

# 1995 SESSION

INTRODUCED

LD2838819

## HOUSE BILL NO. 1872

Offered January 20, 1995

*A BILL to amend the Code of Virginia by adding in Chapter 26 of Title 55 a section numbered 55-516.2, relating to the Property Owners' Association Act; eminent domain.*

Patrons—Cantor, Almand, Baker, Cranwell, Davies, Howell, Johnson, Jones, J.C., Murphy and Woodrum; Senator: Holland, E.M.

Referred to Committee for Courts of Justice

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

**1. That the Code of Virginia is amended by adding in Chapter 26 of Title 55 a section numbered 55-516.2, as follows:**

*§ 55-516.2. Condemnation of common area; procedure.*

*When any portion of the common area is taken or damaged under the power of eminent domain, any award or payment therefor shall be paid to the association, which shall be a party in interest in the condemnation proceeding. Such award or payment shall be disbursed by the association in accordance with the declaration or any rules and regulations duly adopted pursuant thereto to the extent they so provide. Otherwise, such award shall be disbursed by the association in a manner adopted by a majority of votes cast, in person or by proxy, at a meeting of the membership convened in accordance with the provisions of the association's bylaws. Nothing in this section shall prohibit disbursement of such award or payment into a reserve or other account maintained by the association for the upkeep or improvement of the common areas.*

*Except to the extent the declaration or any rules and regulations duly adopted pursuant thereto so provide, the board of directors shall have the authority to negotiate with the condemning authority and agree to an award or payment amount with the condemning authority without instituting condemnation proceedings.*

*A member of the association, by virtue of his membership, shall be estopped from contesting the action of the association in any proceeding held pursuant to this section.*

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