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HOUSE BILL NO. 1553

Offered January 11, 2017

Prefiled December 29, 2016

A BILL to amend and reenact § 55-510.1 of the Code of Virginia, relating to the Property Owners' Association Act; board of directors; actions taken without a meeting.

Patrons—Bulova and Lindsey

Referred to Committee on General Laws**Be it enacted by the General Assembly of Virginia:****1. That § 55-510.1 of the Code of Virginia is amended and reenacted as follows:****§ 55-510.1. Meetings of the board of directors.**

A. All meetings of the board of directors, including any subcommittee or other committee thereof, shall be open to all members of record. The board of directors shall not use work sessions or other informal gatherings of the board of directors to circumvent the open meeting requirements of this section. Minutes of the meetings of the board of directors shall be recorded and shall be available as provided in subsection B of § 55-510.

B. Notice of the time, date and place of each meeting of the board of directors or of any subcommittee or other committee thereof shall be published where it is reasonably calculated to be available to a majority of the lot owners.

A lot owner may make a request to be notified on a continual basis of any such meetings which request shall be made at least once a year in writing and include the lot owners' name, address, zip code, and any e-mail address as appropriate. Notice of the time, date, and place shall be sent to any lot owner requesting notice (i) by first-class mail or e-mail in the case of meetings of the board of directors or (ii) by e-mail in the case of meetings of any subcommittee or other committee of the board of directors.

Notice, reasonable under the circumstances, of special or emergency meetings shall be given contemporaneously with the notice provided members of the association's board of directors or any subcommittee or other committee thereof conducting the meeting.

Unless otherwise exempt as relating to an executive session pursuant to subsection C, at least one copy of all agenda packets and materials furnished to members of an association's board of directors or subcommittee or other committee thereof for a meeting shall be made available for inspection by the membership of the association at the same time such documents are furnished to the members of the board of directors or any subcommittee or committee thereof.

Any member may record any portion of a meeting required to be open. The board of directors or subcommittee or other committee thereof conducting the meeting may adopt rules (i) governing the placement and use of equipment necessary for recording a meeting to prevent interference with the proceedings and (ii) requiring the member recording the meeting to provide notice that the meeting is being recorded.

If a meeting is conducted by telephone conference or video conference or similar electronic means, at least two members of the board of directors shall be physically present at the meeting place included in the notice. The audio equipment shall be sufficient for any member in attendance to hear what is said by any member of the board of directors participating in the meeting who is not physically present.

Voting by secret or written ballot in an open meeting shall be a violation of this chapter except for the election of officers.

C. The board of directors or any subcommittee or other committee thereof may convene in executive session to consider personnel matters; consult with legal counsel; discuss and consider contracts, pending or probable litigation and matters involving violations of the declaration or rules and regulations adopted pursuant thereto for which a member, his family members, tenants, guests or other invitees are responsible; or discuss and consider the personal liability of members to the association, upon the affirmative vote in an open meeting to assemble in executive session. The motion shall state specifically the purpose for the executive session. Reference to the motion and the stated purpose for the executive session shall be included in the minutes. The board of directors shall restrict the consideration of matters during such portions of meetings to only those purposes specifically exempted and stated in the motion. No contract, motion or other action adopted, passed or agreed to in executive session shall become effective unless the board of directors or subcommittee or other committee thereof, following the executive session, reconvenes in open meeting and takes a vote on such contract, motion or other action which shall have its substance reasonably identified in the open meeting. The requirements of this

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HB1553

59 section shall not require the disclosure of information in violation of law.

60 D. Subject to reasonable rules adopted by the board of directors, the board of directors shall provide
61 a designated period of time during a meeting to allow members an opportunity to comment on any
62 matter relating to the association. During a meeting at which the agenda is limited to specific topics or
63 at a special meeting, the board of directors may limit the comments of members to the topics listed on
64 the meeting agenda.

65 *E. Record of any action taken pursuant to § 13.1-865 of the Virginia Nonstock Corporation Act (§*
66 *13.1-801 et seq.), or any written consent taken by the board of directors in accordance with the articles*
67 *of incorporation or bylaws, shall be delivered to the association secretary for (i) inclusion in any*
68 *agenda packet for the next meeting of the board of directors as provided in subsection B and (ii)*
69 *recording in the minutes of the next meeting of the board of directors. Such written consent shall be*
70 *filed with the association records. Members of the association shall be provided an opportunity to*
71 *comment on any action taken by written consent as provided in subsection D. The board of directors*
72 *may rescind any action taken by written consent, in its discretion, pursuant to authority granted in the*
73 *declaration, articles of incorporation, bylaws, or applicable law. Action taken by written consent shall*
74 *be effective when the last director sufficient to satisfy the requirements of the Virginia Nonstock*
75 *Corporation Act, articles of incorporation, or bylaws signs the consent, unless the consent specifies a*
76 *different effective date, in which event the action taken shall be effective as of the date specified therein,*
77 *provided that the consent states the date of execution by each director.*