



LEGAL / LEGISLATIVE UPDATE

Or

Public Policy 101:

**Everything You Ever Wanted to Know about
Real Estate and Politics**

2023

New Laws 2023



During the 2023 General Assembly session, the Virginia REALTORS® government relations team reviewed hundreds of bills, including the thousands of amendments made to the bills as they worked their way through the system, and worked tirelessly to protect your business and the rights of property owners.

[Click here for New Laws Resources below.](#)

Below is a summary of the legislation that passed that will have an impact on how you do business. Each description starts with what the bill does and then contains information on what that law means.

If you want to read the full text of the legislation, the bill number provided is a hyperlink to the text of the bill as it is enacted into law. All laws are effective July 1, 2023 unless otherwise noted. Bills that were part of the Virginia REALTORS® Legislative Agenda are also noted.

1 Common Interest Communities

1.1 Resale Certificates (HB 2235 / SB 1222) (Virginia REALTORS®)

These two bills start by creating a new “Resale Disclosure Act” that combines the resale disclosure requirements for all common interest communities in one place. This means that the resale certificate from the Condo Act and the disclosure packet from the POA Act are in one place and have the same requirements. There are no changes to how the disclosure works or the buyer’s right to terminate, but there are other changes.

These bills clarify that “days” for deadlines are calendar days, not business days. This has always been the case, but since there was some confusion the law is now explicit. The bills also remove distinctions between professionally and self-managed associations.

Next, the new law creates a default that all packet fees – including for ordering the resale certificate, expedite fees, and update fees – are due when the item is ordered. This means that when a seller orders the resale certificate, they will have to pay for the certificate at that time, not at settlement, unless the association adopts a different policy. While this is a big change from before, it was the only concession the common interest communities asked for in exchange for not fighting the REALTORS® on any other change to the law.

Finally, these bills require the Common Interest Community Board (CICB) to create a standardized resale certificate form and format. Now, the resale certificate will be consistent across all associations, and it should be easier for you and your clients to find specific information. This means that every resale certificate will have a coversheet that acts as almost as a “Table of Contents” and the supporting documentation or information for that item will be attached in order.

Note: These bills contain a provision that specifies that they do not apply to any contracts ratified prior to July 1, 2023. This means that if you have a contract that is ratified on or before June 30, you will be operating under the old law. If you have a contract that is ratified on or after July 1, the seller will need to provide the new resale certificate.

The certificate must have the following information, in this order (bolded items are new/do not exist in current law):

- 1. The name, address, and phone numbers of the preparer of the resale certificate and any managing agent of the association;**
2. A copy of the governing documents and any rules and regulations of the association;

3. **A statement disclosing any restraint on the alienability of the unit for which the resale certificate is being issued;**
4. A statement of the amount and payment schedules of assessments and any unpaid assessments currently due and payable to the association;
5. A statement of any other fees due and payable by an owner of the unit;
6. A statement of any other entity or facility to which the owner of the unit being sold may be liable for assessments, fees, or other charges due to the ownership of the unit;
7. A statement of the amount and payment schedule of any approved additional or special assessment and any unpaid additional or special assessment currently due and payable;
8. A statement of any capital expenditures approved by the association for the current and succeeding fiscal years;
9. A statement of the amount of any reserves for capital expenditures and of any portions of those reserves designated by the association for any specified projects;
10. The most recent balance sheet and income and expense statement, if any, of the association;
11. The current operating budget of the association;
12. The current reserve study, or a summary of such study;
13. A statement of any unsatisfied judgments against the association and the nature and status of any pending actions in which the association is a party and that could have a material impact on the association, the owners, or the unit being sold;
14. A statement describing any insurance coverage provided by the association for the benefit of the owners, including fidelity coverage, and any insurance coverage recommended or required to be obtained by the owners;
15. A statement as to whether the board has given or received written notice that any existing uses, occupancies, alterations, or improvements in or to the unit being sold or to the limited elements assigned thereto violate any provision of the governing documents or rules and regulations together with copies of any notices provided;
16. **A statement as to whether the board has received written notice from a governmental agency of any violation of environmental, health, or building codes with respect to the unit being sold, the limited elements assigned thereto, or any other portion of the common interest community that has not been cured;**
17. A copy of any approved minutes of meetings of the board held during the last six months;
18. **A copy of any approved or draft minutes of the most recent association meeting;**

19. A statement of the remaining term of any leasehold estate affecting a common area or common element, as those terms are defined in §§ 1-1800, 55.1-1900, and 55.1-2100, in the common interest community and the provisions governing any extension or renewal of such leasehold;
20. A statement of any limitation in the governing documents on the number or age of persons who may occupy a unit as a dwelling;
21. A statement setting forth any restriction, limitation, or prohibition on the right of an owner to display the flag of the United States, including reasonable restrictions as to the size, time, place, and manner of placement or display of such flag;
22. A statement setting forth any restriction, limitation, or prohibition on the right of an owner to install or use solar energy collection devices on the owner's unit or limited element;
23. A statement setting forth any restriction, limitation, or prohibition on the size, placement, or duration of display of political, for sale, or any other signs on the property;
24. A statement identifying any parking or vehicle restriction, limitation, or prohibition in the governing documents or rules and regulations;
25. A statement setting forth any restriction, limitation, or prohibition on the operation of a home-based business that otherwise complies with all applicable local ordinances;
26. A statement setting forth any restriction, limitation, or prohibition on an owner's ability to rent the unit;
27. In a cooperative, an accountant's statement, if any was prepared, as to the deductibility for federal income tax purposes by the owner of real estate taxes and interest paid by the association;
28. A statement describing any pending sale or encumbrance of common elements;
29. A statement indicating any known project approvals currently in effect issued by secondary mortgage market agencies; and
30. Certification that the association has filed with the Common Interest Community Board the annual report required by law, which certification shall indicate the filing number assigned by the Common Interest Community Board and the expiration date of such filing.

1.2 Repeat Violations (HB 1627 / SB 1042) (Virginia REALTORS®)

These bills may not directly impact you, but should help if you get a call from a frustrated client. There is an Ombudsman at the Common Interest Community Board that is an attorney who is

there to assist members of common interest communities when dealing with their associations. These bills give the CIC Ombudsman more duties and powers. Now, if the Ombudsman receives notices of final adverse decisions, they can either refer the decision to the CICB for further review to determine whether the decision is in conflict with existing laws or regulations, or they can make a determination themselves and notify the complainant of the determination. If, within 365 days of issuing a determination, the Ombudsman receives a subsequent complaint for the same violation, the Ombudsman must refer the matter to the CICB.

1.3 CIC Management Contracts (HB 1519)

Any Common Interest Community Management Contracts that include an automatic renewal provision may be terminated by the association or the CIC manager at any time, without cause, with at least 60 days notice, even if such a provision is not included in the contract.

2 DPOR & Licensing

2.1 Reciprocity (HB 2180 / SB 1213)

These two bills are general reciprocity bills for DPOR regulated industries.

If someone is licensed or certified in another jurisdiction and applies for a similar license in Virginia, DPOR must recognize the license or certification and grant a Virginia license if certain requirements are met.

The applicant must:

- Have a current, valid license in a similar scope of practice;
- Have held the license for at least 3 years;
- Have passed an exam and meet certain standards related to education, training, or experience;
- Not have any pending or unresolved complaints and is in good standing;
- Not have a disqualifying criminal record;
- Not have been disciplined, except if the discipline was only a fine and no harm to the health or economic wellbeing of the public was involved; and

- Pay the applicable fees.

Note that DPOR is allowed to require a Virginia specific exam if such exam is required of other applicants.

If another state that does not use a professional or occupational license or government certification to regulate a profession or occupation but Virginia does, DPOR must recognize the experience of the individual from their time in the other state with similar requirements to individuals who are licensed or certified by their jurisdiction.

2.2 Appraiser Licensure (HB 1418)

Currently, applicants for an appraiser license must obtain experience in the field of real estate appraisals under a licensed or certified appraiser prior to being granted a license.

This bill requires the Real Estate Appraiser Board to accept the Certified Residential Practical Applications of Real Estate Appraisal (“PAREA”) or Licensed Residential PAREA experience training program approved by the Appraiser Qualifications Board to satisfy the experience requirements.

Applicants who have completed the Licensed Residential PAREA program receive the equivalent of 1,000 hours of experience. Applicants who have completed the Certified PAREA program receive the equivalent of 1,500 hours of experience.

This should allow more appraisers to become licensed, especially in underserved communities where applicants may have had difficulty finding a licensed or certified appraiser to train under.

3 Settlement

3.1 Judgement Liens (HB 2184)

This bill allows a settlement agent to release judgement liens on property in certain circumstances. Essentially, if the settlement agent attempts to obtain payoff information and is unable to, there is now a process for releasing a judgment lien when the lien creditor cannot be located or does not provide payoff information. This only applies to judgments of less than \$25,000 as of the date of the award, and it only covers judgment liens older than three years.

3.2 Settlement Fees (HB 1888)

This bill adds language to the Virginia Real Estate Settlement Act in the Choice of Settlement Agent and Disclosure sections. The new language reads “The settlement agent may not collect any fees from a represented seller payable to the settlement agent or its subsidiaries, affiliates, or subcontractors without first obtaining the written consent of the seller’s counsel.”

This means that if the seller has hired an attorney to represent them in the transaction, they cannot be charged any fees by the settlement agent without their attorney agreeing.

4 Tax

4.1 Disabled Veteran/Surviving Spouse (HB 2414)

Currently, a disabled veteran or surviving spouse may claim a tax exemption on real property by applying with the locality once they have purchased a property.

This bill allows the veteran or spouse to apply for the tax exemption prior to purchasing a qualifying dwelling by filing the required documentation along with documentation of the purchase agreement. Within 20 business days of receiving the application, the locality’s commissioner of the revenue must process the application and send the veteran or spouse a letter stating whether the application is approved or denied. If the application is approved, the letter must also include the amount of the tax exemption.

Essentially, this bill allows a disabled veteran or surviving spouse to begin the application process while they are under contract, rather than having to wait until after settlement.

4.2 Transient Occupancy Taxes (HB 1442)

This bill requires the Department of Taxation to publish on its website each year the current rate of the transient occupancy tax imposed by each locality. This will make it easier for anyone who manages short term rentals to determine the transient occupancy tax in each locality.

4.3 Delinquent Taxes (HB 2110)

This bill updates the law regarding a taxpayer's right of redemption. Currently, the taxpayer can request a payment plan for a period not to exceed 60 months. The new law will allow that payment plan to be for a period not to exceed 72 months.

5 VRLTA

5.1 Post Lease Repairs (HB 1542 / SB 891) (Virginia REALTORS®)

These bills contain a temporary provision that will allow for an additional 15 days for landlords to obtain estimates and perform repairs after the end of the lease. Because of the pandemic, it has been difficult to get contractors and supplies to complete necessary repairs within the current 60 day timeframe. This means that starting on July 1, 2023, if the damages exceed the amount of the security deposit and require the services of a third-party contractor, the landlord must give written notice of that fact within 45-days of the termination of tenancy. If this happens, the landlord will have 30 days to provide an itemization of the damages and the cost of repair.

The 30 days to provide an itemization of the damages and the cost of repairs will revert back to 15 days on June 30, 2024.

5.2 Uninhabitable Property (HB 1635)

This bill creates a mechanism for a tenant to terminate a lease and receive a refund of all rents and deposits paid if the property is uninhabitable at possession.

If a condition exists at the beginning of the tenancy that constitutes a fire hazard or serious threat to the life, health, or safety of tenants or occupants, the tenant may terminate the lease by providing written notice to the landlord within seven days. The landlord then has 15 business days to either refund all monies paid by the tenant or provide written notice of his refusal to accept the tenant's termination notice, along with the reasons for the refusal. If the landlord disputes the tenant's termination, the tenant has the right to file in court for a determination of whether their termination was justified.

"Serious threat to the life, health, or safety of tenants or occupants" include an infestation of rodents or a lack of heat, hot or cold running water, electricity, or adequate sewage disposal

facilities.

5.3 Assistance Animals (HB 1725)

This bill makes it a violation of the Virginia Consumer Protection Act for a person with a therapeutic relationship to provide fraudulent supporting documentation of an individual's disability or disability related need for an assistance animal.

The Virginia Consumer Protection Act allows any person who suffers a loss as the result of a violation to sue for actual damages, or \$500, whichever is greater. If the violation is willful, the trier of fact can increase damages to three times actual damages or \$1,000, whichever is greater.

5.4 Statement of Tenants Rights and Responsibilities Form (HB 1735)

This bill clarifies the requirements for providing the Statement of Tenants Rights & Responsibilities form.

If the tenant does not sign the form, the landlord must record the date that they provided the form to the tenant and the fact that the tenant failed to sign the form. This notation will now be sufficient to satisfy the requirements of the law and allow landlords to bring unlawful detainer actions if necessary.

Additionally, the bill states that after the effective date of the tenancy, the landlord may, but is not required to, provide a tenant with the form and allow the tenant to sign the form. This means that landlords do not have to provide tenants with a copy of the form at each lease renewal.

Finally, the bill states that the form shall be current as of the date of delivery. This means that there is no obligation to provide a copy of the form to tenants each time it is updated or changed.

5.5 Rent Increase Notice (HB 1702)

This bill requires any landlord who owns more than four rental dwelling units in Virginia, or more than a 10% interest in more than four dwelling units, to provide written notice to any tenant who has the option to renew a lease or has a lease that contains an automatic renewal provision of any increase in rent during the subsequent term. This notice must be given no less than 60 days prior to the end of the rental term.

5.6 Summons for Unlawful Detainer Instructions (HB 1996)

This bill requires the Virginia Supreme Court to create plain English instructions that explain to defendants how to interpret the Summons for Unlawful Detainer.

6 Business & Employment

6.1 Virginia Consumer Protection Act (SB 988)

This bill exempts residential property sales between individuals involving the seller's private residence. Note that real estate licensees are already exempt from the Virginia Consumer Protection Act ("VCPA"). This means that if you are representing a buyer in a FSBO, the seller's actions will no longer be covered by the VCPA.

6.2 Nondisclosure Agreements/Confidentiality (HB 1895)

Employers are prohibited from including a provision in a Nondisclosure Agreement ("NDA") or confidentiality provisions of any agreement that has the purpose or effect of concealing the details relating to a claim of sexual assault or sexual harassment. Note that this only applies to employers, so this will only impact those who have W2 employees.

6.3 Social Security Numbers (SB 1040)

Employers are prohibited from using an employee's social security number, or a derivative of it, as an employee identification number. Employers are also prohibited from using an employee's social security number, or a derivative, on the employee's ID card or badge, access card or badge, or any similar card or badge issued to the employee. Again, this only applies to employers with W2 employees.

7 Miscellaneous

7.1 Housing Study ([HB 2046](#) / [SB 893](#))

These bills require that the Department of Housing and Community Development (“DHCD”) conduct a comprehensive statewide housing needs assessment survey every five years. This assessment must include a review of housing cost burden and instability, supply and demand for affordable rental housing, and supply and demand for affordable for-sale housing, as well as regional or local profiles that focus on specific housing needs of particular regions or localities.

They also require DHCD to develop a statewide housing plan based on the comprehensive survey that will include measurable goals and be updated at least every five years to reflect changes in Virginia’s housing goals.

Finally, localities with a population greater than 3,500 must submit annual reports to DHCD that summarize the adoption or amendment of any local policies, ordinances, or processes affecting the development and construction of housing during the preceding fiscal year.

Below, you’ll find resources to help you navigate the new laws starting July 1, 2023.

Standard Forms Updates

Visit our [Standard Forms Library](#) for a breakdown of the latest form updates. Pro tip: From the Library main page, find what you’re looking for easily by scrolling down to our Form Search & Filter Tool.

New Laws Webinar

We will be having a webinar all about New Laws on June 8 starting at 10am.

[SIGN UP HERE!](#)

New Laws Virtual CE

Looking for some CE? We have a Virtual CE course covering New Laws on June 15 starting at 10am.



Omissions in Contract

The Situation:

Stephen Branson was issued a real estate salesperson license and became affiliated with Virginia's Best Realty, LLC on March 22, 2017.

On March 9, 2022, Virginia's Best entered into a Listing Agreement with Seller with Mr. Branson as the listing agent.

On May 4, 2022, Mr. Branson, as Buyer, entered into a Purchase Agreement for the purchase of the subject property. Virginia's Best was both the Listing and Selling Firm, and Mr. Branson was both the Listing and Selling Agent, in addition to being the Buyer.

On May 16, 2022, settlement occurred on the subject property.

The Investigation:

A complaint was filed, and the investigation uncovered two violations against Mr. Branson. The Contract required Buyer and Seller to sign a Disclosure of Dual Agency or Dual Representation. The Contract also required Buyer and Seller to disclose whether either was a licensed real estate agent and if either was a member of either the Listing or Selling Firm.

The investigation found Mr. Branson failed to have Seller sign the Disclosure of Dual Agency or Dual Representation, and Mr. Branson failed to indicate in the Contract that he was a licensed real estate agent and a member of both the Listing and Selling Firm.

Mr. Branson indicated that although the Contract listed Virginia's Best as the Listing and Selling Firm, Mr. Branson forgot to have Seller sign the Disclosure of Dual Agency or Dual Representation. Mr. Branson also stated he did not disclose his real estate agent status and firm affiliation in the Contract because he disclosed to Seller at their initial meeting that Mr. Branson was a licensed real estate agent, and Seller signed the Listing Agreement with Virginia's Best and Mr. Branson, which made Seller aware Mr. Branson was an agent with Virginia's Best.

The Result:

The Board determined that Mr. Branson failed to include the complete terms and conditions of the real estate transaction, including but not limited to any lease, property management agreement or offer to purchase, 18 VAC 135-20-300. The Board issued a fine of \$600 per violation, totaling \$1,200. The Board also required Mr. Branson to complete six (6) classroom hours of Board-approved Post-License education pertaining to Real Estate Law.

Published June 2023





Dishonest Conduct

This case examines a scenario in which a listing agent added an addendum to a contract increasing the agent's commission by 1% without first obtaining client's permission. Agent's may not alter their compensation without their client's approval.

The Situation:

On May 5, 2015, Mary Murphy was issued a real estate salesperson license by the Virginia Real Estate Board.

On May 9, 2022, the Board received a written complaint from Amy Davidson regarding agent Mary Murphy of Victory Realty.

The Investigation:

On February 14, 2022, Sublime Housing Investments LLC ("Sublime"), as seller, entered into a standard listing agreement with Victory Realty, the listing firm, and Mary Murphy as the listing agent, to sell 1234 Tidewater Lane, Norfolk, VA. Sublime also entered into a Standard Agent Exclusive Right to Sell Brokerage Agreement to Standard Listing Agreement ("Brokerage Agreement"), with Victory Realty as listing firm, and Murphy as listing agent, for the sale of the subject property. Sublime is owned by Amy Davidson.

On March 9, 2022, James Jefferson ("Jefferson"), as buyer, and Sublime, as seller, entered into a REIN Standard Purchase Agreement ("Contract"), in the amount of \$200,000 for the purchase of the subject property.

On March 16, 2022, Victory Realty, the listing firm, through Murphy, the listing agent, and Top Notch Real Estate, as selling firm, through Steven Burman, buyer's agent, entered into a Selling Firm Brokerage Notice authorizing the settlement agent to disburse 3% of the final sales price to the selling firm upon settlement of the subject property.

The Brokerage Agreement indicates the seller will pay a total Brokerage Fee of 6% of the final sales price with 3% paid to the selling firm.

On April 11, 2022, settlement of the property occurred. The next day, Davidson, owner of Sublime, received an email from the title company which contained an amendment to the contract. The amendment increased the commission of Murphy, the listing agent, from 3% to 4%. Davidson advised that she had never seen or signed the addendum.

Davidson called Murphy. On the phone call, Murphy reportedly said that she felt the subject property was a “bad home” that required more work for Murphy. Murphy therefore felt it was appropriate to charge a higher commission. Murphy acknowledges not seeking Davidson’s consent prior to increasing her commission on the addendum.

The Results:

Murphy was charged with violating Board Regulation 18 VAC 135-20-260 which prohibits a licensee from engaging in improper, fraudulent, or dishonest conduct, including but not limited to fabricating or altering a document, as well as signing any document on a client’s behalf without client’s permission.

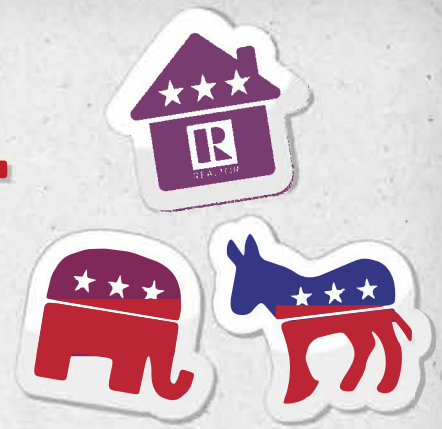
The Real Estate Board imposed a penalty of \$2,500, placed Murphy’s license on probation, and required completion of nine classroom hours of ethics education.

Published May 2023



Why do you need my money?

BECAUSE FIGHTING FOR REALTORS® AND PROPERTY RIGHTS IS A CONSTANT BATTLE!

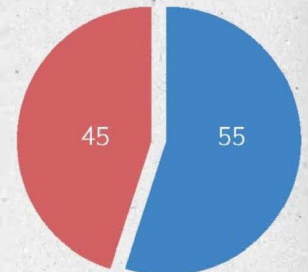


PARTISAN? NOPE.

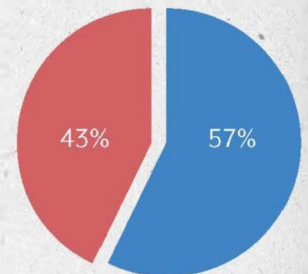
WE CARE ABOUT REALTOR® BUSINESS,
NOT PARTISAN SQUABBLING.

REPUBLICANS DEMOCRATS

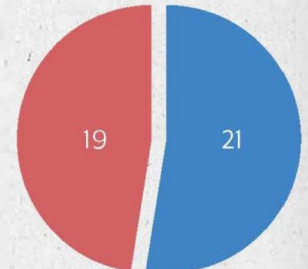
HOUSE PARTISAN BREAKDOWN



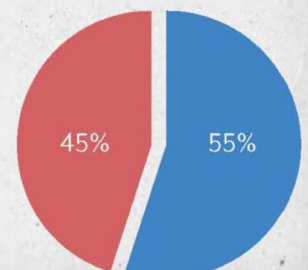
HOUSE CONTRIBUTIONS*
(NOT INCLUDING THE SPEAKER)



SENATE PARTISAN BREAKDOWN



SENATE CONTRIBUTIONS



Numbers based off 2021 approved funding.

- **Protecting Your Business**

Throughout the COVID-19 pandemic, Virginia REALTORS® has fought to keep real estate in Virginia open for business. We worked with policymakers and regulators to set up rules that protected the health and wellbeing of you and your clients while doing business.

You responded by adapting business practices to meet the challenge. All of this helped lead to a record-breaking real estate market in Virginia.

- **Protecting Housing Providers**

We worked with the government leaders of Virginia to establish and promote the Virginia Rent Relief Program, providing direct financial support to landlords whose tenants have been impacted by COVID-19.

Because of the feedback you provided, our Government Relations team aided state officials to streamline the program, making it the most effective program in the nation.

- **Protecting the Independent Contractor Status in Virginia**

With independent contractor reform legislation on the table at the federal level and in other states, Virginia REALTORS® is preemptively engaging with state legislators to protect the independent contractor status for real estate professionals in Virginia.

- **Protecting You Against Political Uncertainty**

Shifting political landscapes have become an all-too-common theme in recent years. Turnover in legislatures, hot button issues that drive political discourse, and the jet wash of the legislative process create uncertainty. Virginia REALTORS® remains a constant force in the political process, looking out for you, your clients, and your business.

Please, take my money!



[VIRGINIAREALTORS.ORG/CONTRIBUTE](https://virginiarealtors.org/contribute)

QUESTIONS? RPAC@VIRGINIAREALTORS.ORG



TEXT
REALTORS TO
30644

Contributions to Virginia REALTORS® RPAC are voluntary and are used for political purposes; they are not deductible for federal or state income tax purposes. Members may contribute more or less than the suggested amount and may refuse to contribute without reprisal. The National Association of REALTORS® or any of its state associations or local boards will not favor or disfavor any member because of the amount contributed. NAR has established state Federal RPAC Disbursement Allocations based on anticipated National RPAC needs. Thirty percent of all Major Investor contributions are sent to NAR to be applied to the Federal RPAC Disbursement Allocation and are charged against the limits under 52 U.S.C. 30116 with the remaining seventy percent maintained for state and local usage. Decisions regarding Virginia REALTORS® RPAC contributions to meet the Federal RPAC Disbursement Allocation will be made throughout the fundraising year. The contributor certifies that they are at least 18 years old and are making this contribution with their own personal funds- not those of another person or entity, nor are they a foreign national or federal contractor.



OVERCOMING OBJECTIONS TO GIVING TO RPAC

OBJECTION 1:

I am opposed to giving to Political Action Committees because I think politics is distasteful, especially with what is happening in this country now.

RESPONSE 1:

REALTOR® issues are nonpartisan; they are good for all who own or want to own property in this country. RPAC ensures that political candidates and legislators, at all levels of government, who support our issues and those of our clients receive our financial support. We want leaders who view REALTORS® as housing experts to remain in office because that allows REALTORS® to be part of the solutions.

OBJECTION 2:

Why should I give my hard-earned money to RPAC?

RESPONSE 2:

RPAC was founded by REALTORS® for REALTORS®. Only members, staff, and affiliates of the REALTOR® organization can give to RPAC. Your voluntary contribution is part of a much bigger effort. RPAC works every day to promote policies and regulations that allow your business to thrive, support you and your clients, and protect private property rights.

OBJECTION 3:

My personal views don't align with those of the candidates RPAC supports. Why would I give support to someone from another party whose positions do not align with my personal views?

RESPONSE 3:

RPAC support is neither Republican nor Democratic. The REALTOR® Political Action Committee gives financial support to all candidates who see the value in what we bring to the discussions about housing, small business, and property rights issues. The voting record and views on the issues affecting REALTORS® are the deciding factors in which candidates are supported. RPAC does not make funding solutions based on political party affiliation.

OBJECTION 4:

If I want to give a political party or person support, I can just write a check to them.
What is the value of letting others do the talking for me?

RESPONSE 4:

If one person gives financial support to a candidate for public office, whether the incumbent or a new candidate, there is a small ripple effect. If an organization such as the REALTORS® gives support, the impact can be huge. The united voice of our 35,000 Virginia REALTORS® is very powerful, but not self-serving.

OBJECTION 5:

I've never had a problem to deal with that I felt was very big or that warranted a lot of help.
Why should I give?

RESPONSE 5:

You haven't had a problem because your REALTOR® organization at the local, state, and national levels has been hard at work on your behalf. Property rights issues are complex and our VAR Government Relations team works to take the input from REALTORS® around the state and country to ensure those making the decisions are hearing the facts.

OBJECTION 6:

What do politicians know about my business?
Why should I support them?

RESPONSE 6:

Exactly! Political leaders come from all walks of life; some are farmers, lawyers, former educators, or businesspeople. For some, their only housing experience comes from the purchase and/or sale of their personal home. They need our input, and those who are willing to work with us on policies important to our industry need our support.

OBJECTION 7:

I don't have the money to give or I only work part-time as a REALTOR®.

RESPONSE 7:

Even a contribution as small as \$15 will help. Isn't your business worth 30 cents per day, or a \$99 annual contribution? The success REALTORS® and our clients can have is certainly worth that amount, don't you think? If you benefit in any way from the real estate business, you should have an interest in ensuring that individuals who pass laws believe in private property rights and the free enterprise system.

OBJECTION 8:

PACs just buy votes.

RESPONSE 8:

RPAC helps to elect candidates who share our philosophy or who will at least listen and consider the REALTOR® viewpoint. RPAC-supported candidates will not always support us on every vote, but they are likely to be favorable to our point of view.

OBJECTION 9:

I don't want to support federal candidates.
Why should I give?

RESPONSE 9:

Between 75 and 80 percent of every dollar contributed to RPAC in Virginia remains in Virginia to be used for state and local issues.

OBJECTION 10:

I don't have time to think about politics. I'm too busy.

RESPONSE 10:

That is exactly why RPAC is important to your business. Volunteer REALTORS® and paid professional staff work on behalf of all REALTORS® to build solid relationships with candidates so that you don't have to worry about politics. However, the more money you make in your business, the more you have to lose if bad legislation is passed because no one was paying attention.

Contributions to Virginia REALTORS® RPAC are voluntary and are used for political purposes; they are not deductible for federal or state income tax purposes. Members may contribute more or less than the suggested amount and may refuse to contribute without reprisal. The National Association of REALTORS® or any of its state associations or local boards will not favor or disfavor any member because of the amount contributed. NAR has established state Federal RPAC Disbursement Allocations based on anticipated National RPAC needs. Thirty percent of all Major Investor contributions are sent to NAR to be applied to the Federal RPAC Disbursement Allocation and are charged against the limits under 52 U.S.C. 30116 with the remaining seventy percent maintained for state and local usage. Decisions regarding Virginia REALTORS® RPAC contributions to meet the Federal RPAC Disbursement Allocation will be made throughout the fundraising year. The contributor certifies that they are at least 18 years old and are making this contribution with their own personal funds, not those of another person or entity, nor are they a foreign national or federal contractor.



PRIMARY ISSUES for WAAR

- Planning & Land Use
- Zoning
- Growth
- Workforce/Affordable Housing
- Economic Development
- Environment
- Energy Issues
- Elections
- Property Rights



STANDING POSITIONS

(Updated October 2018)

Below are the Virginia REALTORS® general standing positions on a variety of issues that affect your real estate practice.

LAND USE & OWNERSHIP RIGHTS

EXISTING PROPERTIES—RENTAL INSPECTION AUTHORITY, BUILDING CODE ENFORCEMENT, RETROFITTING

The Uniform Statewide Building Code (USBC), in the “Property Maintenance” provisions applicable to existing commercial and residential properties, allows a local building official to address property maintenance issues that affect public health, welfare and safety. Virginia REALTORS® opposes any expansion of the current enabling authorities for local governments to inspect rental properties, without the permission of the property owner.

Virginia REALTORS® opposes efforts on the part of local governments to use the USBC, or other programs such as Universal Design, LEED/Green Building, or Accessibility/“Visitability” to require property owners to retrofit properties in prior compliance with law and regulation.

GROWTH ISSUES

Increased population growth and demographic shifts from urban centers have prompted major discussions about poor development patterns and whether local governments have the necessary authority to effectively regulate land use and fund their public infrastructure needs.

Virginia REALTORS® opposes the expansion of local government authority by the General Assembly in land use powers. Virginia REALTORS® has consistently supported additional broad-based revenue sources for public infrastructure funding.

To that end, Virginia REALTORS® supports:

Efforts to encourage regional cooperation; and Dedicated, broad-based funding methods. Virginia REALTORS® strongly opposes additional “growth control” measures that only exacerbate current problems with sprawl and the lack of affordable housing in many regions of the Commonwealth. Examples include:

Adequate Public Facilities (APF) ordinances, which would require that supporting infrastructure be in place prior to, or concurrent with, governmental approval of a particular project; Cash proffers and impact fees Mandatory Transfer of Development Rights (TDR); and Exclusionary zoning practices such as drastic increases in minimum lots sizes or other decisions that discourage high-density development.

HOUSING OPPORTUNITY

Virginia REALTORS® believes that there should be an adequate supply of “workforce” housing in localities throughout Virginia. A broad range of housing stock is important for good economic development and a good quality of life for all Virginians.

PRIVATE PROPERTY RIGHTS

Virginia REALTORS® strongly supports a legal framework that ensures the protection of private property rights guaranteed by the United States Constitution and the Constitution of Virginia.

PROPERTY OWNERS ASSOCIATION ACT

The Property Owner’s Association Act (POA) and to a lesser extent, the Condominium Association Act, require ongoing legislative and regulatory adjustments to address issues impacting real estate transactions. Virginia REALTORS® will continue to take a leadership role as they develop. Virginia REALTORS® opposes any practice of POAs or Condo Associations that unfairly impairs sellers or their agents in the free marketability of their property interests or creates unnecessary costs and delay.

VIRGINIA RESIDENTIAL LANDLORD TENANT ACT

Virginia REALTORS® supports the Virginia Residential Landlord Tenant Act (VRLTA).

FAIR HOUSING - SEXUAL ORIENTATION and GENDER IDENTITY

Virginia REALTORS® supports including sexual orientation and gender identity as protected classes under the Virginia Fair Housing law.

GOVERNMENT

DILLON RULE

The Dillon Rule is one of the foundations of the good business climate in the Commonwealth. Virginia REALTORS® opposes any substantive departure from the Dillon Rule.

ECONOMIC DEVELOPMENT

Job creation through economic development is critical to the financial stability of Virginia’s economy. Virginia REALTORS® supports strong economic development programs to include components for workforce training and workforce housing.

ENTERPRISE ZONES

Virginia REALTORS® supports the Enterprise Zone Program.

HISTORIC PRESERVATION ORDINANCES

Virginia REALTORS® supports historic preservation as an essential part of redevelopment and revitalization of older communities. Virginia REALTORS® opposes adoption of any local historic ordinance that creates unreasonable burdens and costs for property owners.

LOCAL REGULATIONS WHICH EXCEED STATE MANDATES

Virginia REALTORS® opposes any legislation that would grant local governments authority to impose stricter regulations or standards than those established by state law.

REDEVELOPMENT and REVITALIZATION

Virginia REALTORS® believes that the redevelopment and revitalization of older residential and commercial development is critical to the overall vitality of the Commonwealth. State and local government officials should encourage redevelopment and revitalization by the use of targeted financial incentives and by elimination of obstacles to achieving this end.

REGIONAL COOPERATION

Virginia REALTORS® encourages local governments to work together in regional efforts to save costs and eliminate duplication of services. The General Assembly should continue to develop and implement incentives for local governments to work together in regional cooperative efforts to provide services to citizens at a lower cost, and to enhance the region's opportunities for future economic development.

SPECIAL EXCEPTION PERMITS/ ZONING REQUIREMENTS

Virginia REALTORS® opposes the limitation of a Special Exception permit to the current landowner and opposes any provision in such permit that would require its expiration. Virginia REALTORS® believes that Special Exceptions serve a dual purpose: not only to permit compatible uses by owners that do not impair surrounding properties but also to provide protection to those who rely on zoning to protect their enjoyment of their properties.

BROADBAND

Virginia REALTORS® supports the expansion of affordable, accessible and reliable broadband and cellular service throughout the Commonwealth of Virginia, particularly in unserved and underserved areas. Broadband access facilitates growth in property values, business opportunities, and job creation. While there is no single strategy or policy to accomplish this, Virginia REALTORS® supports continued collaboration between Federal, state, and local governments, and the private sector to achieve the goal of broadband expansion.

PROFESSIONALISM & LICENSURE

LICENSURE OF TRADES, OCCUPATIONS AND PROFESSIONS

Virginia REALTORS® will support the licensure or more stringent regulation of trades, occupations or professions when the same is shown to be necessary to protect the public health, safety or welfare; and provided such regulation is affordable and not unduly burdensome on trade and commerce.

SALES OF REAL ESTATE

Virginia REALTORS® opposes exemptions from real estate licensure for persons who sell real estate on behalf of others for compensation, regardless of title, credentialing or circumstance.

REAL ESTATE SETTLEMENT PRACTICES

Virginia REALTORS® opposes any proposal that would substantially amend CRESPA, including any proposal to require real estate licensees to advise parties to a real estate transaction that they need to engage legal counsel.

TAXATION & TRANSPORTATION

ROLL BACK TAXES/LAND USE PROGRAM

Virginia REALTORS® generally supports current law for counties utilizing the “land use” assessment program. We oppose any efforts by local governments to impose roll back taxes upon a change in the local comprehensive plan. Virginia REALTORS® supports a repeal of the current enabling authority of a local government to impose roll back assessments when there has been a zoning change, which discourages responsible zoning by landowners when they do not have a specific user for the property being rezoned. Virginia REALTORS® supports local governments having the authority to impose roll back assessments upon a change to a more intensive use.

TAXATION IN VIRGINIA

Fees and General Tax Policy:

Virginia REALTORS® supports broad-based taxation, as opposed to taxation on only a portion of the population. Virginia REALTORS® believes that absent such a tax system, pressures to increase local Real Estate taxes and other property fees will continue to fall on local governments, to the harm of property owners.

Although REALTORS® do not desire higher taxes, Virginia REALTORS® would consider increases in actual costs in the provision of necessary governmental services or expansion of mandated scope of services to be valid reasons to consider an increase in tax rates, or to broaden bases of tax collection.

Virginia REALTORS® opposes efforts at the state and local level to attach variously-named “add-on fees” to existing assessments, costs and taxes, for purposes unrelated to the collection of the fee. For example, the addition of an “add-on fee” for filing a warrant in debt to benefit emergency service providers, health care providers, educational infrastructure, etc., while for purposes many support, is nevertheless unrelated to its object.

Business, Professional and Occupational License (BPOL) Tax:

Virginia REALTORS® remains concerned over inequities in the application of the BPOL tax, limits on the real estate tax and taxes on services. Virginia REALTORS® will continue to work towards a more equitable method of application of the BPOL tax and, at the appropriate time,

will push for its repeal. However, Virginia REALTORS® opposes efforts to repeal the BPOL tax at the cost of imposing the Retail Sales and Use Tax on services, such as real estate commissions, or on sales of real property.

Real Estate Taxes:

Virginia REALTORS® opposes efforts to limit or “cap” real estate taxes, unless those caps are but one aspect of a substantial reformation of the state’s tax code.

Virginia REALTORS® believes that all classifications of real property should be taxed equally.

Virginia REALTORS® supports legislation to provide voluntary authority to local governments to exempt a percentage of assessed value of residential housing for targeted populations from taxation, provided any such exemption is designed to enhance housing affordability.

Recordation and Grantor and Transfer Taxes:

Virginia REALTORS® recognizes the need for Virginia’s localities to raise revenue to address critical infrastructure needs. Virginia REALTORS® opposes additional statewide increases in recordation, grantor and other transfer taxes for the following reasons:

Increasing recordation and grantor taxes places an additional burden on homebuyers and sellers at the time of settlement and places an unreasonable burden on real property owners;

Recordation, grantors and other transfer taxes are an unstable and unpredictable source of revenue. Because home sales are cyclical, when a downturn in the housing market occurs, revenues from recordation and transfer taxes fall, creating added pressures for a tax increase;

Any transfer tax also is a regressive tax. In general, people tend to spend a smaller share of their income on housing as their income increases; and Recordation, grantors and transfer taxes are more severe than an increase in a broad-based tax designed to generate the same amount of total revenue. The base transfer tax is very narrow relative to a more general tax, such as a local option sales tax; so fewer people pay the tax in a given year. Distributing the burden among a wider group of taxpayers reduces the tax burden per taxpayer.

However, Virginia REALTORS® acknowledges that local solutions to pressing concerns, such as transportation, may sometimes require that these taxes be considered and included as part of such locally implemented plan.

HISTORIC TAX CREDITS:

Virginia REALTORS® supports the creation of and appropriate use of tax credits, including the Historic Rehabilitation Tax Credit Program, as incentives to private investment in real estate, to broaden available housing stock, to preserve historic infrastructure, and to create jobs and increase wages and salaries.

TRANSPORTATION PROJECTS

Virginia REALTORS® recognizes the need to develop a balanced transportation system that can effectively move people and products throughout the Commonwealth while enhancing the economy and preserving a high quality of life. Virginia REALTORS® believes that our transportation system, provided by the state and in conjunction with local governments, should be funded by broad-based and reliable revenue sources.

Virginia REALTORS® believes that tolls will be a component of almost every funding package for transportation projects created in the foreseeable future. Virginia REALTORS® supports such inclusion.

Accordingly, Virginia REALTORS® supports:

A dedicated and reliable long-term funding source for transportation; A constitutional amendment that would dedicate funds to transportation construction and maintenance; The use of bonding authority to underwrite the costs associated with major transportation projects; Creative approaches to transportation construction and maintenance through increased use of the Public-Private Transportation Authority (PPTA); Creative approaches to congestion management efforts through proven practices; Road design improvements, as well as accommodations for car/vanpools; and Alternative modalities of transportation, to include light rail, higher speed and high speed rail, and feeder bus systems

ENVIRONMENT

CHESAPEAKE BAY PRESERVATION ACT

Virginia REALTORS® recognizes the Chesapeake Bay and its tributaries as treasures of Nature, and appreciates all of its many contributions to life and the economy in Virginia. The Bay is “good for business”, and a clean and productive Bay is a major “draw” for Housing, both permanent and seasonal. Virginia REALTORS® will work to maintain the balance between a healthy Chesapeake Bay and a strong, viable economy in Virginia. Virginia REALTORS® will continue to support reasonable and fair regulations that promote a balance between economic growth, the protection of private property rights and the preservation of the environment while opposing any initiatives that exceed evidence-based criteria of cost effectiveness.

PRESERVATION OF OPEN SPACE and the ENVIRONMENT

Virginia REALTORS® supports the preservation of lands as long as such preservation respects private property rights and is not achieved through a local government “taking.” Virginia REALTORS® believes lands designated for open space or other preservation should always be purchased from a willing seller who must be compensated at fair market value of the property. Virginia REALTORS® believes that those who benefit from open space – the general public—should fund its purchase. Virginia REALTORS® opposes the use of real estate fees as a dedicated funding source for open space enjoyed by the general public.

STORM WATER MANAGEMENT

Virginia REALTORS® views storm water control programs as essential to sound environmental stewardship, clean water, and healthy rivers and streams. Virginia REALTORS® believes that residential and commercial property owners must not be unfairly targeted to pay costs associated with storm water management that are not directly related to the properties in question. Further, Virginia REALTORS® opposes property-based assessments made for creation or improvement of infrastructure that does not provide a direct benefit to the property owner.

WATER RIGHTS

Virginia REALTORS® believes that a property owner's use of groundwater on real property is just one "stick" in the "bundle" of their private property rights. Virginia has always followed the common law called the "American Rule," which means that a property owner has unlimited use of the groundwater beneath their real property so long as the use is "reasonable" and the water is not exported off that real property.

Virginia REALTORS® will oppose any proposal to change the law. Virginia REALTORS® also will oppose any proposal to link water supply planning and growth management without any consideration of increasing capacity.

Flood Resources

- Refer your client to an insurance agent familiar with flood insurance.
- Official National Flood Insurance Protection Site (NFIP):
<https://www.floodsmart.gov/floodsmart>
- FEMA's Flood Map Service Center is one resource available if your client is looking for a flood map:
<https://msc.fema.gov/portal>
- NFIP information 1-800-427-4661