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HOUSE BILL NO. 955
AMENDMENT IN THE NATURE OF A SUBSTITUTE
(Proposed by the House Committee on General Laws
on _____)
(Patron Prior to Substitute--Delegate Lopez)

A BILL to amend and reenact §§ 36-139 and 55.1-1204 of the Code of Virginia, relating to Virginia Residential Landlord and Tenant Act; Department of Housing and Community Development; summary of rental agreement provisions.

Be it enacted by the General Assembly of Virginia:

1. That §§ 36-139 and 55.1-1204 of the Code of Virginia are amended and reenacted as follows:

§ 36-139. Powers and duties of Director.

The Director of the Department of Housing and Community Development shall have the following responsibilities:

1. Collecting from the governmental subdivisions of the Commonwealth information relevant to their planning and development activities, boundary changes, changes of forms and status of government, intergovernmental agreements and arrangements, and such other information as he may deem necessary.
2. Making information available to communities, planning district commissions, service districts and governmental subdivisions of the Commonwealth.
3. Providing professional and technical assistance to, and cooperating with, any planning agency, planning district commission, service district, and governmental subdivision engaged in the preparation of development plans and programs, service district plans, or consolidation agreements.
4. Assisting the Governor in the providing of such state financial aid as may be appropriated by the General Assembly in accordance with § 15.2-4216.

24 5. Administering federal grant assistance programs, including funds from the Appalachian
25 Regional Commission, the Economic Development Administration and other such federal agencies,
26 directed at promoting the development of the Commonwealth's communities and regions.

27 6. Developing state community development policies, goals, plans and programs for the
28 consideration and adoption of the Board with the ultimate authority for adoption to rest with the Governor
29 and the General Assembly.

30 7. Developing a Consolidated Plan to guide the development and implementation of housing
31 programs and community development in the Commonwealth for the purpose of meeting the housing and
32 community development needs of the Commonwealth and, in particular, those of low-income and
33 moderate-income persons, families and communities.

34 8. Determining present and future housing requirements of the Commonwealth on an annual basis
35 and revising the Consolidated Plan, as necessary to coordinate the elements of housing production to
36 ensure the availability of housing where and when needed.

37 9. Assuming administrative coordination of the various state housing programs and cooperating
38 with the various state agencies in their programs as they relate to housing.

39 10. Establishing public information and educational programs relating to housing; devising and
40 administering programs to inform all citizens about housing and housing-related programs that are
41 available on all levels of government; designing and administering educational programs to prepare
42 families for home ownership and counseling them during their first years as homeowners; and promoting
43 educational programs to assist sponsors in the development of low and moderate income housing as well
44 as programs to lessen the problems of rental housing management.

45 11. Administering the provisions of the Industrialized Building Safety Law (§ 36-70 et seq.).

46 12. Administering the provisions of the Uniform Statewide Building Code (§ 36-97 et seq.).

47 13. Establishing and operating a Building Code Academy for the training of persons in the content,
48 application, and intent of specified subject areas of the building and fire prevention regulations
49 promulgated by the Board of Housing and Community Development.

50 14. Administering, in conjunction with the federal government, and promulgating any necessary
51 regulations regarding energy standards for existing buildings as may be required pursuant to federal law.

52 15. Identifying and disseminating information to local governments about the availability and
53 utilization of federal and state resources.

54 16. Administering, with the cooperation of the Department of Health, state assistance programs
55 for public water supply systems.

56 17. Advising the Board on matters relating to policies and programs of the Virginia Housing Trust
57 Fund.

58 18. Designing and establishing program guidelines to meet the purposes of the Virginia Housing
59 Trust Fund and to carry out the policies and procedures established by the Board.

60 19. Preparing agreements and documents for loans and grants to be made from the Virginia
61 Housing Trust Fund; soliciting, receiving, reviewing and selecting the applications for which loans and
62 grants are to be made from such fund; directing the Virginia Housing Development Authority and the
63 Department as to the closing and disbursing of such loans and grants and as to the servicing and collection
64 of such loans; directing the Department as to the regulation and monitoring of the ownership, occupancy
65 and operation of the housing developments and residential housing financed or assisted by such loans and
66 grants; and providing direction and guidance to the Virginia Housing Development Authority as to the
67 investment of moneys in such fund.

68 20. Establishing and administering program guidelines for a statewide homeless intervention
69 program.

70 21. Administering 15 percent of the Low Income Home Energy Assistance Program (LIHEAP)
71 Block Grant and any contingency funds awarded and carry over funds, furnishing home weatherization

72 and associated services to low-income households within the Commonwealth in accordance with
73 applicable federal law and regulations.

74 22. Developing a strategy concerning the expansion of affordable, accessible housing for older
75 Virginians and Virginians with disabilities, including supportive services.

76 23. Serving as the Executive Director of the Commission on Local Government as prescribed in §
77 15.2-2901 and perform all other duties of that position as prescribed by law.

78 24. Developing a strategy, in consultation with the Virginia Housing Development Authority, for
79 the creation and implementation of housing programs and community development for the purpose of
80 meeting the housing needs of persons who have been released from federal, state, and local correctional
81 facilities into communities.

82 25. Administering the Private Activity Bonds program in Chapter 50 (§ 15.2-5000 et seq.) of Title
83 15.2 jointly with the Virginia Small Business Financing Authority and the Virginia Housing Development
84 Authority.

85 26. Developing a statement of tenant rights and responsibilities explaining in plain language the
86 rights and responsibilities of tenants under the Virginia Residential Landlord and Tenant Act (§ 55.1-1200
87 et seq.) and maintaining such statement on the Department's website. The Director shall also develop and
88 maintain on the Department's website a printable form to be signed by the parties to a written rental
89 agreement acknowledging that the tenant has received from the landlord the statement of tenant rights and
90 responsibilities as required by § 55.1-1204. The Director may at any time amend the statement of tenant
91 rights and responsibilities and such printable form as the Director deems necessary and appropriate. The
92 statement of tenant rights and responsibilities shall contain a plain language explanation of the rights and
93 responsibilities of tenants in at least 14-point type. The statement shall provide the telephone number and
94 website address for the statewide legal aid organization and direct tenants with questions about their rights
95 and responsibilities to contact such organization.

96 27. Developing a statement of tenant rights and responsibilities explaining in plain language the
97 rights and responsibilities of tenants under the Virginia Manufactured Home Lot Rental Act (§ 55.1-1300
98 et seq.) and maintaining such statement on the Department's website. The Director shall also develop and
99 maintain on the Department's website a printable form to be signed by the parties to a written rental
100 agreement acknowledging that the tenant has received from the landlord the statement of tenant rights and
101 responsibilities as required by § 55.1-1303. The Director may at any time amend the statement of tenant
102 rights and responsibilities and such printable form as the Director deems necessary and appropriate. The
103 statement of tenant rights and responsibilities shall contain a plain language explanation of the rights and
104 responsibilities in at least 14-point type. The statement shall provide the telephone number and website
105 address for the statewide legal aid organization and direct tenants with questions about their rights and
106 responsibilities to contact such organization.

107 28. Developing a sample summary page as described in clause (i) of subsection B of § 55.1-1204
108 with blanks or space for landlords to fill in, as applicable, for the duration of the lease, the amount of rent,
109 the date upon which such rent shall be due, an explanation of any deposits and late fees that may be
110 charged, any termination provisions, and any other information deemed necessary by the Director. The
111 sample summary shall be maintained on the Department's website in at least 14-point type and shall be
112 available in English and any language for which any locality in the Commonwealth regularly provides
113 official government communications.

114 29. Developing a sample termination notice that includes language referencing acceptance of rent
115 with reservation by a landlord following a breach of a lease by a tenant in accordance with § 55.1-1250.
116 The sample termination notice shall be in at least 14-point type and shall be maintained on the
117 Department's website.

118 ~~29.~~30. Developing and operating a Virginia Residential Sites and Structures Locator database to
119 assist localities in marketing any structures and parcels determined by the locality to be suitable for future
120 residential or mixed-use development or redevelopment and that are under (i) public ownership, (ii) public

121 and private ownership, or (iii) private ownership if the owner or owners have authorized the locality to
122 market the structure or parcel for future residential or mixed-use development or redevelopment purposes.

123 ~~30-~~31. Conducting a comprehensive statewide housing needs assessment at least every five years,
124 which shall include (i) a review of housing cost burden and instability, supply and demand for affordable
125 rental housing, and supply and demand for affordable for-sale housing and (ii) regional or local profiles
126 that focus on specific housing needs of particular regions or localities.

127 ~~31-~~32. Developing a statewide housing plan that reflects the findings of the statewide housing
128 needs assessment conducted pursuant to subdivision ~~30~~31, which plan shall include measurable goals and
129 be updated at least every five years to reflect changes in the Commonwealth's housing goals, and providing
130 an annual report to the General Assembly on progress toward meeting the goals identified in such plan
131 and the availability of housing that is accessible to people with disabilities.

132 ~~32-~~33. Collecting reports submitted by localities pursuant to § 36-139.9 in any manner prescribed
133 by the Department, including any forms developed by the Department to collect the information required
134 to be reported by the localities pursuant to such section and publishing such reports on its website.

135 ~~33-~~34. Carrying out such other duties as may be necessary and convenient to the exercise of
136 powers granted to the Department.

137 **§ 55.1-1204. Terms and conditions of rental agreement; payment of rent; copy of rental**
138 **agreement for tenant.**

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

143 B. A landlord (i) shall offer a prospective tenant provide an applicant a written rental agreement
144 containing the terms governing the rental of the dwelling unit and setting forth the terms and conditions
145 of the landlord-tenant relationship and a summary page outlining key rental agreement provisions,

146 including the duration of the lease, the amount of rent and the date upon which such rent shall be due, an
147 explanation of any deposits and late fees that may be charged, and any termination provisions and (ii)
148 shall provide with it such rental agreement the statement of tenant rights and responsibilities developed
149 by the Department of Housing and Community Development and posted on its website pursuant to § 36-
150 139. The parties to a written rental agreement shall sign the form developed by the Department of Housing
151 and Community Development and posted on its website pursuant to § 36-139 acknowledging that the
152 tenant has received from the landlord the statement of tenant rights and responsibilities. The written rental
153 agreement shall be effective upon the date signed by the parties.

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

159 A landlord who owns or manages more than four rental dwelling units or more than a 10 percent
160 interest in more than four rental dwelling units, whether individually or through a business entity, in any
161 locality in the Commonwealth that regularly provides official government communications in languages
162 other than English shall be required to provide the summary page described in clause (i) using the sample
163 summary page developed by the Director of the Department of Housing and Community Development
164 and maintained on the Department's website pursuant to subdivision 28 of § 36-139 in any of such
165 languages.

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

168 1. The provision of this chapter shall be applicable to the dwelling unit that is being rented;

169 2. The duration of the rental agreement shall be for 12 months and shall not be subject to automatic
170 renewal, except in the event of a month-to-month lease as otherwise provided for under subsection D of
171 § 55.1-1253;

172 3. Rent shall be paid in 12 equal periodic installments in an amount agreed upon by the landlord
173 and the tenant and if no amount is agreed upon, the installments shall be at fair market rent;

174 4. Rent payments shall be due on the first day of each month during the tenancy and shall be
175 considered late if not paid by the fifth of the month;

176 5. If the rent is paid by the tenant after the fifth day of any given month, the landlord shall be
177 entitled to charge a late charge as provided in this chapter;

178 6. The landlord may collect a security deposit in an amount that does not exceed a total amount
179 equal to two months of rent; and

180 7. The parties may enter into a written rental agreement at any time during the 12-month tenancy
181 created by this subsection.

182 D. Except as provided in the written rental agreement, or as provided in subsection C if no written
183 agreement is offered, rent shall be payable without demand or notice at the time and place agreed upon by
184 the parties. Except as provided in the written rental agreement, rent is payable at the place designated by
185 the landlord, and periodic rent is payable at the beginning of any term of one month or less and otherwise
186 in equal installments at the beginning of each month. If the landlord receives from a tenant a written
187 request for a written statement of charges and payments, he shall provide the tenant with a written
188 statement showing all debits and credits over the tenancy or the past 12 months, whichever is shorter. The
189 landlord shall provide such written statement within 10 business days of receiving the request.

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

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

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

202 H. The landlord shall provide a copy of any written rental agreement and the statement of tenant
203 rights and responsibilities to the tenant within one month of the effective date of the written rental
204 agreement. The failure of the landlord to deliver such a rental agreement and statement shall not affect the
205 validity of the agreement. However, the landlord shall not file or maintain an action, including any
206 summons for unlawful detainer, against the tenant in a court of law for any alleged lease violation until he
207 has provided the tenant with the statement of tenant rights and responsibilities.

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

211 J. The landlord shall provide the tenant with a written receipt, upon request from the tenant,
212 whenever the tenant pays rent in the form of cash or money order.

213 K. A landlord who owns more than four rental dwelling units or more than a 10 percent interest in
214 more than four rental dwelling units, whether individually or through a business entity, in the
215 Commonwealth, shall be required to provide written notice to any tenant who has the option to renew a
216 rental agreement or whose rental agreement contains an automatic renewal provision of any increase in
217 rent during the subsequent rental agreement term. Such notice shall be provided to the tenant no less than

218 60 days prior to the end of the rental agreement term. This subsection shall not apply to any periodic
219 tenancy created pursuant to subsection C of § 55.1-1253.
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