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HOUSE BILL NO. 1265

House Amendments in [] — February 17, 1998

A BILL to amend and reenact § 6.1-2.19 of the Code of Virginia, relating to Consumer Real Estate Settlement Protection Act; settlement services.

Patrons—Croshaw, Abbitt, Albo, Almand, Behm, Brink, Bryant, Callahan, Cantor, Christian, Crittenden, Darner, Davis, Devolites, Diamonstein, Dillard, Drake, Hull, Ingram, Joannou, Keating, McClure, McDonnell, McEachin, Moran, Morgan, O'Brien, Plum, Purkey, Reid, Rust, Scott, Spruill, Watts and Williams; Senators: Barry, Howell, Martin, Quayle, Ticer, Whipple, Williams and Woods

Referred to Committee on General Laws

Be it enacted by the General Assembly of Virginia:**1. That § 6.1-2.19 of the Code of Virginia is amended and reenacted as follows:**

§ 6.1-2.19. Title, purpose and applicability.

A. This chapter shall be known as the Consumer Real Estate Settlement Protection Act.

B. The purpose of this chapter is to authorize existing licensing authorities in the Commonwealth of Virginia to require persons performing escrow, closing or settlement services to comply with certain consumer protection safeguards relating to licensing, financial responsibility and the handling of settlement funds.

C. This chapter applies only to transactions involving the purchase or financing of real estate containing not more than four residential dwelling units.

~~[D. Nothing in this chapter shall be construed to prevent a licensee not named as a settlement agent in the real estate purchase contract or on the settlement statement from performing escrow, closing, or settlement services, as defined in this chapter, to facilitate the settlement of the transaction so long as the licensee is otherwise authorized by law or regulation to perform such function.~~

D. Nothing in this chapter shall be construed to prevent a person licensed under Chapter 21 (§ 54.1-2100 et seq.) of Title 54.1, or such licensee's employees or independent contractors, from performing escrow, closing or settlement services, as defined by this chapter, to facilitate the settlement of a transaction in which the licensee is involved without complying with this chapter, so long as the licensee, the licensee's employees or independent contractors are not named as the settlement agent on the settlement statement and the licensee is otherwise not prohibited from performing such services by law or regulation.]

ENGROSSED

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