



## 2018 End of Session Report

Community Associations Institute's (CAI) Virginia Legislative Action Committee (VA LAC) was extremely busy this session of the General Assembly. CAI members volunteered hundreds of collective hours to review bills, draft testimony, work with the LAC's lobbyists, meet with legislators and other decision-makers, and testify in Richmond for and against bills. The LAC reviewed over 100 bills that directly or indirectly impacted community associations. Of those bills, 41 were pursued vigorously by the VA LAC. Ultimately, 14 bills passed and 27 were neutralized. Below is a brief list of highlights from the 2018 General Assembly:

### Bills that Passed

- **Information on covenants and association disclosure packets (HB923)** – Effective July 1, condominium associations must now also include cover sheets with resale certificates. The bill was amended to ensure no additional burden on associations and managers. This bill also requires the Common Interest Community Board to include additional disclosures on the one-page cover sheet. CAI VA LAC worked on the language with the Virginia Realtors Association, who are intent on proposing changes to resale disclosure documents, prior to the start of 2018 session.
- **Disclosure packets (HB1031)** – Effective July 1, this bill allows an association that is not professionally managed to charge the same fees that a professionally managed association may charge so long as disclosure documents are delivered electronically. CAI VA LAC worked on this bill for the last three years and it was finally passed with amendments this session.
- **Access to association books and records (SB722)** – Effective July 1, this bill allows associations to withhold from review only those portions of the books and records containing information that by law may be withheld. The amendment provides that the information shall be disclosed and redacted at the requesting member's expense.

### Bills that Failed

- **Reserves for capital components (SB706)** – As introduced, this bill would require community associations to detail and disclose the amount of any shortage in cash reserves, as indicated by a five-year reserve study. The Chair of the Senate General Laws Committee requested that the Housing Commission review the issue this summer.
- **Home-based business (SB707)** – This bill would have prohibited a property owners' associations from regulating the operation of home-based businesses unless the governing documents expressly prohibit or authorize regulation of home-based businesses.

For more information on the VA LAC's activities and community association legislation in Virginia, visit [www.caionline.org/VALAC](http://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 2018/2019 and beyond, donations are vital to our continued successes. We encourage donations from Virginia community associations and individuals. Please visit [www.caionline.org/lacdonate/](http://www.caionline.org/lacdonate/) and donate to "Virginia" to support our continued efforts.

VIRGINIA LEGISLATIVE  
ACTION COMMITTEE

**community**  
ASSOCIATIONS INSTITUTE



## 2018 Virginia General Assembly Overview Over 100 Bills Reviewed



*The Virginia Legislative Action Committee –  
Advocating Legislation that Promotes Good Governance!*

- Ten bills were proposed by a freshman legislator (and Virginia Beach community association board member). Nine of those Bills were **STRICKEN** by the legislator after discussions with our lobbying team. VALAC worked with the legislator on her tenth bill that expressly requires disclosure of the results of the recorded vote and election of members to serve on the board. That bill was **DEFEATED** 20-19 in the Senate on a straight party line vote.
- HB722 (Plum) – **STRICKEN** by the legislator after discussions with our lobbying team – legislation would have prohibited an association board from taking action by unanimous written consent, requiring all action to be taken in an open meeting.
- HB923 (Bulova) – **AMENDED** to ensure no additional burden on associations and managers and **PASSED** – VALAC worked prior to session with the Virginia Realtors intent on again proposing changes to resale disclosure documents. The bill requires the Common Interest Community Board to include additional disclosures on the one-page cover sheet. Condominium unit owners associations must now also include cover sheets with resale certificates.
- HB1031 (Watts) – **AMENDED** and **PASSED** – legislation VALAC has worked on for three years. Bill allows an association that is not professionally managed to charge the same fees that a professionally managed association may charge so long as disclosure documents are delivered electronically.
- SB 706 (Surovell) – **DEFEATED** – as introduced, bill would require an association to detail and disclose the amount of any shortage in cash reserves, as indicated by a five-year reserve study. Chair of Senate General Laws Committee requested that the Housing Commission review the issue.
- SB 707 (Surovell) – **DEFEATED** – bill would have prohibited an association from regulating the operation of home-based businesses, unless the governing documents expressly prohibit or authorize regulation of home based businesses.
- SB 722 (Surovell) – **AMENDED** and **PASSED** – an association can withhold from review only those *portions* of association books and records containing information that by law may be withheld. Amendment provides that the information shall be disclosed *and redacted* at requesting member's expense.
- SB 861 (Reeves) – **DEFEATED** – bill came out of member-led disagreement to overturn board-approved capital expenditures. Bill would have substantially limited board duty and authority to maintain, repair and replace common area facilities by first requiring owner approval for expenditures.

*To see bill language and more details on action taken on bills go to: <http://leg1.state.va.us/> and enter the bill number noted.*