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SENATE BILL NO. 740

Offered January 21, 2022

A BILL to direct the Department of Housing and Community Development to establish a task force to study the adequacy of current laws addressing standards for structural integrity and for maintaining reserves to repair, replace, or restore capital components in common interest communities; report.

Patron—Surovell

Referred to Committee on General Laws and Technology

Be it enacted by the General Assembly of Virginia:

1. § 1. A. The Department of Housing and Community Development shall establish a task force to study the adequacy of current laws addressing standards for structural integrity and for maintaining reserves to repair, replace, or restore capital components in common interest communities. In conducting such study, the task force shall consider the following: (i) the development of condominiums, including initial budget reserve funding, the filing of "as built" plans and specifications with the locality and delivery of them to the unit owners' association, along with other transition documents, and increasing requirements for the issuance of certificates of occupancy; (ii) governing documents; (iii) reserve study requirements, including requirements for the frequency of such studies, the qualification of persons conducting such studies, and disclosure of such studies to purchasers and existing unit owners; (iv) budget requirements; (v) the authority of executive boards to budget for reserves, expend funds for reserve projects, make special or additional assessments, and borrow funds to pay for projects; (vi) liability of unit owners' associations and executive boards; (vii) inspections, including the authority of local governments to require inspections, funding for inspections, the scope, nature, and schedule of inspections, and qualifications of building inspectors; (viii) insurance coverage, including the scope of coverage, availability of products, adequacy or need for new or alternate products, feasibility of insurance inspections, and cost; (ix) education of executive board members and unit owners; (x) judicial remedies, including an option to petition a court to authorize an assessment or alternative funding; and (xi) unit owner association management, including manager qualifications and self-management versus professional management.

B. The task force shall be composed of (i) representatives from the Common Interest Community Board, (ii) representatives of local governments, (iii) local and state building officials, (iv) condominium unit owners, (v) developers and builders, (vi) common interest community managers, (vii) community association attorneys, (viii) reserve specialists, (ix) professional engineers, (x) auditors, (xi) representatives of financial institutions, (xii) insurance professionals, (xiii) attorneys with experience representing individuals with property or personal injury claims; and (xiv) volunteer community leaders.

C. The task force shall report its findings and recommendations, including any legislative recommendations, to the Chairmen of the House Committee on General Laws and the Senate Committee on General Laws and Technology no later than November 1, 2022.

INTRODUCED

SB740