

Department of Planning and Budget 2017 Fiscal Impact Statement

1. **Bill Number:** SB1255

House of Origin Introduced Substitute Engrossed
Second House In Committee Substitute Enrolled

2. **Patron:** DeSteph

3. **Committee:** General Laws and Technology

4. **Title:** Condominium Act; resale by purchaser; designation of authorized representative.

5. **Summary:** Provides that unless expressly authorized by the Condominium Act or the condominium instruments or as otherwise provided by law, no unit owners' association may require the use of any for sale sign that is a unit owners' association sign, or a real estate sign that does not comply with the requirements of the Real Estate Board. A unit owners' association may, however, prohibit the placement of signs in the common area and establish reasonable rules and regulations that regulate (i) the number of real estate signs to be located on real property upon which the owner has a separate ownership interest or a right of exclusive possession, so long as at least one real estate sign is permitted; (ii) the geographical location of real estate signs on real property in which the owner has a separate ownership interest or a right of exclusive possession, so long as the location of the real estate signs complies with the requirements of the Real Estate Board; (iii) the manner in which real estate signs are affixed to real property; and (iv) the period of time after settlement when the real estate signs on such real property shall be removed. The bill also prohibits a unit owners' association from requiring any unit owner to execute a formal power of attorney if the unit owner designates a person licensed by the Real Estate Board to serve as his authorized representative in the sale of a unit. In addition, the bill authorizes the Common Interest Community Board to assess a monetary penalty against a unit owners' association or common interest community manager for the failure to deliver the resale certificate within 14 days. The bill provides that the purchaser may also cancel the contract at any time prior to settlement if the purchaser has not been notified that the resale certificate will not be available and the resale certificate is not delivered to the purchaser. The bill also provides that notwithstanding the provisions of subsection E of § 55-530, Code of Virginia, the Board may receive a complaint directly from any person aggrieved by an association's failure to deliver a resale certificate or disclosure packet within the required time period.

6. **Budget Amendment Necessary:** No.

7. **Fiscal Impact Estimates:** No state fiscal impact.

8. **Fiscal Implications:** It is anticipated this bill will not result in a fiscal impact to the Department of Professional and Occupational Regulation.

9. Specific Agency or Political Subdivisions Affected: Department of Professional and Occupational Regulation.

10. Technical Amendment Necessary: No.

11. Other Comments: None.