an otherwise qualified applicant's low credit score. In order to
276 establish the applicant's status as a victim of family abuse, an applicant may submit to the landlord (i) a letter
277 from a sexual and domestic violence program, a housing counselor certified by the U.S. Department of
278 Housing and Urban Development, or an attorney representing the applicant; (ii) a law-enforcement incident
279 report; or (iii) a court order. If a landlord does not comply with this section, the applicant may recover actual
280 damages, including all amounts paid to the landlord as an application fee, application deposit, or
281 reimbursement for any of the landlord's out-of-pocket expenses that were charged to the prospective tenant,
282 along with attorney fees.

283 *G.* No landlord shall charge or collect from a tenant any fee prior to the execution of a rental agreement
284 that is not an application fee or application deposit. No landlord shall charge or collect from a tenant any fee
285 at the time of the execution of a rental agreement that is not an administrative or processing fee, a utility
286 account set-up fee, or a security deposit.

287 **§ 55.1-1204. Terms and conditions of rental agreement; payment of rent; copy of rental agreement**
288 **for tenant.**

289 A. A landlord and tenant may include in a rental agreement terms and conditions not prohibited by this
290 chapter or other rule of law, including rent, charges for late payment of rent, the term of the agreement,
291 automatic renewal of the rental agreement, requirements for notice of intent to vacate or terminate the rental
292 agreement, and other provisions governing the rights and obligations of the parties.

293 B. A landlord shall offer a prospective tenant a written rental agreement containing the terms governing
294 the rental of the dwelling unit and setting forth the terms and conditions of the landlord-tenant relationship
295 and shall provide with it the statement of tenant rights and responsibilities developed by the Department of
296 Housing and Community Development and posted on its website pursuant to § 36-139. The parties to a
297 written rental agreement shall sign the form developed by the Department of Housing and Community
298 Development and posted on its website pursuant to § 36-139 acknowledging that the tenant has received from
299 the landlord the statement of tenant rights and responsibilities. The written rental agreement shall be effective
300 upon the date signed by the parties.

301 If a tenant fails to sign the form available pursuant to this subsection, the landlord shall record the date or
302 dates on which he provided the form to the tenant and the fact that the tenant failed to sign such form.
303 Subsequent to the effective date of the tenancy, a landlord may, but shall not be required to, provide a tenant
304 with and allow such tenant an opportunity to sign the form described pursuant to this subsection. The form
305 shall be current as of the date of delivery.

306 C. If a landlord does not offer a written rental agreement, the tenancy shall exist by operation of law,
307 consisting of the following terms and conditions:

- 308 1. The provision of this chapter shall be applicable to the dwelling unit that is being rented;
- 309 2. The duration of the rental agreement shall be for 12 months and shall not be subject to automatic
310 renewal, except in the event of a month-to-month lease as otherwise provided for under subsection D of
311 § 55.1-1253;
- 312 3. Rent shall be paid in 12 equal periodic installments in an amount agreed upon by the landlord and the
313 tenant and if no amount is agreed upon, the installments shall be at fair market rent;
- 314 4. Rent payments shall be due on the first day of each month during the tenancy and shall be considered
315 late if not paid by the fifth of the month;
- 316 5. If the rent is paid by the tenant after the fifth day of any given month, the landlord shall be entitled to
317 charge a late charge as provided in this chapter;
- 318 6. The landlord may collect a security deposit in an amount that does not exceed a total amount equal to
319 two months of rent; ~~and~~
- 320 7. *If a pet is occupying the dwelling unit, the landlord may collect a pet deposit in an amount that is part*
321 *of the security deposit; and*
- 322 8. The parties may enter into a written rental agreement at any time during the 12-month tenancy created
323 by this subsection.

324 D. Except as provided in the written rental agreement, or as provided in subsection C if no written
325 agreement is offered, rent shall be payable without demand or notice at the time and place agreed upon by the
326 parties. Except as provided in the written rental agreement, rent is payable at the place designated by the
327 landlord, and periodic rent is payable at the beginning of any term of one month or less and otherwise in
328 equal installments at the beginning of each month. If the landlord receives from a tenant a written request for
329 a written statement of charges and payments, he shall provide the tenant with a written statement showing all

330 debits and credits over the tenancy or the past 12 months, whichever is shorter. The landlord shall provide
331 such written statement within 10 business days of receiving the request.

332 E. A landlord shall not charge a tenant for late payment of rent unless such charge is provided for in the
333 written rental agreement. No such late charge shall exceed the lesser of 10 percent of the periodic rent or 10
334 percent of the remaining balance due and owed by the tenant.

335 F. Except as provided in the written rental agreement or, as provided in subsection C if no written
336 agreement is offered, the tenancy shall be week-to-week in the case of a tenant who pays weekly rent and
337 month-to-month in all other cases. Terminations of tenancies shall be governed by § 55.1-1253 unless the
338 rental agreement provides for a different notice period.

339 G. If the rental agreement contains any provision allowing the landlord to approve or disapprove a
340 sublessee or assignee of the tenant, the landlord shall, within 10 business days of receipt of the written
341 application of the prospective sublessee or assignee on a form to be provided by the landlord, approve or
342 disapprove the sublessee or assignee. Failure of the landlord to act within 10 business days is evidence of his
343 approval.

344 H. The landlord shall provide a copy of the signed written rental agreement and the statement of tenant
345 rights and responsibilities to the tenant within 10 business days of the effective date of the written rental
346 agreement. The failure of the landlord to deliver such a rental agreement and statement shall not affect the
347 validity of the agreement. However, the landlord shall not file or maintain an action, including any summons
348 for unlawful detainer, against the tenant in a court of law for any alleged lease violation until he has provided
349 the tenant with the statement of tenant rights and responsibilities.

350 The landlord shall provide the tenant with an additional hard copy of such tenant's rental agreement once
351 per year upon request or shall maintain such rental agreement in an electronic format that can be easily
352 accessed by or shared with the tenant upon request. Any additional electronic copy of a tenant's rental
353 agreement provided pursuant to this subsection shall be provided by the landlord at no charge to the tenant.

354 I. No unilateral change in the terms of a rental agreement by a landlord or tenant shall be valid unless (i)
355 notice of the change is given in accordance with the terms of the rental agreement or as otherwise required by
356 law and (ii) both parties consent in writing to the change.

357 J. 1. The landlord shall provide the tenant with a written receipt, upon request from the tenant, whenever
358 the tenant pays rent in the form of cash or money order. No landlord shall charge a tenant any fee for the

359 collection or processing of any payment of rent, security deposit, or any other fees, unless the landlord offers
360 an alternative method of payment that does not include additional fees.

361 2. A landlord with four or fewer rental dwelling units, or up to a 10 percent interest in four or fewer rental
362 dwelling units, shall not be required to accept payment of periodic rent and any security deposit by debit or
363 credit card.

364 K. A landlord who owns more than four rental dwelling units or more than a 10 percent interest in more
365 than four rental dwelling units, whether individually or through a business entity, in the Commonwealth shall
366 be required to provide written notice to any tenant who has the option to renew a rental agreement or whose
367 rental agreement contains an automatic renewal provision of any increase in rent during the subsequent rental
368 agreement term. Such landlord shall also provide written notice of nonrenewal to any tenant. Such notices
369 shall be provided to the tenant no less than 60 days prior to the end of the rental agreement term. This
370 subsection shall not apply to any periodic tenancy created pursuant to subsection C of § 55.1-1253.

371 *L. A landlord that charges an administrative or processing fee shall charge an amount equal to the actual*
372 *cost of executing the rental agreement. Such costs shall only include the actual administrative expenses*
373 *incurred by the landlord, his employees, or a third party.*

374 **§ 55.1-1204.1. Fee disclosure statement; fee prohibition.**

375 A landlord shall provide, beginning on the first page of the written rental agreement, an itemization of all
376 charges to the tenant that comprise (i) the security deposit, *including the pet deposit, if applicable*; (ii) the
377 amount of rent due per payment period pursuant to the lease period; and (iii) any ~~additional one-time charges~~
378 *pre-tenancy fees* due prior to the commencement date of the rental agreement or that will be included in the
379 first rental payment. Immediately above the itemized list of charges, the written rental agreement shall state:
380 No additional security deposits or rent shall be charged unless they are listed below or incorporated into this
381 agreement by way of a separate addendum after execution of this rental agreement.

382 **§ 55.1-1204.2. Certain renewal fees and administrative fees prohibited.**

383 *A. No landlord shall charge a renewal fee or administrative or processing fee to a tenant prior to the*
384 *execution of a subsequent rental agreement unless (i) a change to the terms and conditions of the subsequent*
385 *rental agreement is requested by the tenant in writing, (ii) such a fee is necessary to cover the actual cost of*
386 *implementing the changes proposed by the tenant, and (iii) the change is agreed to by the landlord in writing.*
387 *Such changes may include:*

388 1. *Adding or removing tenants;*

389 2. *Adding or removing co-signers;*

- 390 3. Adding or removing pets;
- 391 4. Changing provisions related to subleasing;
- 392 5. Changing terms of the agreement, including effective and termination dates and automatic renewal; or
- 393 6. Changing any other terms and conditions of a rental agreement as such terms and conditions are
- 394 permitted pursuant to this chapter.

395 *If a change to the terms and conditions of the subsequent rental agreement is proposed by the landlord,*

396 *no renewal fee shall be charged to the tenant.*

397 *B. A landlord that charges a fee pursuant to subsection A shall charge an amount equal to the actual cost*

398 *of implementing the changes to the terms and conditions of a rental agreement. Such costs shall only include*

399 *the actual expenses and damages incurred in the application process pursuant to § 55.1-1203 and actual*

400 *administrative expenses incurred by the landlord, his employees, or a third party.*

401 **§ 55.1-1208. Prohibited provisions in rental agreements.**

402 A. A rental agreement shall not contain provisions that the tenant:

- 403 1. Agrees to waive or forgo rights or remedies under this chapter;
- 404 2. Agrees to waive or forgo rights or remedies pertaining to the 120-day conversion or rehabilitation
- 405 notice required in the Virginia Condominium Act (§ 55.1-1900 et seq.) or the Virginia Real Estate
- 406 Cooperative Act (§ 55.1-2100 et seq.) or under § 55.1-1410;
- 407 3. Authorizes any person to confess judgment on a claim arising out of the rental agreement;
- 408 4. Agrees to pay the landlord's attorney fees except as provided in this chapter;
- 409 5. Agrees to the exculpation or limitation of any liability of the landlord to the tenant arising under law or
- 410 to indemnify the landlord for that liability or any associated costs;
- 411 6. Agrees as a condition of tenancy in public housing to a prohibition or restriction of any lawful
- 412 possession of a firearm within individual dwelling units unless required by federal law or regulation;
- 413 7. Agrees to the payment of a security deposit, insurance premiums for damage insurance, and insurance
- 414 premiums for renter's insurance prior to the commencement of the tenancy that exceed the amount of two
- 415 months' periodic rent; ~~or~~
- 416 8. Agrees to the payment of a pet deposit in cases where no pet will occupy the dwelling unit during the
- 417 tenancy;
- 418 9. Agrees to hire or pay for a professional service, including professional cleaning, painting, and trash
- 419 removal, upon conclusion of the rental agreement; or
- 420 10. Agrees to waive remedies or rights under the Servicemembers Civil Relief Act, 50 U.S.C. § 3901 et

421 seq., prior to the occurrence of a dispute between landlord and tenant. Execution of leases shall not be
422 contingent upon the execution of a waiver of rights under the Servicemembers Civil Relief Act; however,
423 upon the occurrence of any dispute, the landlord and tenant may execute a waiver of such rights and remedies
424 as to that dispute in order to facilitate a resolution.

425 B. Any provision prohibited by subsection A that is included in a rental agreement is unenforceable. If a
426 landlord brings an action to enforce any such provision, the tenant may recover actual damages sustained by
427 him and reasonable attorney fees.

428 C. If the landlord is a public housing authority, the landlord shall not require a tenant to pay any fee for
429 the maintenance or repair of any dwelling unit unless the repair is necessitated by the tenant's action or
430 omission.

431 **§ 55.1-1212. Energy submetering, energy allocation equipment, sewer and water submetering**
432 **equipment, and ratio utility billing systems; local government fees.**

433 A. As used in this section:

434 "Energy allocation equipment" means the same as that term is defined in § 56-245.2.

435 "Energy submetering equipment" has the same meaning ascribed to "submetering equipment" in
436 § 56-245.2.

437 "Local government fees" means any local government charges or fees assessed against a residential
438 building, including charges or fees for stormwater, recycling, trash collection, elevator testing, fire or life
439 safety testing, or residential rental inspection programs.

440 "Ratio utility billing system" means a program that utilizes a mathematical formula for allocating, among
441 the tenants in a residential building, the actual or anticipated water, sewer, electrical, oil, or natural gas
442 billings billed to the residential building owner from a third-party provider of the utility service. Permitted
443 allocation methods may include formulas based on square footage, occupancy, number of bedrooms, or some
444 other specific method agreed to by the residential building owner and the tenant in the rental agreement or
445 lease.

446 "Residential building" means all of the individual units served through the same utility-owned meter
447 within a residential building that is defined in § 56-245.2 as an apartment building or house or all of the
448 individual dwelling units served through the same utility-owned meter within a manufactured home park as
449 defined in § 55.1-1300.

450 "Water and sewer submetering equipment" means equipment used to measure actual water or sewer usage

451 in any residential building when such equipment is not owned or controlled by the utility or other provider of
452 water or sewer service that provides service to the residential building.

453 B. Energy submetering equipment, energy allocation equipment, water and sewer submetering equipment,
454 or a ratio utility billing system may be used in a residential building if clearly stated in the rental agreement
455 or lease for the residential building. All energy submetering equipment and energy allocation equipment shall
456 meet the requirements and standards established and enforced by the State Corporation Commission pursuant
457 to § 56-245.3.

458 C. If energy submetering equipment, energy allocation equipment, or water and sewer submetering
459 equipment is used in any residential building, the owner, manager, or operator of such residential building
460 shall bill the tenant for electricity, oil, natural gas, or water and sewer for the same billing period as the utility
461 serving the residential building, unless the rental agreement or lease expressly provides otherwise. The
462 owner, manager, or operator of such residential building may charge and collect from the tenant additional
463 service charges, including monthly billing fees, account set-up fees, or account move-out fees, to cover the
464 actual costs of administrative expenses and billing charged to the residential building owner, manager, or
465 operator by a third-party provider of such services, provided that such charges are agreed to by the residential
466 building owner and the tenant in the rental agreement or lease. The residential building owner may require
467 the tenant to pay a late charge of up to \$5 if the tenant fails to make payment when due, which shall not be
468 less than 15 days following the date of mailing or delivery of the bill sent pursuant to this section.

469 D. If a ratio utility billing system is used in any residential building, in lieu of increasing the rent, the
470 owner, manager, or operator of such residential building may employ such a program that utilizes a
471 mathematical formula for allocating, among the tenants in a residential building, the actual or anticipated
472 water, sewer, electrical, oil, or natural gas billings billed to the residential building owner from a third-party
473 provider of the utility service. The owner, manager, or operator of the residential building may charge and
474 collect from the tenant additional service charges, including monthly billing fees, account set-up fees, or
475 account move-out fees, to cover the actual costs of administrative expenses and billings charged to the
476 residential building owner, manager, or operator by a third-party provider of such services, provided that such
477 charges are agreed to by the residential building owner and the tenant in the rental agreement or lease. The
478 residential building owner may require the tenant to pay a late charge of up to \$5 if the tenant fails to make
479 payment when due, which shall not be less than 15 days following the date of mailing or delivery of the bill
480 sent pursuant to this section. The late charge shall be deemed rent (i) as defined in § 55.1-1200 if a ratio

481 utility billing system is used in a residential multifamily dwelling unit subject to this chapter or (ii) as defined
482 in § 55.1-1300 if a ratio utility billing system is used in a manufactured home park subject to the
483 Manufactured Home Lot Rental Act (§ 55.1-1300 et seq.).

484 E. Energy allocation equipment shall be tested periodically by the owner, manager, or operator of the
485 residential building. Upon the request by a tenant, the owner shall test the energy allocation equipment
486 without charge. The test conducted without charge to the tenant shall not be conducted more frequently than
487 once in a 24-month period for the same tenant. The tenant or his designated representative may be present
488 during the testing of the energy allocation equipment. A written report of the results of the test shall be made
489 to the tenant within 10 working days after the completion of the test.

490 F. The owner of any residential building shall maintain adequate records regarding energy submetering
491 equipment, energy allocation equipment, water and sewer submetering equipment, or a ratio utility billing
492 system. A tenant may inspect and copy the records for the leased premises during reasonable business hours
493 at a convenient location within or serving the residential building. The owner of the residential building may
494 impose and collect a reasonable charge for copying documents, reflecting the actual costs of materials and
495 labor for copying, prior to providing copies of the records to the tenant.

496 G. Notwithstanding any enforcement action undertaken by the State Corporation Commission pursuant to
497 its authority under § 56-245.3, tenants and owners shall retain any private right of action resulting from any
498 breach of the rental agreement or lease terms required by this section or § 56-245.3, if applicable, to the same
499 extent as such actions may be maintained for breach of other terms of the rental agreement or lease under this
500 chapter, if applicable. The use of energy submetering equipment, energy allocation equipment, water and
501 sewer submetering equipment, or a ratio utility billing system is not within the jurisdiction of the Department
502 of Agriculture and Consumer Services under Chapter 56 (§ 3.2-5600 et seq.) of Title 3.2.

503 H. In lieu of increasing the rent, the owner, manager, or operator of a residential building may employ a
504 program that utilizes a mathematical formula for allocating the actual or anticipated local government fees
505 billed to the residential building owner among the tenants in such residential building if clearly stated in the
506 rental agreement or lease. Permitted allocation methods may include formulas based upon square footage,
507 occupancy, number of bedrooms, or some other specific method agreed to by the residential building owner
508 and the tenant in the rental agreement or lease. Such owner, manager, or operator of a residential building
509 may also charge and collect from each tenant additional service charges, including monthly billing fees,
510 account set-up fees, or account move-out fees, to cover the actual costs of administrative expenses for

511 administration of such a program, *provided that such charges are agreed to by the residential building owner*
512 *and the tenant in the rental agreement or lease.* If the building is residential and is subject to (i) this chapter,
513 such local government fees and administrative expenses shall be deemed to be rent as defined in § 55.1-1200
514 or (ii) the Manufactured Home Lot Rental Act (§ 55.1-1300 et seq.), such local government fees and
515 administrative expenses shall be deemed to be rent as defined in § 55.1-1300.

516 I. Nothing in this section shall be construed to ~~prohibit~~ *allow* an owner, manager, or operator of a
517 residential building ~~from including~~ *to charge a tenant for* water, sewer, electrical, natural gas, oil, or other
518 utilities ~~in the amount of rent as specified in the rental agreement or lease~~ *if the utility is supplied directly to*
519 *the tenant.*

520 **§ 55.1-1226. Security deposits.**

521 A. No landlord may demand or receive a security deposit, however denominated, in an amount or value in
522 excess of two months' periodic rent.

523 I. Upon termination of the tenancy or the date the tenant vacates the dwelling unit, whichever occurs last,
524 such security deposit, *less any amount designated as a pet deposit*, whether it is property or money held by
525 the landlord as security as provided in this section, may be applied by the landlord solely to (i) the payment of
526 accrued rent, including the reasonable charges for late payment of rent specified in the rental agreement; (ii)
527 the payment of the amount of damages that the landlord has suffered by reason of the tenant's noncompliance
528 with § 55.1-1227, less reasonable wear and tear; (iii) other damages or charges as provided in the rental
529 agreement; or (iv) actual damages for breach of the rental agreement pursuant to § 55.1-1251.

530 2. A landlord may demand or receive a pet deposit from a tenant only if a pet is occupying the dwelling
531 unit. Upon termination of the tenancy or the date the tenant vacates the dwelling unit, whichever occurs last,
532 such pet deposit may be applied by the landlord solely to the payment of the amount of actual damages that
533 the landlord has suffered by reason of the pet occupying the dwelling unit, less reasonable wear and tear.

534 B. No amount of security deposit may be applied by the landlord toward (i) the cost of professional
535 services or (ii) the cost of materials and labor performed by the landlord or an employee of the landlord,
536 unless (a) such costs are reasonably necessary to return the premises to the same condition as the condition
537 of the premises at the start of the rental agreement, less reasonable wear and tear, and (b) the landlord
538 provides a receipt reflecting such costs to the tenant. The security deposit and any deductions, damages, and
539 charges shall be itemized by the landlord in a written notice given to the tenant, together with any amount due
540 to the tenant, within 45 days after the termination date of the tenancy or the date the tenant vacates the
541 dwelling unit, whichever occurs last. As of the date of the termination of the tenancy or the date the tenant

542 vacates the dwelling unit, whichever occurs last, the tenant shall be required to deliver possession of the
543 dwelling unit to the landlord. If the termination date is prior to the expiration of the rental agreement or any
544 renewal thereof, or the tenant has not given proper notice of termination of the rental agreement, the tenant
545 shall be liable for actual damages pursuant to § 55.1-1251, in which case, the landlord shall give written
546 notice of security deposit disposition within the 45-day period but may retain any security balance to apply
547 against any financial obligations of the tenant to the landlord pursuant to this chapter or the rental agreement.
548 If the tenant fails to vacate the dwelling unit as of the termination of the tenancy, the landlord may file an
549 unlawful detainer action pursuant to § 8.01-126.

550 ~~B.~~ C. Where there is more than one tenant subject to a rental agreement, unless otherwise agreed to in
551 writing by each of the tenants, disposition of the security deposit shall be made with one check being payable
552 to all such tenants and sent to a forwarding address provided by one of the tenants. The landlord shall make
553 the security deposit disposition within the 45-day time period required by subsection A, but if no forwarding
554 address is provided to the landlord, the landlord may continue to hold such security deposit in escrow. If a
555 tenant fails to provide a forwarding address to the landlord to enable the landlord to make a refund of the
556 security deposit, upon the expiration of one year from the date of the end of the 45-day time period, the
557 landlord may remit such sum to the State Treasurer as unclaimed property on a form prescribed by the
558 administrator that includes the name; social security number, if known; and last known address of each tenant
559 on the rental agreement. If the landlord or managing agent is a real estate licensee, compliance with this
560 subsection shall be deemed compliance with § 54.1-2108 and corresponding regulations of the Real Estate
561 Board.

562 ~~C.~~ D. Nothing in this section shall be construed by a court of law or otherwise as entitling the tenant, upon
563 the termination of the tenancy, to an immediate credit against the tenant's delinquent rent account in the
564 amount of the security deposit. The landlord shall apply the security deposit in accordance with this section
565 within the 45-day time period required by subsection A. However, provided that the landlord has given prior
566 written notice in accordance with this section, the landlord may withhold a reasonable portion of the security
567 deposit, *less any amount designated as a pet deposit*, to cover an amount of the balance due on the water,
568 sewer, or other utility account that is an obligation of the tenant to a third-party provider under the rental
569 agreement for the dwelling unit, and upon payment of such obligations the landlord shall provide written
570 confirmation to the tenant within 10 days, along with payment to the tenant of any balance otherwise due to
571 the tenant. In order to withhold such funds as ~~part of the disposition of the security deposit~~, the landlord shall
572 have so advised the tenant of his rights and obligations under this section in (i) a termination notice to the

573 tenant in accordance with this chapter, (ii) a written notice to the tenant confirming the vacating date in
574 accordance with this section, or (iii) a separate written notice to the tenant at least 15 days prior to the
575 disposition of ~~the security deposit~~ *such funds*. Any written notice to the tenant shall be given in accordance
576 with § 55.1-1202.

577 The tenant may provide the landlord with written confirmation of the payment of the final water, sewer, or
578 other utility bill for the dwelling unit, in which case the landlord shall refund the security deposit, unless there
579 are other authorized deductions, within the 45-day period required by subsection A. If the tenant provides
580 such written confirmation after the expiration of the 45-day period, the landlord shall refund any remaining
581 balance of the security deposit held to the tenant within 10 days following the receipt of such written
582 confirmation provided by the tenant. If the landlord otherwise receives confirmation of payment of the final
583 water, sewer, or other utility bill for the dwelling unit, the landlord shall refund the security deposit, unless
584 there are other authorized deductions, within the 45-day period.

585 ~~D.~~ *E.* Nothing in this section shall be construed to prohibit the landlord from making the disposition of the
586 security deposit prior to the 45-day period required by subsection A and charging an administrative fee to the
587 tenant for such expedited processing, if the rental agreement so provides and the tenant requests expedited
588 processing in a separate written document.

589 ~~E.~~ *F.* The landlord shall notify the tenant in writing of any deductions provided by this section to be made
590 from the tenant's security deposit, *including, if applicable, any deductions from the tenant's pet deposit*,
591 during the course of the tenancy. Such notification shall be made within ~~30~~ 15 days of the date of the
592 determination of the deduction and shall itemize the reasons in the same manner as provided in subsection F.
593 No such notification shall be required for deductions made less than ~~30~~ 15 days prior to the termination of the
594 rental agreement. If the landlord willfully fails to comply with this section, the court shall order the return of
595 the security deposit to the tenant, together with actual damages and reasonable attorney fees, unless the tenant
596 owes rent to the landlord, in which case the court shall order an amount equal to the security deposit credited
597 against the rent due to the landlord. In the event that damages to the premises exceed the amount of the
598 security deposit and require the services of a third-party contractor, the landlord shall give written notice to
599 the tenant advising him of that fact within the 45-day period required by subsection A. If notice is given as
600 prescribed in this subsection, the landlord shall have an additional ~~15-day~~ 10-day period to provide an
601 itemization of the damages and the cost of repair. This section shall not preclude the landlord or tenant from
602 recovering other damages to which he may be entitled under this chapter. The holder of the landlord's interest
603 in the premises at the time of the termination of the tenancy, regardless of how the interest is acquired or

604 transferred, is bound by this section and shall be required to return any security deposit received by the
605 original landlord that is duly owed to the tenant, whether or not such security deposit is transferred with the
606 landlord's interest by law or equity, regardless of any contractual agreements between the original landlord
607 and his successors in interest.

608 ~~F.~~ G. The landlord shall:

609 1. Maintain and itemize records for each tenant of all deductions from security deposits provided for
610 under this section, *including, if applicable, all deductions from pet deposits*, that the landlord has made by
611 reason of a tenant's noncompliance with § 55.1-1227, or for any other reason set out in this section, during the
612 preceding two years; and

613 2. Permit a tenant or his authorized agent or attorney to inspect such tenant's records of deductions at any
614 time during normal business hours.

615 ~~G.~~ H. Upon request by the landlord to a tenant to vacate, or within five days after receipt of notice by the
616 landlord of the tenant's intent to vacate, the landlord shall provide written notice to the tenant of the tenant's
617 right to be present at the landlord's inspection of the dwelling unit for the purpose of determining the amount
618 of security deposit to be returned. If the tenant desires to be present when the landlord makes the inspection,
619 he shall, in writing, so advise the landlord, who in turn shall notify the tenant of the date and time of the
620 inspection, which must be made within 72 hours of delivery of possession. Following the move-out
621 inspection, the landlord shall provide the tenant with a written security deposit disposition statement,
622 including an itemized list of damages *with, if applicable, any damages that will be attributed to the pet*
623 *deposit*. If additional damages are discovered by the landlord after the security deposit disposition has been
624 made, nothing in this section shall be construed to preclude the landlord from recovery of such damages
625 against the tenant, provided, however, that the tenant may present into evidence a copy of the move-out
626 report to support the tenant's position that such additional damages did not exist at the time of the move-out
627 inspection.

628 ~~H.~~ I. If the tenant has any assignee or sublessee, the landlord shall be entitled to hold a security deposit
629 from only one party in compliance with the provisions of this section.

630 ~~I.~~ J. The landlord may permit a tenant to provide damage insurance coverage in lieu of the payment of a
631 security deposit. Such damage insurance in lieu of a security deposit shall conform to the following criteria:

632 1. The provider of damage insurance is licensed or approved by the Virginia State Corporation
633 Commission;

634 2. The coverage is effective upon the payment of the first premium and remains effective for the entire

635 lease term;

636 3. The coverage provided per claim is no less than the amount the landlord requires for security deposits;

637 4. The provider of damage insurance agrees to approve or deny payment of a claim; and

638 5. The provider of damage insurance shall notify the landlord within 10 days if the damage policy lapses
639 or is canceled.

640 ~~J.~~ K. A tenant who initially opts to provide damage insurance in lieu of a security deposit may, at any time
641 without consent of the landlord, opt to pay the full security deposit to the landlord in lieu of maintaining a
642 damage insurance policy. The landlord shall not alter the terms of the lease in the event a tenant opts to pay
643 the full amount of the security deposit pursuant to this subsection.

644 **§ 55.1-1302. Term of rental agreement; renewal; security deposits.**

645 A. A landlord shall offer all current and prospective year-round residents a rental agreement with a rental
646 period of not less than one year. Such offer shall contain the same terms and conditions as are offered with
647 shorter term leases, except that rental discounts may be offered by a landlord to residents who enter into a
648 rental agreement for a period of not less than one year.

649 B. Upon the expiration of a rental agreement with a term of one year or more, the agreement shall be
650 automatically renewed for a term of the same duration with the same terms unless either party provides
651 written notification of an intent to not renew the agreement at least 60 days prior to the expiration date or the
652 landlord provides written notice to the tenant of any change in the terms of the agreement at least 60 days
653 prior to the expiration date. If the tenant notifies the landlord in writing within 30 days of receiving notice of
654 the change in terms that he does not agree to such change in terms, such tenant may choose to not renew the
655 rental agreement unless the landlord agrees to maintain the same terms as those in the current agreement. In
656 the case of an automatic renewal of a rental agreement for a year-round resident, the security deposit initially
657 furnished by the tenant, *including any pet deposit*, shall not be increased by the landlord, nor shall an
658 additional security deposit be required.

659 C. Except as limited by subsection B, the provisions of § 55.1-1226 shall govern the terms and conditions
660 of security deposits for rental agreements under this chapter.

661 D. No landlord shall charge a tenant for late payment of rent unless such charge is provided for in the
662 written rental agreement. No such late charge shall exceed the lesser of 10 percent of the periodic rent or 10
663 percent of the remaining balance due and owed by the tenant.

664 **§ 55.1-1311. Other provisions of law applicable.**

665 Section 55.1-1202, subsection A of § 55.1-1204, §§ 55.1-1203, 55.1-1204.2, 55.1-1207, 55.1-1208,
666 55.1-1216, 55.1-1224, 55.1-1226, 55.1-1228, 55.1-1234 through 55.1-1252, and 55.1-1259 shall, insofar as
667 they are not inconsistent with this chapter, apply, mutatis mutandis, to the rental and occupancy of a
668 manufactured home lot, including termination of a lot lease if a tenant commits a remediable breach and, after
669 remedying such breach, intentionally commits a subsequent breach of a like nature, during the same lease
670 term.

671 **2. That nothing in this act shall invalidate, alter, or otherwise affect any rental agreements entered into**
672 **or renewed prior to July 1, 2026.**