

Department of Planning and Budget

2022 Fiscal Impact Statement

1. Bill Number: HB804

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|------------------------|--|-------------------------------------|------------------------------------|
| House of Origin | <input checked="" type="checkbox"/> Introduced | <input type="checkbox"/> Substitute | <input type="checkbox"/> Engrossed |
| Second House | <input type="checkbox"/> In Committee | <input type="checkbox"/> Substitute | <input type="checkbox"/> Enrolled |

2. Patron: Price

3. Committee: General Laws

4. Title: Virginia Residential Landlord and Tenant Act; nonrefundable application fee; limitations.

5. Summary: Places limitations on when a landlord may charge a nonrefundable application fee in addition to a refundable application deposit. The bill prohibits a landlord with more than four rental dwelling units or more than a 10 percent interest in more than four rental dwelling units from charging prospective tenants any nonrefundable application fee in excess of the amount necessary to reimburse the landlord for any actual out-of-pocket expenses paid by the landlord to a third party performing a number of pre-occupancy checks on the applicant. The bill allows an applicant to choose to provide certain information to the landlord in the form of a portable tenant screening report in lieu of paying an application fee. When an applicant chooses not to provide such report, a landlord that owns four or fewer rental dwelling units may charge such applicant actual out-of-pocket expenses paid by the landlord to a third party performing certain pre-occupancy checks on the applicant or, in the case of an application for a public housing unit, an application fee of no more than \$32, including any actual out-of-pocket expenses paid to a third party by the landlord performing background, credit, or other pre-occupancy checks on the applicant.

6. Budget Amendment Necessary: No.

7. Fiscal Impact Estimates: Preliminary.

8. Fiscal Implications: The Department of Housing and Community Development 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.

9. Specific Agency or Political Subdivisions Affected: Department of Housing and Community Development.

10. Technical Amendment Necessary: No.

11. Other Comments: None.

