Virginia Legislative Update for HOAs and Condo Associations

Don Hinman, Chair
Citizen Association Services Committee (CASC)
Fairfax County Federation of Citizens Associations
Roles played on behalf of community associations

• Citizen Association Service Committee -- website, email:
  • http://www.fairfaxfederation.org/CitizenAssnServices.htm
  • FedAssociationServicesChr2012@fairfaxfederation.org

• VALAC – Virginia Legislative Action Committee of the Community Association Institute
  – Hired lobbyists; priorities set by VALAC Board
  – Board has managers, lawyers, volunteer HOA/condo board members, from each of 3 regions (I represent No. Virginia region)
http://www.caionline.org (national)
http://www.caidc.org/ (local)
Who is VALAC?

The Virginia Legislative Action Committee (VALAC) is a committee of the Community Associations Institute (CAI), a national not-for-profit educational and resource organization dedicated to fostering vibrant, competent, and harmonious community associations.

- VALAC is dedicated to monitoring and influencing legislation that affects common interest communities in Virginia.
- VALAC protects more than 500,000 homeowners residing in common interest communities in the Commonwealth.
- VALAC operates solely contributions of Virginia members of CAI and other donations.
- VALAC has become the recognized resource for providing accurate, timely, and influential input to Virginia legislators.

More About VALAC >
Legislative Alerts and Updates

Legislative Alerts: State legislation and regulation can sometimes be introduced overnight and, during a hectic legislative session, bills can move swiftly. Check out our Legislative Alerts for items requiring immediate attention and action!

Legislative Updates: Obtain general government affairs insight (updates, overviews, and trends), regulatory items affecting CAI’s Virginia members, and legislative information of note or news.

Legislative Tracking Chart: The legislation that VALAC monitors, supports, or opposes has a direct impact on community associations. VALAC primarily reviews all House Bills and Senate Bills which affect the Virginia Condominium Act, the Virginia Non-Stock Corporation Act and the Virginia Property Owners’ Association Act. View the VALAC tracking chart in the Resource Center to see what the VALAC is currently monitoring.

Legislative Alerts

Attention Community Association Residents: Community Associations Institute’s Virginia Legislative Action Committee (VALAC) needs your support to fulfill its mission and continue our success. VALAC is funded solely by Community Associations Institute (CAI) members’ advocacy support fees and additional voluntary contributions of community associations, management companies and businesses that provide products and services to community associations. The investment you have made in your home and community is one of your greatest investments, and the efforts of VALAC to protect that investment is one of the greatest benefits of CAI membership. Read more and donate today!

Legislative Updates

2011 Advocacy Highlights

This Legislative Report provides a synopsis, organized by topic, of relevant Virginia legislation proposed during the 2011 Session of the Virginia General Assembly.
Support VALAC

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What does VALAC do?

- VALAC monitors legislation and proposes changes to pending and existing legislation that affects community associations and businesses that provide services to those communities. In 2011, legislators considered almost 50 bills that would have directly affected community associations. Only nine of these bills ultimately passed and became law. As in prior sessions, members and representatives of VALAC were immersed in the process, following bills and advocating on behalf of the Virginia community association industry.
- VALAC works year round, gathering information, networking with legislators and monitoring trends in the common interest community industry. Even after the session concludes, the work of VALAC continues. Time is spent in conversation with legislators and other interest groups. VALAC lobbyists work to educate lawmakers on the issues unique to community associations and work to vet proposed legislation. Committees and work groups carry on in the interim between sessions to consider possible legislation. VALAC members follow those committees and work groups and often serve on them.
- VALAC is comprised of volunteer members from across the Commonwealth who are involved in all facets of the common interest community industry. VALAC operates with the support of a network of volunteers and compensated lobbyists. Volunteers dedicate hundreds of hours to monthly meetings, legislation review and study, position development and research as well as travel to Richmond to testify before Committees of the General Assembly. The 15 volunteer members of VALAC are representative of CAI’s diverse membership and include attorneys, accountants, managers and homeowners from throughout Virginia. Since its formation in 1990, VALAC has been successful in both presenting and actively supporting positive legislation on behalf of the community association industry. VALAC also works to oppose flawed legislation that would have been detrimental to the industry.
- VALAC hires lobbyists to meet with legislators and persuade them on the legislation that protects and enhances our community associations. As the work has grown, VALAC found it necessary to engage compensated lobbyists to support the important work in Richmond. The role of the lobbyists has increased exponentially - as the number, breadth and scope of bills has similarly increased. The lobbyists and their efforts are the key to VALAC’s effectiveness in monitoring and protecting the interests of community associations across Virginia.
- VALAC has enjoyed many triumphs in effectuating change and clarity in our common interest community laws. Examples of VALAC legislative successes in recent years:
  - Preserving restrictive covenants by negotiating the language of bills addressing solar panels and domestic.
  - Protecting individual members of a board of directors from monetary penalties.
  - Preserving association remodeling authority.
  - Providing efficient enforcement for associations by supporting the expansion of the jurisdiction of the General District Court for abatement violations.
VALAC needs donations to keep lobbying for HOAs/Condos - see link for donation form
VALAC Legislative Priorities

• HB 1256 – Mark Sickles
• Priority lien for unpaid HOA/condo assessments
  – Unpaid assessments would be prior to all other liens except real estate tax and mortgages (deed of trust)
  – Defeated in committee, will be carried over to 2013
  – Should be Federation legislative priority for 2013
VALAC Legislative Priorities

• HB 1377 – Brenda Pogge
  – Required that association provide information to lender on behalf of purchaser within 10 days
  – Tight time limit difficult to meet, particularly if self-managed
  – VALAC opposed and successfully persuaded patron to withdraw that provision
VALAC Legislative Priorities

• HB 410 – Vivian Watts
  – If association prevails in legal action for nonpayment of assessments, and owner is repeat offender, association is entitled to attorneys’ fees and other costs
  – Passed House 98 - 2
VALAC Legislative Priorities

• HB 418 – Vivian Watts
  – HOAs and Condo Associations may charge late fee of up to $50 per installment
  – Passed House 97 - 1
VALAC Legislative Priorities

• SB 472 – Mamie Locke
  – Clarifies authority of Common Interest Community Ombudsman to assist individual members of HOA or condo association
  – Focus on rights and processes available under applicable laws and regulations
  – Intended to lower expectations of what CIC Ombudsman can do for individual who has complaint against association
  – Passed Senate 40 - 0
VALAC Legislative Priorities

• SB 628 – Mark Herring
  – Limits developer contracts, lease of recreational or parking areas to two years
  – HOA or Condo board may terminate contracts, beginning 60 days after expiration of developer control
  – Some developers had locked associations into contracts for many years - burdensome
Other legislation

• HB 423 – David Bulova
  – Common Interest Community Board to develop a model declaration (covenants), publish best practices for declaration
  – VALAC took no position
VALAC Legislative Priorities

• Good progress in priorities
• Will try to pass HB 1625 in 2013 session (priority liens)
• Strong help from Northern Virginia legislators
  – Delegates Sickles, Watts, Bulova
  – Del. LeMunyon had 2 bills not get out of committee
  – Senator Herring (Sen. Barker in past years)
Citizen Association Services Committee

• Ideas for future Federation workshops, meetings on community association administration, governance?
• Concerns / issues in your association?