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

PUBLISHED: 4/1/2026 10:45 AM **ORIGINAL**

Bill Number: HB678ER **Patron:** Maldonado
Bill Title: Virginia Residential Landlord and Tenant Act; terms and conditions of rental agreement; notice of rent increase.

Bill Summary: Requires certain landlords who own more than four rental dwelling units or more than a 10 percent interest in more than four rental dwelling units in the Commonwealth to provide at least 90 days' written notice of any rent increase during a subsequent rental agreement term to tenants who have the option to renew or whose agreement contains an automatic renewal provision. The notice must include a deadline, no sooner than 30 days after delivery, by which the tenant must advise the landlord whether the tenant will renew. The bill also requires such landlords to provide written notice of nonrenewal to the tenant and clarifies that these requirements do not apply to certain periodic tenancies. Technical clarifications are made regarding default rental terms when no written agreement is offered. This bill is 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.