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January 17, 2025

The Honorable Travis Hackworth
Virginia State Senate
Richmond, VA

Dear Senator Hackworth,

Your introduction of Senate Bill 1270 demonstrates a commendable commitment to enhancing the integrity and transparency of Virginia's land records system. By mandating localities to establish property alert notification systems and requiring real estate settlement agents to exercise due diligence in verifying seller identities, you are proactively addressing potential fraud and ensuring property owners are promptly informed of any changes affecting their assets.

In alignment with the objectives of SB1270, we propose an amendment to further modernize property governance by facilitating the amendment process for Homeowner Associations (HOAs). Currently, many of Virginia's older HOAs face significant challenges when attempting to update their Covenants, Conditions, and Restrictions (CCRs). The existing requirement for physical, notarized signatures from a substantial percentage of homeowners (often 60-75%) imposes considerable administrative and financial burdens, sometimes exceeding \$40,000 per amendment process. This cumbersome procedure not only delays essential updates but also hinders communities from adapting to modern safety standards, technological advancements, and regulatory changes.

Virginia's Notary Act (Virginia Code § 47.1-1 et seq.) already permits electronic notarization; however, this provision is not currently integrated into the amendment processes for HOA documents within the Virginia Property Owners' Association Act (POA). By amending SB1270 to allow electronic signatures and authorize electronic voting for CCR amendments, we can alleviate the burdens faced by HOAs, enabling them to operate more efficiently and cost-effectively. This modernization would not only reduce expenses and administrative hurdles but also increase homeowner participation through virtual meetings and digital consent processes.

Other states have successfully implemented similar measures. For instance, California's Davis-Stirling Act permits electronic voting on amendments to governing documents, resulting in reduced time and effort required for HOAs to achieve quorum and secure member approval. Such reforms have lowered costs, improved participation rates, and allowed associations to respond more swiftly to evolving community needs.

Incorporating this amendment into SB1270 aligns seamlessly with your bill's intent to enhance property-related processes in Virginia. It extends the spirit of transparency and efficiency from land records to community governance, ensuring that our neighborhoods can adapt to the demands of the 21st century without being encumbered by outdated procedural requirements. We believe this

addition will further strengthen the legislative framework you have championed and provide tangible benefits to countless communities across the Commonwealth.

Sincerely,



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