

964500126

HOUSE JOINT RESOLUTION NO. 210
AMENDMENT IN THE NATURE OF A SUBSTITUTE
(Proposed by the Senate Committee on Rules
on February 26, 1996)
(Patron Prior to Substitute—Delegate Barlow)

Establishing a joint subcommittee to study the practices of attorneys, title insurance companies, title insurance agents and others in Virginia.

WHEREAS, there exists in the Commonwealth various persons or entities conducting the settlement of real estate transactions and the disbursements of funds, including attorneys, title insurance companies, and title insurance agents; and

WHEREAS, there is no single regulatory body which oversees all of these entities and individuals in the conduct of their services in real estate transactions; and

WHEREAS, questions exist regarding a settlement agent's obligations and services to his client or customer including the provision of legal advice; now, therefore, be it

RESOLVED by the House of Delegates, the Senate concurring, That a joint subcommittee be established to study the real estate practices of attorneys, title insurance companies, title insurance agents and others in Virginia. The joint subcommittee shall be composed of seven members to be appointed as follows: four members of the House of Delegates to be appointed by the Speaker of the House and three members of the Senate to be appointed by the Senate Committee on Privileges and Elections.

The joint subcommittee shall (i) determine what types of entities and individuals in Virginia are providing settlement services and handling escrow funds established pursuant to those services; (ii) determine the existence or nonexistence of state regulation of the entities providing real estate settlement practices; (ii) determine the concerns relating to the various practices of handling, escrowing and distributing funds; and (iv) review those closing and escrow practices to determine whether significant risk of harm to the public exists or if illegal activities are occurring; and (v) make recommendations, if necessary, for legislation to address the findings of the subcommittee.

The direct cost of this study shall not exceed \$5,250.

The joint subcommittee shall complete its work in time to submit its findings and recommendations to the Governor and the 1997 Session of the General Assembly as provided in the procedures of the Division of Legislative Automated Systems for the processing of legislative documents.

Implementation of this resolution is subject to subsequent approval and certification by the Joint Rules Committee. The Committee may withhold expenditures or delay the period for the conduct of the study.

SENATE SUBSTITUTE

HJ210S1