

## 1 VIRGINIA ACTS OF ASSEMBLY — CHAPTER

2 *An Act to amend and reenact § 46.2-1527.3 of the Code of Virginia, relating to Motor Vehicle Transaction*  
 3 *Recovery Fund; recovery for breach of extended service contracts.*

4 [H 1386]

5 Approved

6 **Be it enacted by the General Assembly of Virginia:**7 **1. That § 46.2-1527.3 of the Code of Virginia is amended and reenacted as follows:**8 **§ 46.2-1527.3. Recovery from Fund, generally.**

9 Except as otherwise provided in this chapter, whenever any person is awarded a final judgment in a court  
 10 of competent jurisdiction in the Commonwealth for (i) any loss or damage in connection with the purchase or  
 11 lease of a motor vehicle by reason of any fraud practiced on him or fraudulent representation made to him by  
 12 a licensed or registered motor vehicle dealer participating in the Motor Vehicle Transaction Recovery Fund  
 13 or one of a dealer's salespersons acting for the dealer or within the scope of his employment ~~or~~; (ii) any loss  
 14 or damage by reason of the violation by a dealer or salesperson participating in the Motor Vehicle  
 15 Transaction Recovery Fund of any of the provisions of this chapter; *or (iii) any loss or damage resulting*  
 16 *from a breach of an extended service contract, as that term is defined in § 59.1-435, for a motor vehicle by a*  
 17 *licensed or registered motor vehicle dealer participating in the Motor Vehicle Transaction Recovery Fund,*  
 18 the judgment creditor may file a verified claim with the Board, requesting payment from the Fund of the  
 19 amount unpaid on the judgment subject to the following conditions:

20 1. The claim shall be filed with the Board no sooner than 30 days and no later than 12 months after the  
 21 judgment becomes final along with the evidence of compliance with subdivision 3 below.

22 2. The Board shall consider for payment claims submitted by retail purchasers of motor vehicles, and for  
 23 purchases of motor vehicles by licensed or registered motor vehicle dealers who contribute to the Fund. The  
 24 Board shall also consider for payment claims submitted by lessees of motor vehicles leased from licensed or  
 25 registered motor vehicle dealers who contribute to the Fund.

26 3. If the final judgment from a court of competent jurisdiction includes, as part of the judgment, an award  
 27 of attorney fees and court costs, the Fund may include those in its payment of the claim if (i) the claimant had  
 28 previously submitted to the trial court a detailed and itemized affidavit by counsel for the judgment creditor  
 29 seeking such fees and costs, including a breakdown of the hours worked and the subject matter of those  
 30 hours; (ii) said itemized affidavit formed the basis of the court's award of such fees; and (iii) a copy of such  
 31 affidavit is provided to the Board with the judgment creditor's claim. If the award of attorney fees and costs  
 32 by the trial court was not based on a detailed and itemized affidavit from counsel for the judgment creditor  
 33 with a breakdown of the hours worked, then the Board may review and limit any claim for attorney fees to  
 34 those attorney fees directly attributable to that portion of the final judgment that is determined to be a  
 35 compensable claim by the Board against the Fund, and the Board may require a detailed itemization from  
 36 counsel before considering such claim for attorney fees.

ENROLLED

HB1386ER