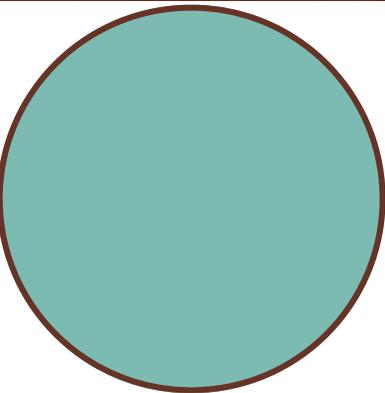
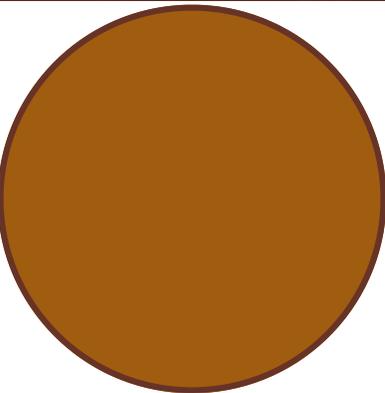
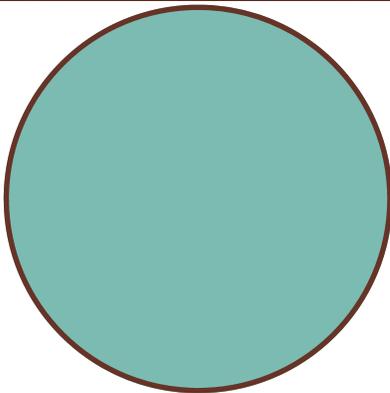


2011 Legislative Outcomes Report



1

Anti-NIMBY Initiative:

SETBACK

Senate bill 830 would make affordable housing (housing intended for occupancy by families or individuals with incomes at or below 80% of area median income) a protected class under state fair housing law, thereby protecting such housing from NIMBY discrimination at the local level. The house version of this bill failed to pass the House General Laws committee 12-7. In spite of this being a bi-partisan bill supported by the Governor, it did not pass and was re-referred to the Housing Commission.

Outcome: Referred to the Housing Commission



2

SAFE Act Revisions:

WIN

Senate Bill 786 clarifies provisions of the federal SAFE Act passed by Congress in 2008 to ensure that housing counselors who work for a HUD-approved agency and who offer default and foreclosure services to households are not covered by the SAFE Act. Patroned by Senator John Watkins (R- Powhatan) This bill passed unanimously from both chambers of the General Assembly and was signed into law by Gov. McDonnell and will become effective July 1, 2011.

Outcome: Signed into Law



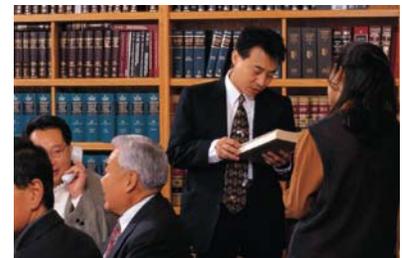
3

Preventing Foreclosure Fraud:

SETBACK

Unfortunately for Virginia homeowners with mortgages, most of the various foreclosure reform bills to protect borrowers were killed outright or “passed by indefinitely” before Crossover Day. Only one bill, Senate Bill 837 patroned by Senator Chap Petersen (D-Fairfax), survived. It passed the Senate Courts of Justice Committee 11-3 and the full Senate 23-17. SB 837 provides that any person who knowingly makes, uses, or causes to be made or used a false or fraudulent record, document, or statement in support of any foreclosure upon property under this chapter shall be liable to the injured party. This bill was killed on a party line vote in the Civil Subcommittee of House Courts. The subcommittee sent a letter to the Governor’s Foreclosure Task Force asking them to study this bill.

Outcome: Referred to the Governor’s Foreclosure Task Force



4

Attorney General & Fair Housing:

WIN

This year we were surprised by SB 1261 patroned by Senator Jill Vogel (R – Winchester) at the request of Attorney-General Ken Cuccinelli. This bill would require the Attorney General’s approval before the Fair Housing Board may make a determination of reasonable cause to believe a discriminatory housing practice has occurred and before the Fair Housing Board may issue a charge of discrimination. Currently, the Fair Housing Board in Virginia is only required to consult with the Attorney-General. This bill would have significantly limited Virginian’s protections against housing discrimination. It would also change Virginia’s fair housing law out of alignment with federal law thereby affecting the federal funding Virginia receives for Fair Housing cases. Thanks to our hard work, this bill was withdrawn by the patron, Senator Vogel, before any hearing was held.

Outcome: Withdrawn by Patron

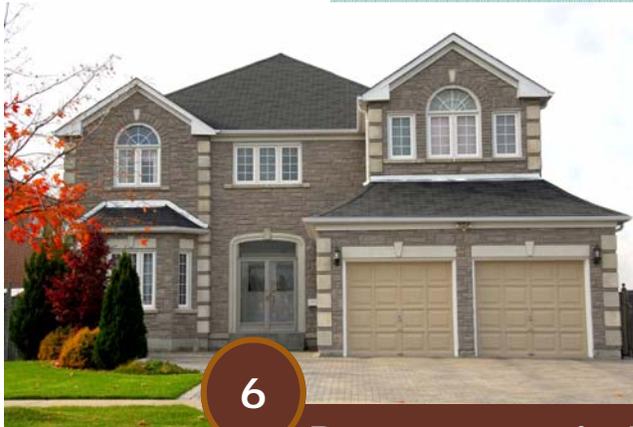
5

Foreclosure Trustee Reform:

SETBACK

SB 795 patroned by Senator Don McEachin (D – Richmond) would place more responsibilities and requirements upon foreclosure trustees to prevent improper foreclosures. Too many paying property owners in Virginia have lost their homes to faulty foreclosures. This bill was bounced around from the Senate Courts committee to the Senate Commerce and Labor committee where it was ultimately referred to the Housing Commission for further study.

Outcome: Referred to the Housing Commission



6

Due process in Property Rights:

LOSS

With so many paying property owners wrongfully losing their homes in Virginia, HOME supported shifting Virginia to a judicial foreclosure process. This would protect Virginians from being deprived of their property without due process of law. SB 798 was patroned by Senator Don McEachin (D-Richmond). However this bill was strongly opposed by the banking and mortgage industries. It was killed in the Civil Subcommittee of Senate Courts Committee on a vote of 12 – 1.

Outcome: Killed in Subcommittee



7

Protecting Virginia's Renters:

WIN

SB 829 patroned by Senator Mamie Locke (D-Hampton) would change the Virginia Landlord and Tenant Act to provide tenants renting single family homes with the same rights as tenants renting apartments or duplexes. HOME supported the Virginia Poverty Law Center on this bill. It passed both houses of the General Assembly unanimously and was signed into law by Gov. McDonnell. It will be effective July 1, 2011.

Outcome: Signed Into Law



Other Bills of Note

WIN: Protecting renters during foreclosure - SB 1220 Patron by Sen. George Barker (D – Prince William, Fairfax) provides a tenant with the right to cancel a lease agreement if the landlord fails to give him the required notice when the property has gone into default/foreclosure. This bill passed both the House and the Senate unanimously and was signed into law by Gov. McDonnell effective July 1, 2011



WIN: Promoting smart growth and reducing sprawl - SB 783 Patron by Sen. John Watkins (R-Powhatan) – this bill is in regards to zoning and clustering and was submitted in response to Prince George’s County. The bill basically says that a cluster development is otherwise subject to applicable land use ordinances of the locality but the locality can’t impose more stringent land use requirements for such clustering. This bill passed the Senate 38-2 and the House 70-28. It was slightly amended and is was signed into law by Gov. McDonnell, effective July 1, 2011. (House Companion is HB 1931 by Del. Danny Marshall)



WIN: Allows trusts to use tax credits to improve economically deprived areas - HB 2231 patron by Del. Rich Anderson (R-Woodbridge) – this bill makes Trusts eligible to receive the neighborhood assistance tax credit. This bill passed both houses of the General Assembly unanimously and is was signed into law by Gov. McDonnell, effective July 1, 2011.

Other Bills of Note

UNCLEAR: Notarization is used in the home sale and foreclosure process - SB 827 patron by Sen. John Edwards (D-Roanoke) – allows for electronic notarization in Virginia by creating a new class of ‘E-Notary’. Allows satisfactory evidence to be based on video or audio conference technology that permits the notary to communicate with and identify the principal at the time of the notarial act. Passed the House 85-14 and the Senate 34-6. It was slightly amended by Gov. McDonnell. (House companion was HB 2318 patron by Del. Kathy Byron).



Makes it difficult for localities and non-profits to partner in economic development of blighted areas - HJ 693 Patron by Del. Johnny Joannou (D-Portsmouth) – this is the eminent domain constitutional amendment that places more restrictions on government’s abilities to use eminent domain. **It passed the House 83-15 and the Senate 35-5.** Because it is a constitutional amendment, it must pass again at the next General Assembly session before it can take effect. The relevant text is below:

“Just compensation shall be no less than the value of the property taken, lost profits and lost access, and damages to the residue caused by the taking... In all other cases, a taking or damaging of private property is not for public use if the primary use is for private gain, private benefit, private enterprise, increasing jobs, increasing tax revenue, or economic development, except for the elimination of a public nuisance existing on the property.”

WIN: Urban development areas are important smart growth tools - HB 1721 patron by Del. Bob Marshall (R-Manassas) - Makes UDA’s optional. Any locality that has created an Urban Development Area (UDA) may, upon voter petition, reconsider. Also, when a locality votes to adopt a comprehensive plan, it shall also vote to readopt all of its zoning ordinances. **This bill passed the House 61-38 and then was killed in the Senate Local Government Committee 8-7.**



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