

Team Legislation – *Both bills approved by the Governor and will become law.*

- Delegate Chris Peace (HB 862) **Passed House 100-0, Passed Senate 40-0**

- Senator Glen Sturtevant (SB 758) **Passed Senate 40-0, Passed House 100-0**

- The legislation defines a Real Estate Team as "two or more real estate salespersons or brokers who engage in licensed real estate activities and who: (i) work together as a unit within the same brokerage firm; (ii) represent themselves to the public as working together as one unit; and (iii) designate themselves by a collective name."
- The legislation makes it clear that a Real Estate Team will have to obtain a business entity salesperson license. The requirement to obtain a Business Entity License already exists in the statute and DPOR believes that a Real Estate Team should already be obtaining a Business Entity License. This clarification in the statute allows consumers and other members of the general public to search on-line at DPOR for a Real Estate Team.
- The bill will require brokerage agreements (buyer's and seller's agreements) to include the name and contact information of the supervising broker. Consumers need to know, in all transactions, who the supervising broker is, should a problem arise.

Translation of Documents Non - English Language – *Both bills approved by the Governor and will become law.*

- Delegate David Bulova (HB 439) **Passed House 98-0, Passed Senate 40-0**

- Senator Monty Mason (SB 528) **Passed Senate 39-0, Passed House 100-0**

This legislation would encourage real estate licensees to assist the growing diverse population in the Commonwealth by establishing statutory authority for a real estate licensee to refer a party to one or more translation services, so the party can contract directly with a translation service of their choosing. The legislation would also make clear that the real estate licensee is not liable for any inaccuracies that may occur by the translator or translation service since all the real estate licensee is doing is advising the party of the availability of translation services.

Earnest Money Deposits; Broker Education - Post-License CE; Other Technical Changes

– *Both bills approved by the Governor and will become law.*

- Delegate Riley Ingram (HB 864) **Passed House 98-0, Passed Senate 40-0**

- Senator Dave Suetterlein (SB 514) **Passed Senate 39-0, Passed House 100-0**

This legislation would establish in statute a right for the real estate broker to give written notice to the parties and disburse an earnest money deposit in accordance with the clear terms of a real estate purchase contract. The legislation also gives a real estate broker an option to give written notice of intended disbursement, with a 15-day "protest period" for one of the parties to object in writing. If a party objects in writing, the likely option at that point would be to go to court.

This legislation allocates 2 hours of the existing 8-hour broker education hours to the requirements for broker supervision under the Code of Virginia and the Real Estate Board Regulations. This legislation also adds real estate finance to the existing curriculum for post-licensure education. Finally, this legislation makes a series of technical edits to various sections of the Real Estate Licensing Law.

Condo and Property Owners Associations– *Approved by the Governor and will become law.*

- Delegate David Bulova (HB 923) **Passed House 100-0, Passed Senate 40-0**

This legislation would require all Common Interest Communities (Condo and Property Owner Associations) to provide a short summary of important information contained in the resale certificate or disclosure packet, delivered at the same time as the Resale Certificate or Disclosure Packet. Much like the Residential Real Property Disclosure Statement, this summary will provide buyers with a summary of items that could affect their decision to purchase a home in a Common Interest Community including:

- Annual dues
- Special assessments
- Rental restrictions
- Parking or vehicular restrictions
- Pet restrictions
- Architectural restrictions

Acceptance of Rent with Reservation- *Both bills approved by the Governor and will become law.*

- **Delegate Chris Peace (HB 855) Passed House 96-3-1 (Abstention), Passed Senate 40-0**

- **Senator Mamie Locke (SB 197) Passed Senate 40-0, Passed House 97-1-1 (Abstention)**

The current statute requires a landlord to give a notice of acceptance of rent with reservation in order to accept rental payments and still move forward with eviction. The current language of the statute is being interpreted different ways by different judges, so that landlords and tenants, property managers and lawyers don't know exactly how to handle these notices. The purpose of this legislation is to simply clarify the existing law removing the requirement for second notice for the time period between entry of an order of possession and prior to eviction, thus eliminating the confusion with the existing statutory language.

Short-Term Rental Ordinance – *The Bill is currently being considered by the Governor.*

- **Delegate Barry Knight (HB 824) Passed House 90-3, Passed Senate 39Y-0N-1A**

In 2017, the City of Lexington passed an ordinance to regulate short-term rentals that violates state law in a number of different ways. Among other items, the ordinance prohibits individuals from owning more than one rental property, requires BPOL taxes, requires a business license, etc. The purpose of this legislation is to require the City of Lexington to amend its ordinance to come into compliance with various provisions of state law. The bill was amended to protect the Sandbridge area of Virginia Beach from a potential short-term rental ordinance that could potentially harm the real estate industry by requiring onerous conditional use permits.

Clarification of Supreme Court Case – Title - *Approved by the Governor and will become law.*

- **Delegate Marcus Simon (HB 311) Passed House 99-1, Passed the Senate 40-0**

A real property owner who buys a house at foreclosure sale, if the occupant does not move out, would file an unlawful detainer in the general district court. In the Parrish case, the occupant challenged the legal title of the successor owner and the Supreme Court ruled that such owner would have to try "sufficiency of legal title" in the circuit court since a general district court does not have jurisdiction to try legal title to real property. The Office of the Executive Secretary of the Virginia Supreme Court (OES) prepared a narrative in the general district court judge's manual to try to head off the potential of every unlawful detainer case getting derailed by assertion by a tenant or other occupant of insufficiency of legal title to real property. The purpose of this legislation is to put into statutory language the substance of the OES judge's manual narrative.

For more information on these or any other legislative issues, please contact Martin K. Johnson, SVP of Government Relations at 804-514-9830 or mjohnson@virginiarealtors.org.