

SENATE BILL NO. _____ HOUSE BILL NO. _____

A BILL to amend and reenact § 59.1-200 of the Code of Virginia and to amend the Code of Virginia by adding in Subtitle III of Title 6.2 a chapter numbered 22.2, consisting of sections numbered 6.2-2239 through 6.2-2254, relating to financial institutions and services; virtual currency kiosk operators; license required; penalties.

Be it enacted by the General Assembly of Virginia:

1. That § 59.1-200 of the Code of Virginia is amended and reenacted and that the Code of Virginia is amended by adding in Subtitle III Title 6.2 a chapter numbered 2.2, consisting of sections numbered 6.2-2239 through 6.2-2254, as follows:

CHAPTER 22.2.VIRTUAL CURRENCY KIOSKS.§ 6.2-2239. Definitions.

As used in this chapter, unless the context requires a different meaning:

"Blockchain analytics" means the analysis of data from blockchains or public distributed ledgers, including associated transaction information.

"Blockchain analytics and tracing software" means a software service that uses blockchain analytics data to provide risk-specific information and tracing of virtual currency wallet addresses.

"Charge" means a fee or expense paid by a user, including any difference between the market price of virtual currency and the price of such virtual currency charged to the user. "Charge" includes standard transactions fees, fees for wallet creation, exchange fees, and transfer fees.

"Licensee" means a virtual currency kiosk operator licensed pursuant to the provisions of this chapter.

"Location" means the physical location of a virtual currency kiosk within the Commonwealth and includes an entity that allows a virtual currency kiosk to be operated on its premises.

"New user" means a person who completes fewer than three transactions through a virtual currency kiosk located in the Commonwealth within fourteen business days. A person who transacts three times

within fourteen business days is considered a user and is no longer subject to the transaction limits applicable to new users.

"User" means any person who initiates, authorizes, or completes a transaction involving virtual currency through a virtual currency kiosk for the purpose of purchasing, selling, transferring, or otherwise exchanging virtual currency.

"Virtual currency" has the same meaning as provided in § 6.2-818.1.

"Virtual currency address" means an alphanumeric identifier associated with a virtual currency wallet identifying the location to which a virtual currency transaction can be sent.

"Virtual currency kiosk" means a person acting on behalf of or a mechanical agent of a virtual kiosk operator to enable the virtual currency kiosk operator to facilitate the exchange of virtual currency for money, bank credit, or other virtual currency, including by connecting directly to a separate virtual currency exchange that performs the transmission of virtual currency or by drawing upon the virtual currency in the possession of the virtual currency kiosk operator.

"Virtual currency kiosk operator" or "operator" means a person that owns, operates, or manages a virtual currency kiosk located in the Commonwealth, regardless of whether such person provides custodial or non-custodial services.

"Virtual currency wallet" means a software application or other mechanism that provides a means to hold the keys necessary to access or transfer virtual currency.

§ 6.2-2240. Minimum standards.

A. The provisions of this chapter establish minimum standards of conduct for virtual currency kiosk operators, and no provision of this chapter shall be construed to (i) limit the authority of any county, municipality, or other political subdivision of the Commonwealth to adopt or enforce ordinances, regulations, resolutions, or rules that are more stringent than those set forth herein or (ii) preempt or nullify any local law that provides greater protections, requirements, or restrictions than those set forth herein.

§ 6.2-2241. License required.

No virtual currency kiosk operator shall (i) engage or offer to engage in a virtual kiosk transaction with or on behalf of any other person or (ii) locate or permit a third party to locate a virtual currency kiosk

in the Commonwealth except in accordance with the provisions of this chapter and without first obtaining a license pursuant to this chapter from the Commission. Any virtual currency transaction made in violation of this section is void, and no person shall have the right to collect, receive, or retain any charge in connection with such transaction.

§ 6.2-2242. Application for license; form; content; fee.

A. An application for a license under this chapter shall be made in writing, under oath, and on a form provided by the Commissioner.

B. The application shall set forth:

1. The name and address of the applicant and (i) if the applicant is a partnership, firm, or association, the name and address of each partner or member; (ii) if the applicant is a corporation or limited liability company, the name and address of each director, member, registered agent, and principal; or (iii) if the applicant is a business trust, the name and address of each trustee and beneficiary;

2. The addresses of the locations of the virtual currency kiosk operator to be licensed; and

3. Such other information concerning the financial responsibility, background, experience, and activities of the applicant and its members, officers, directors, and principals as the Commissioner may require.

C. The application shall be accompanied by payment of an application fee of a reasonable amount that the Commission may prescribe by regulation.

D. The application fee shall not be refundable in any event. The fee shall not be abated by surrender, suspension, or revocation of the license.

§ 6.2-2243. Annual and quarterly reports.

A. Each licensee under this chapter shall annually, on or before March 31, file a written report with the Commissioner containing such information as the Commissioner may require concerning his business and operations during the preceding calendar year as to each licensed location. Reports shall be made under oath in the form prescribed by the Commissioner and shall include the following information:

1. The gross revenue attributable to virtual currency transactions conducted via virtual currency kiosks operated by the licensee in the Commonwealth;

2. A copy of each complaint filed by a user against the licensee with the Better Business Bureau or any state or federal agency other than the Commission and a description of the resolution, if any, of such complaint;

3. The total number and value of virtual currency transactions conducted via virtual currency kiosks operated by the licensee in the Commonwealth;

4. The total dollar amount of any refunds the licensee provided to users;

5. The contact information of the licensee's compliance officer, if applicable;

6. The total number of virtual currency corresponding locations;

7. The virtual currency address used by the licensee to provide service to users at each location;

and

8. The total number and gross dollar amount of suspicious activity reports filed by the licensee pursuant to the federal Bank Secrecy Act (31 U.S.C. § 5311 et seq.).

B. In addition to the annual report required by subsection A, each licensee shall file with the Commission a quarterly report for each virtual currency kiosk location within the Commonwealth within 45 days after the end of each quarter. Such quarterly report shall include the following information:

1. The legal name of the location;

2. Any fictitious or trade name of the location;

3. The location's physical address;

4. The start date of the virtual currency kiosk's operation at the location;

5. The end date of operation of the virtual currency kiosk's operation at the location, if applicable;

6. The virtual currency address used by the licensee to provide service to users at the location; and

7. The number of transactions declined due to suspicion of illicit activity.

C. A licensee shall provide any transaction and user information requested by the Commission, including information relating to transactions that were attempted and denied.

D. Data collected by the Commission pursuant to this section is confidential and may only be released in composite form except as otherwise required by law. The Commissioner shall publish annually

and make available to the public an analysis of the information required under this section and other information the Commissioner may choose to include.

§ 6.2-2244. Required disclosures.

A. A licensee shall disclose in a clear, conspicuous, and easily readable manner in the chosen language of the user all relevant terms and conditions associated with the products, services, and activities of virtual currency transactions, including transaction charges collected and exchange rates used by the licensee.

B. Each time a user engages with a virtual currency kiosk, the licensee shall collect the user's acknowledgement of receipt of all disclosures required by this section via confirmation of consent at the virtual currency kiosk.

C. In addition to the disclosure required by subsection A, a licensee shall provide the following disclosure to each user:

"WARNING: This technology can be used to defraud you.

If someone asked you to deposit money in this machine or is on the phone with you and claims to be a friend or family member, government agent, computer software representative, bill collector, law enforcement officer, or anyone you do not know personally:

STOP THIS TRANSACTION IMMEDIATELY and contact your local law enforcement and the kiosk operator. This may be a scam. NEVER SEND MONEY to someone you don't know."

D. A licensee shall disclose the material risks associated with virtual currency and virtual currency transactions to the user on both the physical virtual currency kiosk and on the screen, including:

1. The following statement: "Virtual currency is not backed by the U.S. government and is not legal tender in the United States. Virtual currency is not subject to protections by the Federal Deposit Insurance Corporation, National Credit Union Administration, or Securities Investor Protection Corporation protections and its value relative to the U.S. dollar may fluctuate significantly."

2. The name, address, and telephone number of the owner of the kiosk and the means by which a user can contact the owner for assistance, and any relevant state and local law enforcement and or government agency for reporting fraud.

133 3. Any other disclosure that the Commission may require.

134 **§ 6.2-2245. Transaction receipt.**

135 Upon the completion of each transaction, a licensee shall provide the user with a paper and
136 electronic receipt in a retainable form that includes the following information:

137 1. The operator's name and a toll-free customer service phone number;

138 2. The relevant contact information for reporting fraud to local, state, or federal law enforcement
139 or the appropriate federal agency;

140 3. The type, value, location, date, and time of the transaction and each applicable virtual currency
141 address and transaction hash or transaction ID, if available;

142 4. All charges;

143 5. The exchange rate of the virtual currency to U.S. dollars;

144 6. A statement that transactions in virtual currency may be irreversible, and that accordingly, losses
145 due to fraudulent or accidental transactions may not be recoverable; and

146 7. Any additional information as required by the Commission.

147 **§ 6.2-2246. Prevention of fraudulent activity and money laundering.**

148 A. Each licensee shall take reasonable steps to detect and prevent fraud and money laundering,
149 including by establishing and maintaining a written anti-fraud policy and abiding by all relevant provisions
150 of the federal Bank Secrecy Act (31 U.S.C. § 5311 et seq.). Such policy shall include (i) identification and
151 assessment of fraud and money laundering related risk areas; (ii) procedures and controls to protect against
152 identified risks; (iii) the allocation of responsibility for monitoring risks; and (iv) procedures for the
153 periodic evaluation and revision of such policy, procedures, and controls.

154 B. Each licensee shall use blockchain analytics and tracing software to assist in the prevention of
155 sending virtual currency to a virtual currency wallet known or likely to be affiliated with fraudulent
156 activity at the time of a transaction and to detect transaction patterns indicative of fraud or other illicit
157 activities. A licensee shall block transactions to virtual currency wallets associated with overseas
158 exchanges non-accessible for U.S. users. The Commission may request evidence from any virtual
159 currency kiosk operator of their current use of blockchain analytics.

C. Each licensee shall post a conspicuous written warning within readable sight of the virtual currency kiosk providing notice to users that criminals may direct victims of fraud or scams to send money via virtual currency kiosks. Such warning shall include the kiosk operator's toll-free customer service phone number.

D. For each attempted virtual currency transaction of \$2,000 or more, the licensee or their agent shall verify the identity of the user prior to accepting payment, including by obtaining a copy of a government-issued identification card that identifies the user and by collecting additional user information including the user's name, date of birth, telephone number, address, and email address. No licensee shall allow a user to engage in any transaction at a virtual currency kiosk under any name, account, or identity other than the user's own true name and identity. A licensee shall be strictly liable for any violation of this subsection.

E. On an annual basis, each licensee shall provide each location with staff training materials approved by the Commission that outline how criminals may exploit virtual currency kiosks for illicit activity, including red flag indicators that a virtual currency kiosk user may be the victim of fraud or scams and common signs of financial abuse and exploitation. No licensee shall prohibit or prevent staff at the location of a virtual currency kiosk from educating users about fraud and scams.

F. In cases related to fraud, a licensee shall issue a refund to the user of any transaction charges at the time of the transaction, paid in the originating currency and regardless of any acknowledgements made by the user prior to finalizing such transaction. To receive a full refund, a user shall (i) have engaged in a transaction involving a virtual currency kiosk that was affected by fraud, whether authorized or unauthorized; (ii) inform the virtual currency kiosk operator of the fraudulent nature of the transaction at issue within 90 days after such transaction; and (iii) submit a police report, government agency report, or sworn statement detailing the fraudulent nature of the transaction to the virtual currency kiosk operator within 120 days after such transaction.

§ 6.2-2247. Transaction limits.

No licensee shall accept a transaction of greater than \$2,000 in U.S. dollars or the equivalent in virtual currency for any new user per day. A licensee's maximum daily transaction limit for a user shall not exceed \$5,000. A licensee's maximum monthly transaction limit for a user shall not exceed \$10,000.

§ 6.2-2248. Maximum charge.

No licensee shall collect any charge from a user relating to a single virtual currency kiosk transaction that exceeds ten percent of the value of such transaction.

§ 6.2-2249. Customer service requirements.

Each licensee in operation shall provide users live customer service during all operating hours and including the hours between 8 AM and 10 PM each day. A customer service toll-free phone number shall be displayed on each virtual currency kiosk or screen.

§ 6.2-2250. Law enforcement access to investigative information.

Each licensee shall maintain and monitor a dedicated communications line for relevant government agencies via a posted U.S. phone number or email address. Such line shall be used to facilitate law enforcement and regulatory agency communications with the licensee in the event of a fraud report from a user. Upon request from a law enforcement or regulatory agency, a licensee shall provide law enforcement with their trace findings upon request and grant the agency assistance with blockchain analytics to assist in any investigative matters related to potential fraud.

§ 6.2-2251. Suspension or revocation of license; notice.

A. The Commission may suspend or revoke any license issued under this chapter upon any of the following grounds:

1. Any ground for denial of a license under this chapter;

2. Any violation of the provisions of this chapter or regulations adopted by the Commission pursuant thereto, or a violation of any other law or regulation applicable to the conduct of the licensee's business;

3. Conviction of a felony or misdemeanor involving fraud, misrepresentation, or deceit;

4. Entry of a judgment against the licensee involving fraud, misrepresentation, or deceit;

211 5. Entry of a federal or state administrative order against the licensee for violation of any law or
212 any regulation applicable to the conduct of his business;

213 6. Refusal to permit an investigation or examination by the Commission;

214 7. Failure to pay any fee or assessment imposed by this chapter; or

215 8. Failure to comply with any order of the Commission.

216 B. For the purposes of this section, acts of any officer, director, member, partner, trustee,
217 beneficiary, or principal shall be deemed acts of the licensee.

218 **§ 6.2-2252. Fines for violations.**

219 In addition to the authority conferred under § 6.2-2251, the Commission may impose a fine or
220 penalty not exceeding \$1,000 upon any person who it determines, in proceedings commenced in
221 accordance with the Commission's Rules of Practice and Procedure, has violated any provision of this
222 chapter or regulations promulgated by the Commission pursuant thereto, or violated any other law or
223 regulation applicable to the conduct of a licensee's business. For the purposes of this section, each separate
224 violation shall be subject to the fine or penalty herein prescribed.

225 **§ 6.2-2253. Authority of Attorney General; referral by Commission to Attorney General.**

226 A. If the Commission determines that a person is in violation of, or has violated, any provision of
227 this chapter, the Commission may refer the information to the Attorney General and may request that the
228 Attorney General investigate such violations. With or without such referral, the Attorney General is hereby
229 authorized to seek to enjoin violations of this chapter. The circuit court having jurisdiction may enjoin
230 such violations notwithstanding the existence of an adequate remedy at law.

231 B. The Attorney General may also seek, and the circuit court may order or decree, damages and
232 such other relief allowed by law, including restitution to the extent available to borrowers under applicable
233 law. Persons entitled to any relief as authorized by this section shall be identified by order of the court
234 within 180 days after the date of the order permanently enjoining the unlawful act or practice.

235 C. In any action brought by the Attorney General by virtue of the authority granted in this section,
236 the Attorney General shall be entitled to seek reasonable attorney fees and costs.

237 **§ 6.2-2254. Violation of the Virginia Consumer Protection Act.**

Any violation of the provisions of this chapter shall constitute a prohibited practice in accordance with § 59.1-200 and shall be subject to any and all of the enforcement provisions of the Virginia Consumer Protection Act (§ 59.1-196 et seq.).

§ 59.1-200. Prohibited practices.

A. The following fraudulent acts or practices committed by a supplier in connection with a consumer transaction are hereby declared unlawful:

1. Misrepresenting goods or services as those of another;
2. Misrepresenting the source, sponsorship, approval, or certification of goods or services;
3. Misrepresenting the affiliation, connection, or association of the supplier, or of the goods or services, with another;
4. Misrepresenting geographic origin in connection with goods or services;
5. Misrepresenting that goods or services have certain quantities, characteristics, ingredients, uses, or benefits;
6. Misrepresenting that goods or services are of a particular standard, quality, grade, style, or model;
7. Advertising or offering for sale goods that are used, secondhand, repossessed, defective, blemished, deteriorated, or reconditioned, or that are "seconds," irregulars, imperfections, or "not first class," without clearly and unequivocally indicating in the advertisement or offer for sale that the goods are used, secondhand, repossessed, defective, blemished, deteriorated, reconditioned, or are "seconds," irregulars, imperfections, or "not first class";
8. Advertising goods or services with intent not to sell them as advertised, or with intent not to sell at the price or upon the terms advertised.

In any action brought under this subdivision, the refusal by any person, or any employee, agent, or servant thereof, to sell any goods or services advertised or offered for sale at the price or upon the terms advertised or offered, shall be prima facie evidence of a violation of this subdivision. This paragraph shall not apply when it is clearly and conspicuously stated in the advertisement or offer by which such goods or services are advertised or offered for sale, that the supplier or offeror has a limited quantity or amount

265 of such goods or services for sale, and the supplier or offeror at the time of such advertisement or offer
266 did in fact have or reasonably expected to have at least such quantity or amount for sale;

267 9. Making false or misleading statements of fact concerning the reasons for, existence of, or
268 amounts of price reductions;

269 10. Misrepresenting that repairs, alterations, modifications, or services have been performed or
270 parts installed;

271 11. Misrepresenting by the use of any written or documentary material that appears to be an invoice
272 or bill for merchandise or services previously ordered;

273 12. Notwithstanding any other provision of law, using in any manner the words "wholesale,"
274 "wholesaler," "factory," or "manufacturer" in the supplier's name, or to describe the nature of the supplier's
275 business, unless the supplier is actually engaged primarily in selling at wholesale or in manufacturing the
276 goods or services advertised or offered for sale;

277 13. Using in any contract or lease any liquidated damage clause, penalty clause, or waiver of
278 defense, or attempting to collect any liquidated damages or penalties under any clause, waiver, damages,
279 or penalties that are void or unenforceable under any otherwise applicable laws of the Commonwealth, or
280 under federal statutes or regulations;

281 13a. Failing to provide to a consumer, or failing to use or include in any written document or
282 material provided to or executed by a consumer, in connection with a consumer transaction any statement,
283 disclosure, notice, or other information however characterized when the supplier is required by 16 C.F.R.
284 Part 433 to so provide, use, or include the statement, disclosure, notice, or other information in connection
285 with the consumer transaction;

286 14. Using any other deception, fraud, false pretense, false promise, or misrepresentation in
287 connection with a consumer transaction;

288 15. Violating any provision of § 3.2-6509, 3.2-6512, 3.2-6513, 3.2-6513.1, 3.2-6514, 3.2-6515,
289 3.2-6516, or 3.2-6519 is a violation of this chapter;

290 16. Failing to disclose all conditions, charges, or fees relating to:

291 a. The return of goods for refund, exchange, or credit. Such disclosure shall be by means of a sign
292 attached to the goods, or placed in a conspicuous public area of the premises of the supplier, so as to be
293 readily noticeable and readable by the person obtaining the goods from the supplier. If the supplier does
294 not permit a refund, exchange, or credit for return, he shall so state on a similar sign. The provisions of
295 this subdivision shall not apply to any retail merchant who has a policy of providing, for a period of not
296 less than 20 days after date of purchase, a cash refund or credit to the purchaser's credit card account for
297 the return of defective, unused, or undamaged merchandise upon presentation of proof of purchase. In the
298 case of merchandise paid for by check, the purchase shall be treated as a cash purchase and any refund
299 may be delayed for a period of 10 banking days to allow for the check to clear. This subdivision does not
300 apply to sale merchandise that is obviously distressed, out of date, post season, or otherwise reduced for
301 clearance; nor does this subdivision apply to special order purchases where the purchaser has requested
302 the supplier to order merchandise of a specific or unusual size, color, or brand not ordinarily carried in the
303 store or the store's catalog; nor shall this subdivision apply in connection with a transaction for the sale or
304 lease of motor vehicles, farm tractors, or motorcycles as defined in § 46.2-100;

305 b. A layaway agreement. Such disclosure shall be furnished to the consumer (i) in writing at the
306 time of the layaway agreement, or (ii) by means of a sign placed in a conspicuous public area of the
307 premises of the supplier, so as to be readily noticeable and readable by the consumer, or (iii) on the bill of
308 sale. Disclosure shall include the conditions, charges, or fees in the event that a consumer breaches the
309 agreement;

310 16a. Failing to provide written notice to a consumer of an existing open-end credit balance in
311 excess of \$5 (i) on an account maintained by the supplier and (ii) resulting from such consumer's
312 overpayment on such account. Suppliers shall give consumers written notice of such credit balances within
313 60 days of receiving overpayments. If the credit balance information is incorporated into statements of
314 account furnished consumers by suppliers within such 60-day period, no separate or additional notice is
315 required;

- 316** 17. If a supplier enters into a written agreement with a consumer to resolve a dispute that arises in
317 connection with a consumer transaction, failing to adhere to the terms and conditions of such an
318 agreement;
- 319** 18. Violating any provision of the Virginia Health Club Act, Chapter 24 (§ 59.1-294 et seq.);
- 320** 19. Violating any provision of the Virginia Home Solicitation Sales Act, Chapter 2.1 (§ 59.1-21.1
321 et seq.);
- 322** 20. Violating any provision of the Automobile Repair Facilities Act, Chapter 17.1 (§ 59.1-207.1
323 et seq.);
- 324** 21. Violating any provision of the Virginia Lease-Purchase Agreement Act, Chapter 17.4 (§ 59.1-
325 207.17 et seq.);
- 326** 22. Violating any provision of the Prizes and Gifts Act, Chapter 31 (§ 59.1-415 et seq.);
- 327** 23. Violating any provision of the Virginia Public Telephone Information Act, Chapter 32 (§ 59.1-
328 424 et seq.);
- 329** 24. Violating any provision of § 54.1-1505;
- 330** 25. Violating any provision of the Motor Vehicle Manufacturers' Warranty Adjustment Act,
331 Chapter 17.6 (§ 59.1-207.34 et seq.);
- 332** 26. Violating any provision of § 3.2-5627, relating to the pricing of merchandise;
- 333** 27. Violating any provision of the Pay-Per-Call Services Act, Chapter 33 (§ 59.1-429 et seq.);
- 334** 28. Violating any provision of the Extended Service Contract Act, Chapter 34 (§ 59.1-435 et seq.);
- 335** 29. Violating any provision of the Virginia Membership Camping Act, Chapter 25 (§ 59.1-311 et
336 seq.);
- 337** 30. Violating any provision of the Comparison Price Advertising Act, Chapter 17.7 (§ 59.1-207.40
338 et seq.);
- 339** 31. Violating any provision of the Virginia Travel Club Act, Chapter 36 (§ 59.1-445 et seq.);
- 340** 32. Violating any provision of §§ 46.2-1231 and 46.2-1233.1;
- 341** 33. Violating any provision of Chapter 40 (§ 54.1-4000 et seq.) of Title 54.1;
- 342** 34. Violating any provision of Chapter 10.1 (§ 58.1-1031 et seq.) of Title 58.1;

- 343 35. Using the consumer's social security number as the consumer's account number with the
344 supplier, if the consumer has requested in writing that the supplier use an alternate number not associated
345 with the consumer's social security number;
- 346 36. Violating any provision of Chapter 18 (§ 6.2-1800 et seq.) of Title 6.2;
- 347 37. Violating any provision of § 8.01-40.2;
- 348 38. Violating any provision of Article 7 (§ 32.1-212 et seq.) of Chapter 6 of Title 32.1;
- 349 39. Violating any provision of Chapter 34.1 (§ 59.1-441.1 et seq.);
- 350 40. Violating any provision of Chapter 20 (§ 6.2-2000 et seq.) of Title 6.2;
- 351 41. Violating any provision of the Virginia Post-Disaster Anti-Price Gouging Act, Chapter 46 (§
352 59.1-525 et seq.). For the purposes of this subdivision, "consumer transaction" has the same meaning as
353 provided in § 59.1-526;
- 354 42. Violating any provision of Chapter 47 (§ 59.1-530 et seq.);
- 355 43. Violating any provision of § 59.1-443.2;
- 356 44. Violating any provision of Chapter 48 (§ 59.1-533 et seq.);
- 357 45. Violating any provision of Chapter 25 (§ 6.2-2500 et seq.) of Title 6.2;
- 358 46. Violating the provisions of clause (i) of subsection B of § 54.1-1115;
- 359 47. Violating any provision of § 18.2-239;
- 360 48. Violating any provision of Chapter 26 (§ 59.1-336 et seq.);
- 361 49. Selling, offering for sale, or manufacturing for sale a children's product the supplier knows or
362 has reason to know was recalled by the U.S. Consumer Product Safety Commission. There is a rebuttable
363 presumption that a supplier has reason to know a children's product was recalled if notice of the recall has
364 been posted continuously at least 30 days before the sale, offer for sale, or manufacturing for sale on the
365 website of the U.S. Consumer Product Safety Commission. This prohibition does not apply to children's
366 products that are used, secondhand or "seconds";
- 367 50. Violating any provision of Chapter 44.1 (§ 59.1-518.1 et seq.);
- 368 51. Violating any provision of Chapter 22 (§ 6.2-2200 et seq.) of Title 6.2;
- 369 52. Violating any provision of § 8.2-317.1;

- 370 53. Violating subsection A of § 9.1-149.1;
- 371 54. Selling, offering for sale, or using in the construction, remodeling, or repair of any residential
372 dwelling in the Commonwealth, any drywall that the supplier knows or has reason to know is defective
373 drywall. This subdivision shall not apply to the sale or offering for sale of any building or structure in
374 which defective drywall has been permanently installed or affixed;
- 375 55. Engaging in fraudulent or improper or dishonest conduct as defined in § 54.1-1118 while
376 engaged in a transaction that was initiated (i) during a declared state of emergency as defined in § 44-
377 146.16 or (ii) to repair damage resulting from the event that prompted the declaration of a state of
378 emergency, regardless of whether the supplier is licensed as a contractor in the Commonwealth pursuant
379 to Chapter 11 (§ 54.1-1100 et seq.) of Title 54.1;
- 380 56. Violating any provision of Chapter 33.1 (§ 59.1-434.1 et seq.);
- 381 57. Violating any provision of § 18.2-178, 18.2-178.1, or 18.2-200.1;
- 382 58. Violating any provision of Chapter 17.8 (§ 59.1-207.45 et seq.). For the purposes of this
383 subdivision, "consumer transaction" also includes transactions involving an automatic renewal or
384 continuous service offer by a supplier to a small business, as those terms are defined in § 59.1-207.45;
- 385 59. Violating any provision of subsection E of § 32.1-126;
- 386 60. Violating any provision of § 54.1-111 relating to the unlicensed practice of a profession
387 licensed under Chapter 11 (§ 54.1-1100 et seq.) or Chapter 21 (§ 54.1-2100 et seq.) of Title 54.1;
- 388 61. Violating any provision of § 2.2-2001.5;
- 389 62. Violating any provision of Chapter 5.2 (§ 54.1-526 et seq.) of Title 54.1;
- 390 63. Violating any provision of § 6.2-312;
- 391 64. Violating any provision of Chapter 20.1 (§ 6.2-2026 et seq.) of Title 6.2;
- 392 65. Violating any provision of Chapter 26 (§ 6.2-2600 et seq.) of Title 6.2;
- 393 66. Violating any provision of Chapter 54 (§ 59.1-586 et seq.);
- 394 67. Knowingly violating any provision of § 8.01-27.5;
- 395 68. Failing to, in accordance with § 59.1-207.46, (i) make available a conspicuous online option
396 to cancel a recurring purchase of a good or service or (ii) with respect to a free trial lasting more than 30

days, notify a consumer of his option to cancel such free trial within 30 days of the end of the trial period to avoid an obligation to pay for the goods or services;

69. Selling or offering for sale any substance intended for human consumption, orally or by inhalation, that contains a synthetic derivative of tetrahydrocannabinol. As used in this subdivision, "synthetic derivative" means a chemical compound produced by man through a chemical transformation to turn a compound into a different compound by adding or subtracting molecules to or from the original compound. This subdivision shall not (i) apply to products that are approved for marketing by the U.S. Food and Drug Administration and scheduled in the Drug Control Act (§ 54.1-3400 et seq.) or (ii) be construed to prohibit any conduct permitted under Chapter 16 (§ 4.1-1600 et seq.) of Title 4.1;

70. Selling or offering for sale to a person younger than 21 years of age any substance intended for human consumption, orally or by inhalation, that contains tetrahydrocannabinol. This subdivision shall not (i) apply to products that are approved for marketing by the U.S. Food and Drug Administration and scheduled in the Drug Control Act (§ 54.1-3400 et seq.) or (ii) be construed to prohibit any conduct permitted under Chapter 16 (§ 4.1-1600 et seq.) of Title 4.1;

71. Selling or offering for sale any substance intended for human consumption, orally or by inhalation, that contains tetrahydrocannabinol, unless such substance is (i) contained in child-resistant packaging, as defined in § 4.1-600; (ii) equipped with a label that states, in English and in a font no less than 1/16 of an inch, (a) that the substance contains tetrahydrocannabinol and may not be sold to persons younger than 21 years of age, (b) all ingredients contained in the substance, (c) the amount of such substance that constitutes a single serving, and (d) the total percentage and milligrams of tetrahydrocannabinol included in the substance and the number of milligrams of tetrahydrocannabinol that are contained in each serving; and (iii) accompanied by a certificate of analysis, produced by an independent laboratory that is accredited pursuant to standard ISO/IEC 17025 of the International Organization of Standardization by a third-party accrediting body, that states the tetrahydrocannabinol concentration of the substance or the tetrahydrocannabinol concentration of the batch from which the substance originates. This subdivision shall not (i) apply to products that are approved for marketing by

the U.S. Food and Drug Administration and scheduled in the Drug Control Act (§ 54.1-3400 et seq.) or (ii) be construed to prohibit any conduct permitted under Chapter 16 (§ 4.1-1600 et seq.) of Title 4.1;

72. Manufacturing, offering for sale at retail, or selling at retail an industrial hemp extract, as defined in § 3.2-5145.1, a food containing an industrial hemp extract, or a substance containing tetrahydrocannabinol that depicts or is in the shape of a human, animal, vehicle, or fruit;

73. Selling or offering for sale any substance intended for human consumption, orally or by inhalation, that contains tetrahydrocannabinol and, without authorization, bears, is packaged in a container or wrapper that bears, or is otherwise labeled to bear the trademark, trade name, famous mark as defined in 15 U.S.C. § 1125, or other identifying mark, imprint, or device, or any likeness thereof, of a manufacturer, processor, packer, or distributor of a product intended for human consumption other than the manufacturer, processor, packer, or distributor that did in fact so manufacture, process, pack, or distribute such substance;

74. Selling or offering for sale a topical hemp product, as defined in § 3.2-4112, that does not include a label stating that the product is not intended for human consumption. This subdivision shall not (i) apply to products that are approved for marketing by the U.S. Food and Drug Administration and scheduled in the Drug Control Act (§ 54.1-3400 et seq.), (ii) be construed to prohibit any conduct permitted under Chapter 16 (§ 4.1-1600 et seq.) of Title 4.1, or (iii) apply to topical hemp products that were manufactured prior to July 1, 2023, provided that the person provides documentation of the date of manufacture if requested;

75. Violating any provision of § 59.1-466.8;

76. Violating subsection F of § 36-96.3:1;

77. Selling or offering for sale (i) any kratom product to a person younger than 21 years of age or (ii) any kratom product that does not include a label listing all ingredients and with the following guidance: "This product may be harmful to your health, has not been evaluated by the FDA, and is not intended to diagnose, treat, cure, or prevent any disease." As used in this subdivision, "kratom" means any part of the leaf of the plant *Mitragyna speciosa* or any extract thereof;

449 78. Advertising of any ignition interlock system in Virginia by an ignition interlock vendor not
450 approved by the Commission on the Virginia Alcohol Safety Action Program to operate in Virginia;
451 targeted advertising of any ignition interlock system to a person before determination of guilt; and any
452 advertising, whether before or after determination of guilt, without a conspicuous statement that such
453 advertisement is not affiliated with any government agency. For purposes of this subdivision, "ignition
454 interlock system" has the same meaning as ascribed to that term in § 18.2-270.1 and "targeted advertising"
455 has the same meaning ascribed to that term in § 59.1-575 and includes direct mailings to an individual.
456 This provision shall not apply to ignition interlock service vendor ads, pamphlets, or kiosk advertisements
457 approved by the Commission on the Virginia Alcohol Safety Action Program and provided at a
458 Commission-approved location;

459 79. Failing to disclose the total cost of a good or continuous service, as defined in § 59.1-207.45,
460 to a consumer, including any mandatory fees or charges, prior to entering into an agreement for the sale
461 of any such good or provision of any such continuous service;

462 80. Violating any provision of the Unfair Real Estate Service Agreement Act (§ 55.1-3200 et seq.);

463 81. Selling or offering for sale services as a professional mold remediator to be performed upon
464 any residential dwelling without holding a mold remediation certification from a nationally or
465 internationally recognized certifying body for mold remediation, and failing to comply with (i) the U.S.
466 Environmental Protection Agency's publication on Mold Remediation in Schools and Commercial
467 Buildings, as revised; (ii) the ANSI/IICRC S520 Standard for Professional Mold Remediation, as revised;
468 or (iii) any other equivalent ANSI-accredited mold remediation standard, when conducting or offering to
469 conduct mold remediation in the Commonwealth;

470 82. Willfully violating any provision of § 59.1-444.4;

471 83. Violating any provision of Chapter 23.2 (§ 59.1-293.10 et seq.);

472 84. Selling any food that is required by the FDA to have a nutrition label that does not meet the
473 requirements of 21 C.F.R. Part 101;

474 85. Obtaining, disclosing, selling, or disseminating any personally identifiable reproductive or
475 sexual health information without the consent of the consumer;

476 86. Violating any provision of Chapter 58 (§ 59.1-607 et seq.);~~and~~
477 87. (Effective July 1, 2026) Violating any provision of the Medical Debt Protection Act (§ 59.1-
478 611 et seq.)and
479 88. Violating any provision of Chapter 22.2 (§ 6.2-2239 et seq.) of Title 6.2.
480 B. Nothing in this section shall be construed to invalidate or make unenforceable any contract or
481 lease solely by reason of the failure of such contract or lease to comply with any other law of the
482 Commonwealth or any federal statute or regulation, to the extent such other law, statute, or regulation
483 provides that a violation of such law, statute, or regulation shall not invalidate or make unenforceable such
484 contract or lease.
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