2019 End of Session Report

Community Associations Institute’s (CAI) Virginia Legislative Action Committee (VALAC) was extremely busy this session of the General Assembly. CAI members volunteered hundreds of collective hours to review bills, draft testimony, work with VALAC’s lobbyists, meet with legislators and other decision-makers, and testify in Richmond for and against bills. VALAC monitored over 75 bills that directly or indirectly impacted community associations. Of those bills, approximately 20 were pursued vigorously by VALAC. Below is a brief list of highlights from the 2019 General Assembly (all legislation addressed below is effective July 1, unless otherwise noted):

**Bills that Passed**

- **Home-Based Businesses (HB1853/SB1537)** – If a locality classifies home-based child care services as an accessory or ancillary residential use, the provision of home-based child care services in a personal residence shall be considered a residential use unless expressly prohibited or restricted by the declaration or restricted by the association’s bylaws or rules. Similar legislation was introduced in 2018, opposed by VALAC, and failed to pass. VALAC worked with the Housing Commission and bill sponsors to pass this legislation in 2019 with amendments.

- **Reserves for Capital Components (HB2030/SB1538)** – Common Interest Communities (CIC’s) will be required under the Condominium Act, the Property Owners’ Association Act, and the Virginia Real Estate Cooperative Act to make available to members either the CIC’s annual budget or a summary of the annual budget prior to the beginning of each fiscal year. This legislation also provides that, if the reserve study requires budgeting for reserves, the budget shall also include a statement that outlines the amount of reserves recommended as well as the amount of current cash available for replacement of the reserves. The CIC Board is now required to prepare guidelines for the development of reserve studies for capital components. VALAC worked with the Housing Commission and bill sponsors on acceptable language for these bills.

- **Delivery of Condominium Resale Certificates & POA Disclosure Packets (HB2385/SB1580)** – Provisions for canceling a real estate contract related to delivery of the resale certificate or disclosure packet are amended to add the circumstance of receiving a resale certificate/disclosure packet that does not contain the information required by the Condo Act or the POA Act, respectively.

- **Transition from Declarant to Owner Control, Stormwater Facilities (SB1756)** – Declarants/Developers are now required to deliver to the Condo Association/POA an inventory and description of stormwater facilities located on the common elements/common areas for which the association has maintenance, repair, or replacement responsibility, along with the requirements of maintenance.

- **Notice of Property Owners Association Meetings by Email (HB2694)** – Members of POAs are now allowed to elect to receive a notice of meetings by email in lieu of the current requirement that notice be sent by US mail; provided that if such electronic mail is returned undeliverable, notice is sent via US mail.

- **Meetings of Condominium Associations, Proxy Voting (HB2647)** – Effective July 1, any proxy is void if not signed by or on behalf of the unit owner. If the unit owner is more than one person, any such unit
owner may be object to the proxy at or prior to a meeting of the association, whereupon the proxy shall be deemed void.

- **Legislative Re-Write of Title 55 of Virginia Code** – Effective October 1, 2019. Title 55 of the Virginia Code will be rewritten. Title 55 of the Virginia Code contains the Condo Act, the POA Act, the Time Share Act, the Horizontal Property Act, and other Chapters pertaining to real property. This is the result of a two-year effort by the Virginia Code Commission. The Code Commission rearranged provisions under different Sections of the Code and changed or edited wording, for the primary purpose of making the Sections more organized. As an example, the numbering for the POA Act will begin at Section 55.1-1800, and the Condo Act will begin at Section 55.1-1900.

**Bills that Failed (Thanks in large part to VALAC efforts)**

- **Deregulation of certain professions (HB 2099)** – As introduced, this bill would have removed the licensing requirement for common interest community managers. Through VALAC’s hard work killing this piece of legislation CAI members will continue to have proper regulation of their community association managers.

- **Jail Time for Condo Act Violations (SB1274)** – This bill would have made violation of ANY provision of the Condo Act punishable by up to six months in jail and up to $50,000 in monetary sanctions.

- **Free Reign for Politicians on Condo Property (HB2418)** – This bill would have required Condo Boards to establish a “method” to allow political candidates access in and on Condominium property. “Method” must not jeopardize security or the “customary ambience” of the community.

For more information on VALAC’s activities and community association legislation in Virginia, visit www.caionline.org/VALAC.

**Your assistance is needed:** The CAI Virginia LAC uses professional, paid lobbyists as a vital and integral part of the legislative process. As volunteers, CAI VA LAC members significantly rely on this highly effective professional representation. To help fund the CAI VA LAC advocacy activities in 2019 and beyond, donations are vital to our continued successes. We encourage donations from Virginia community associations and individuals. Please visit www.caionline.org/lacdonate/ and donate to “Virginia” to support our continued efforts.