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SENATE JOINT RESOLUTION NO. 71

Offered January 11, 2012

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*Directing the Virginia Housing Commission to study foreclosure procedures of the Commonwealth.
Report.*

Patron—Deeds

Referred to Committee on Rules

WHEREAS, it is in the interest of the Commonwealth to promote the economic and social stability that results from a robust home-owning citizenry; and

WHEREAS, lack of sufficient documentation and failure to properly record deeds of trust create clouds on a title that are difficult to remove; and

WHEREAS, since the foreclosure process in Virginia is nonjudicial, there is an inherent lack of oversight of the foreclosure process; and

WHEREAS, Virginia law requires only 14 days' notice be given to homeowners of an impending foreclosure sale, one of the shortest notice requirements in the nation; and

WHEREAS, it is estimated that the housing market may continue to see a rise in foreclosures into 2012; and

WHEREAS, Virginians continue to face the threat of foreclosure due to, among other factors, high unemployment rates; now, therefore, be it

RESOLVED by the Senate, the House of Delegates concurring, That the Virginia Housing Commission be directed to study foreclosure procedures of the Commonwealth.

In conducting its study, the Virginia Housing Commission shall examine (i) current laws and regulations governing the foreclosure process, including notice requirements, recording procedures, and the duties of trustees, and (ii) the prevalence of the use of fraudulent practices to obtain foreclosures and the effect those practices have on Virginians, and (iii) recommendations for preventing unfair practices.

All agencies of the Commonwealth shall provide assistance to the Virginia Housing Commission for this study, upon request.

The Virginia Housing Commission shall complete its meetings by November 30, 2012, and the Chairman shall submit to the Division of Legislative Automated Systems an executive summary of its findings and recommendations no later than the first day of the 2013 Regular Session of the General Assembly. The executive summary shall state whether the Commission intends to submit to the General Assembly and the Governor a report of its findings and recommendations for publication as a House or Senate document. The executive summary and report shall be submitted as provided in the procedures of the Division of Legislative Automated Systems for the processing of legislative documents and reports and shall be posted on the General Assembly's website.

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