

Department of Planning and Budget 2021 Fiscal Impact Statement

1. Bill Number: SB1327

House of Origin Introduced Substitute Engrossed
Second House In Committee Substitute Enrolled

2. Patron: McClellan

3. Committee: General Laws and Technology

4. Title: Housing Bill of Rights; housing protections; foreclosures; manufactured housing.

5. Summary: Provides for various protections for homeowners and tenants of manufactured home parks, including (i) restricting the circumstances under which a court may order a person's primary residence to be sold to enforce a judgment lien; (ii) requiring localities to incorporate into their comprehensive plans strategies to promote manufactured housing as a source of affordable housing; (iii) requiring the Director of Housing and Community Development to develop a statement of tenant rights and responsibilities explaining in plain language the rights and responsibilities of tenants under the Virginia Manufactured Home Lot Rental Act; (iv) prohibiting a trustee from selling a property in a foreclosure sale without sending notice of the sale to the owner and signing an affidavit attesting to such notification; (v) increasing the notice period for a foreclosure sale from 14 to 60 days and requiring such notice to provide the grantor with information regarding housing counseling; and (vi) requiring the landlord of a manufactured home park to provide tenants who own their manufactured home information about housing assistance and legal aid organizations. The bill also requires the Department of Housing and Community Development to convene a stakeholder group to assist in the development of the statement of tenant rights and responsibilities.

6. Budget Amendment Necessary: No. See item 8.

7. Fiscal Impact Estimates: Preliminary.

8. Fiscal Implications: It is anticipated that the costs associated with this bill can be absorbed by the Department of Housing and Community Development. Item 113 of HB1800/SB1100 includes \$3.3 million from the general fund in each year for the Eviction Prevention and Diversion Pilot Program, and budgetary language authorizes these funds to also be used to facilitate the development of a statement of tenant rights and responsibilities and implement the provisions of § 36-139 and § 55.1-1204, Code of Virginia. The additional duties of this bill include developing a statement of tenant rights and responsibilities under the Virginia Manufactured Home Lot Rental Act. DHCD anticipates that the development of such statement can be done with the resources provided in Item 113.

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

10. Technical Amendment Necessary: No.

11. Other Comments: HB2175, as introduced, is the companion to this bill.