

# 1996 SESSION

## SENATE SUBSTITUTE

961055655

### SENATE BILL NO. 571

AMENDMENT IN THE NATURE OF A SUBSTITUTE  
(Proposed by the Senate Committee on Commerce and Labor)  
on February 5, 1996)

(Patron Prior to Substitute—Senator Edwards)

*A BILL to amend the Code of Virginia by adding a section numbered 6.1-2.16, relating to banking and finance; Wet Settlement Act; settlement agents.*

**Be it enacted by the General Assembly of Virginia:**

**1. That the Code of Virginia is amended by adding a section numbered § 6.1-2.16 as follows:**

*§ 6.1-2.16. Professional obligations of settlement agents; registration; regulations.*

*A. In the performance of their duties, settlement agents shall act in accordance with the highest standards of professional conduct. Accordingly, such agents shall assure their compliance with all applicable laws and regulations including such registration and financial responsibility requirements as may be established by the Commission.*

*B. The Commission shall promulgate rules and regulations establishing annual registration and financial responsibility requirements for all settlement agents. Such requirements may include the submission of an initial registration and subsequent annual renewals thereof and the payment of registration fees. In establishing such requirements, the Commission shall exempt therefrom settlement agents who are otherwise licensed pursuant to the provisions of Chapter 39 (§ 54.1-3900, et seq.) of Title 54.1, title insurance companies and agents who are otherwise licensed pursuant to the provisions of Chapter 46 (§ 38.2-4600, et seq.) of Title 38.2, and any person or entity who is a seller, purchaser, borrower, or lender in connection with a real estate transaction. Before promulgating any such rules or regulations, the Commission shall give reasonable notice of their content and shall afford interested parties an opportunity to be heard, in accordance with the Rules of Practice and Procedure of the Commission.*

SENATE SUBSTITUTE

SB571S1