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HOUSE JOINT RESOLUTION NO. 8

Offered January 10, 1996

Prefiled January 2, 1996

Requesting the Housing Study Commission to determine the desirability and feasibility of state regulation of property owners' associations.

Patron—Cranwell

Referred to Committee on Rules

WHEREAS, the Property Owners' Association Act was enacted in 1989, following a study by the former Board for Commerce in 1987, to address certain issues in the creation and administration of property owners' associations; and

WHEREAS, it is estimated that there are over 700 property owners' associations operating in Virginia; and

WHEREAS, property owners' associations serve both a business and governmental function as they relate to their membership; and

WHEREAS, membership in a property owners' association is mandatory by virtue of the purchase of land contained within such an association; and

WHEREAS, property owners' associations have the power to (i) make regular and special assessments against their membership for the upkeep of the common areas owned by the association, (ii) levy fines for violations of the association's rules, and (iii) file and perfect liens against a lot owner's land for failure to pay assessments; and

WHEREAS, under the Virginia Condominium Act, condominium developers are required to register with the Virginia Real Estate Board, a state agency which oversees the sale and certain aspects of the operation of condominium associations; and

WHEREAS, while condominium associations and property owners' associations have separate legal definitions, the powers and duties of the respective associations are the same; and

WHEREAS, it is in the interest of the Commonwealth to provide for the lawful operation and management of property owners' associations and to ensure the rights of individual lot owners within a property owners' association; now, therefore, be it

RESOLVED by the House of Delegates, the Senate concurring, That the Virginia Housing Study Commission be requested to study the desirability and feasibility of state regulation of property owners' associations. Technical assistance shall be provided by the Virginia Real Estate Board. All agencies of the Commonwealth shall provide assistance to the Commission, upon request.

The Commission shall hold public hearings and otherwise solicit comment from property owners' associations and lot owners within such associations on the scope and nature of existing problems in association living and consider the advisability of regulation by an agency of the Commonwealth.

The Commission 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 processing legislative documents.

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