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

PUBLISHED: 4/1/2026 10:17 AM **ORIGINAL**

Bill Number: HB834ER **Patron:** McClure
Bill Title: Virginia Residential Landlord and Tenant Act; fire or casualty damage; termination by landlord.

Bill Summary: Requires a landlord, prior to giving a tenant 21 days' notice of his intention to terminate the rental agreement for a dwelling unit that has been damaged or destroyed by fire or casualty, to (i) make a reasonable effort to meet with the tenant to discuss reasonable alternatives and offer the tenant a substantially similar dwelling unit, if one is available, or (ii) determine that the damage was caused by the tenant's failure to maintain the dwelling unit in accordance with relevant law. Current law allows the landlord to terminate such agreement by giving the tenant 14 days' notice of his intention to terminate based on the landlord's determination that such damage requires the removal of the tenant and that the use of the premises is substantially impaired. The bill requires the landlord, upon receiving a request from the tenant after the tenant has received such notice, to reevaluate the extent of damage and habitability of such dwelling unit unless the landlord has determined that the damage was caused by the tenant's failure to maintain the dwelling unit. The provisions of this bill become effective on January 1, 2027.

Budget Amendment Necessary: **No.** **Items Impacted:** **N/A**

Explanation: This bill involves the Department of Housing and Community Development (DHCD) and the Courts; however, no budget action is required. See Fiscal Analysis section, below.

Fiscal Summary: It is anticipated that any state fiscal impact that may result from this bill to DHCD can be absorbed within existing resources. Any fiscal impact that may result from this bill to the Courts is indeterminate.

Fiscal Analysis: DHCD has no oversight or administrative obligations regarding the Virginia Residential Landlord and Tenant Act. The department does update and publish on its website the Landlord Tenant Handbook. Any legislative changes made to the Act will be updated, but the department can do so using current resources.

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: None.